

“A BANK IS A PLACE THAT WILL LEND YOU MONEY  
IF YOU CAN PROVE THAT YOU DON'T NEED IT”

*BOB HOPE 1903-2003*

*IT'S DAYLIGHT ROBBERY*

The law is clear

Any charges banks charge you **must** be proportional to the  
actual costs they incur

“IF YOU LOAN MONEY FROM A BANK BUT NEED IT,  
THEY CHARGE YOU EXCESSIVELY”

## **THE LAW**

Does it really cost £35.00 to send an automated letter when someone's gone 1p over their limit?

Does it cost the bank £25.00 - £38.00 to tell you that they've bounced a D/D?

### **What the law says.**

The core rule in English & Welsh law is if there's a breach of contract, any charges should **not** exceed the cost of the breach. In other words, lenders can only levy a proportional charge.

Yet when you go beyond your credit/overdraft limit, pay late or have a payment bounce, your lender charges a penalty of £25.00 to £38.00 a time. Is a charge of this scale really proportionate? Remember it could be a charge for going a few pence over the limit.

Importantly, the lender is actually fining your customers for going over the limit, and this fine is too high, hence under the law of penalties this is "extravagant". After all, it simply sends an automated letter with a franked stamp. In April 2006 the Office of Fair Trading put in place a £12 maximum fee for such occurrences on credit card charges. There are no such parameters on banks as of yet.

When you look at all this together, lenders charges are unlawful, and that means the lender did not have a right to take your customers money. Yet it did, automatically, thus they are entitled to get their cash back.

### **Its part of their Terms & Conditions**

Of course they are, yet that's irrelevant; a contract must be written within the law, and they can't enforce a contract with illegal terms. Ultimately if it isn't proportionate then it's unlawful, and thus they have a right to their money back.

**If someone told you they were going to pick your pocket before doing so; it doesn't make it legal.**

**The same is true with credit card / bank charges.**

### **What the courts say?**

Not a lot as these cases are yet to be heard by a High Court. Whereas the official view of the Office of Fair Trading is that these charges are unlawful, the British Banking Association, unsurprisingly, thinks lender charges are lawful. Until a High Court decides and sets a precedent, both are still opinion.

A test case is ready to go to High Court in January 2008, which hopefully will see banks having similar parameters put in place as credit card companies.

Yet don't let that worry you. Lenders do not want to go to court and that means they're settling left, right and centre. There are TWO likely reasons for this:

**Lenders don't want a precedent.**

If the High Court ruled credit card/ bank charges are illegal, the floodgates will open to millions overnight. Possibly there'd even be a simple "reclaim process" established. The risk of this happening therefore means even though the total lenders' settlement is currently in the millions, it's better than billions.

**They don't want to reveal their costs.**

Credit card companies & banks are massive international companies for whom UK lending is just one element of their business. For a court to fully decide on whether the cost is proportionate, it'd need to order the lenders to reveal their full internal cost structure. This could put a lender at a major competitive disadvantage, hence the reluctance to do it.

**Lots of charges in one go.**

If you were to go shopping but did not realise you were over your limit, then every time you pay for something you are charged individually, regardless of the item price.

**Then the charges snowball.**

Imagine you go over your credit limit once and are then charged fines for bounced cheques or Direct Debits. Say this sum was £100; this leaves you £100 down for the next month, if you can't afford to repay the sum, it leads to more fines the following month, and so it continues to snowball. This tragic scenario can put people thousands of pounds in debt for one simple mistake.

**It is for these simple reasons why bank & credit card charges are deemed to be unlawful.**

**What are the parameters?**

1. Customers have to have bank charges like overdrawn fees, bounced cheque fees or returned Direct Debit fees.

*(They **can not** claim back interest the bank has charged them or amounts for dealing with transactions whilst overdrawn.)*

2. Customers have to be over 18 years old.
3. Can only claim for the last SIX YEARS. (Five in Scotland)
4. Have to be banking and living in England, Scotland or Wales.

*(Ireland & Northern Ireland, Channel Isles & Isle of Man are exempt as they have different laws)*

## Ways to re-claim charges

**There are three ways of re-claiming charges.**

- 1. Through COMPANY**
- 2. DIY**
- 3. Internet based company**

### Benefits of reclaiming with COMPANY

Single one off fee of £49.99 (not a % of their reward)

No minimum or maximum amounts that can be reclaimed (£1000 is the minimum on web)

Full backing of legal & finance experts

Money back guarantee

100% success rate to date

Proven track record (12 months experience)

Over £500,000 reclaimed by OUR customers so far that's half a million

Simple process to follow

### Disadvantages of going alone

6 out of 10 people who try fail to get past the second hurdle

Banks always offer lower settlement figures

Over 30% get things wrong first time and have to restart the process

No legal or finance assistance, would cost a lot more to get own solicitor.

### Disadvantages of going on the web

15-25% charged on the amount awarded that would be £150-250 per £1000 re-claimed

Minimum of £1000 in charges before they will take them on (fee £150-250)

Forms a triangle as paperwork is sent from the bank to customer who forwards to Web Company who replies to bank. Takes 25% longer to get your money.

Most of these companies have no legal or financial assistance, or a phone number even to contact.

## What does the customer receive?

Personalised letters aimed at their bank known to maximise responses.

Legal documentation and a guide on how to complete them.

Step by step guide on how to claim, which explains what the customer should do, what to expect in response and what to do next. All colour co-ordinated for ease of use.

Full support throughout the process, we will even do it for them if they really can't follow the guide.

## Court Case

This whole process has at last been brought in front of the British High Court for its ruling. It's a test case, which is only going to show whether the Banks have a right to charge these extortionate amounts and a possible ruling as to what might be considered reasonable (this last bit is not quite clear). It is **NOT** a ruling as to whether these charges are legal as many people think.

Part of this test case has been heavily publicised in the press and continues to date, that the largest banks requested and received a pardon on how to deal with cases during the Test case.

It is quite commonly thought that banks do not have to do anything about these cases until the case is finalised. This in reality is not so, all the pardon states is that banks do not have to deal with these cases under their normal timescales for dealing with complaints. Unfortunately this will mean that claims will be delayed.

Now why should someone still try to recover his or her charges during this period? Well by putting in a claim now, they will be at the top of the pile when the court case ends, which means they will receive their money faster than waiting until the case ends, and the floodgates open for new claimants, as the banks have been told to ensure that cases already in their complaints departments WILL be dealt with first.

### DO'S & DON'TS

Do give out examples wherever possible

Don't forget to emphasise that it is an example

Do try to explain the whole system to the customer

Don't give the impression that you work for or on behalf of a bank

Do offer peace of mind by giving out our contact details to verify us

Don't imply that we are associated in anyway to any government bodies.

Do explain that we only charge £49.99 a single payment.

Don't go on and say that they can pay after they have received their money back.

## SCRIPT

Phrases in bold are qualifying questions

*italic phrases to help you*

Hi my name is ..... Calling from .....on behalf of COMPANY How are you OK?

The reason for my call is to see if you are one of the 21million people in the UK who have been overcharged by their banks for going overdrawn.

Now we've all probably done it at some time or other, and yes your bank is right in notifying you of the mistake, lets be fair it's easy to forget that a direct debit is due to go out, or the cheque you wrote to Aunty Flo took 2 months before she cashed it.

**And usually you don't know about it until your card is declined by the hole in the wall YES?**

*(give examples of how you would feel or someone you know)*

And it's only right that the bank charge for your error. But your bank has probably overcharged you, *(give examples)* and it's only right that you ask for your money back YES?

So how many times in the last year have you been charged £30 by your bank half a dozen times maybe more, *less. (Make a quick calculation  $6 \times 30 = 180 \times 6\text{years} = \text{over } \pounds 1000$ )* **did all that money come from your cheque account?** *(Sympathise) that's a lot of money etc*

You may have seen adverts on TV telling you that you can do this yourself, which is true you can. But for every 10 people who try 6 fail that's 60% failing for various reasons usually because they don't know how to respond to letters sent by the banks.

Now COMPANY have a unique proven system in helping people like you reclaim the banks oversight. Our subscription cost is just £49.99 and we won't ask for anymore. We offer professional help to guide you through the process; after all, the bank isn't going to just hand over money to you. You'll have to prove to them that they have made a mistake.

Our exclusive team of experts will work with you, offering advice and information as and when you need it. And yes if need be, we will even help you through court proceedings if necessary.

You will be supplied with letters professionally written to your bank, a prepared guide to help you understand the process, a booklet about the Law and the forms necessary for your case. Plus of course **your unique contact password** for our team of experts. All that for just £49.99.

Now your password will be your initials followed by the year you were born.

*When asking for card details refer back to hole in the wall*

*When asking for account number explain it's their reference with the bank*

## VERIFICATION SCRIPT

Hi, My name is \_\_\_\_\_. I am calling from the verification Department of ..... in conjunction with COMPANY. I must now inform you that this call is being recorded for quality and monitoring purposes under the Data Protection Act of the UK  
This is just a quick verification call to ensure you understand what you will be receiving and that you have agreed to a one off payment of £49.99 for the service. Is that ok YES!

**YES/NO**

Ok that's great

We will be sending you a package, which will contain:

- Customized letters professionally written and known to have maximum effect on the bank.
- A colour co-ordinated step-by-step guide.
- 3 Legal Documents from the county court & Data Protection Office.

You have shared your card details with us, and we will be taking out the payment of £49.99 through this card. The entire process from the start of the claim to settlement takes a MINIMUM of 10 to 14 weeks; this will depend on you and your bank.

Have you understood everything I have said to you YES/ NO

Ok that's great can I confirm your details please.....

**Under the Distance Selling Regulations you have a cooling off period of 14 days so if you change your mind you can write to cancel however we ask you to return the pack back by recorded delivery it will cost you about £1.20 if you don't we reserve the right to collect the pack at your cost. But remember the amount you are reclaiming is a lot more than that yes?**

**If you have any queries please call COMPANY and they will help you.**