

# Token Payment Plan Agreement

## Introduction

Following a review of your financial circumstances which led to our recommendation of a token payment plan (TPP), this Agreement sets out what we'll do whilst you're on your plan and what you need to do.

Throughout this Agreement any references to "I" or "my" or "me" means you or, if the token payment plan is in joint names, you and the other named person. Any references to "StepChange Debt Charity", "they", "them" or "their" refer to Foundation for Credit Counselling operating as StepChange Debt Charity.

## The Agreement

Client name (1):.....

Client name (2) if applicable:.....

My client reference number:.....

### 1. The obligations of StepChange Debt Charity (the "Services")

StepChange Debt Charity:

- 1.1 will provide ongoing debt advice to me relating to my financial situation;
- 1.2 will arrange and administer with my creditors a token payment plan, helping me to manage my debts and pay my debts off at an affordable rate for the period set out in clause 3.1;
- 1.3 will not charge me any fees for the Services they provide;
- 1.4 will send money that I pay to them to my creditors listed in my token payment plan;
- 1.5 will normally make payments to the creditors listed in my token payment plan within five business days of receiving cleared funds from me. I am aware that there may be occasions where they will be unable to do this for reasons including the following:
  - (a) if I ask them to withhold payment to one or more of my creditors for any reason;
  - (b) if I am in the process of setting up a new bank account;
  - (c) if they become aware of any of the following:
    - incorrect or missing creditor details or references;
    - that my creditor is no longer dealing with my debt;
    - that the debt or balance of the debt is in dispute;
    - that my creditor has ceased trading or has entered into administration; or
    - that my creditor has rejected the token payment plan proposal and/or returns any funds previously sent to them;
  - (d) if they suspect fraudulent activity;
  - (e) if they are unable to allocate my payment to my token payment plan because I have not provided my client reference number, or I have provided an incorrect reference number with the payment;

- (f) if, for any reason, the amount I pay is different from the amount set out in my token payment plan; or
- (g) if the money is for the purposes of a full or partial settlement of my debt(s);

In some instances, if they are unable to make payments to any of my creditors within 42 days for any of the reasons set out above, and where they believe it is in my best interests to do so, they may remove the creditor(s) who the payment has been allocated to from my token payment plan and disburse the money amongst my other creditors unless I request that the money is returned to me;

- 1.6 will keep the money that I send to them in a client bank account separate from their own money and which does not bear interest; and
- 1.7 will complete a review of my personal and financial circumstances when I request one or once my expected change has happened, and no later than 12 months after the start of my token payment plan, and will communicate the outcome of this to my creditors. This may result in a change in the amount I pay to them and my creditors, or a change to the advice they provide to me.

## 2. My obligations

I agree:

- 2.1 to provide them with accurate, truthful and complete information about my financial situation at all times including as part of a plan review;
- 2.2 to contact StepChange Debt Charity for further advice no later than one month after my expected change in circumstances;
- 2.3 to pay them the agreed amount each month from the date which they tell me in writing;
- 2.4 to quote my client reference number with my payment;
- 2.5 not to borrow more money or enter into a new credit agreement without discussing it with them;
- 2.6 to tell them in advance by telephone, email or by letter if I cannot make a payment;
- 2.7 to tell them as soon as possible by telephone, email or by letter if:
  - (a) I find it difficult to keep to my budget;
  - (b) I cannot keep up with my priority payments, including any arrears on these payments;
  - (c) my income or spending changes;
  - (d) I change my address, e-mail address or phone number;
  - (e) I receive a court document; or
  - (f) any of my debts are transferred to a different creditor or need to be updated in any way;
- 2.8 that I remain responsible for my debts;
- 2.9 that my creditors may continue collection activity including defaulting my accounts, charging interest or other fees, or taking legal action against me. StepChange Debt Charity will try to, but cannot, prevent this happening;
- 2.10 that if I miss or reduce any of my payments to them, my creditors may cancel my token payment plan and continue with collection/enforcement action against me for the repayment of my debts and additional interest and charges may be applied to my accounts;

- 2.11 that if they are unable to make payments to my creditors within five business days of receiving cleared funds from me for the reasons set out under clause 1.5, then my creditors may cancel my token payment plan and continue with collection/enforcement action against me for the repayment of my debts including adding further interest and charges;
- 2.12 that if I ignore correspondence or requests for information from them or any of my creditors, my creditors may cancel my token payment plan and continue with collection/enforcement action against me for the repayment of my debts including adding further interest and charges; and

### 3. Termination and cancellation

- 3.1 It is intended that this Agreement will continue for a period of 12 months but it can be extended at their sole discretion or cancelled as set out below.
- 3.2 I can cancel this Agreement at any time with immediate effect by telephone, email or letter.
- 3.3 They can cancel this Agreement with immediate effect by telephone, email or letter if:
  - (a) I do not make the agreed payments;
  - (b) I do not complete a review of my token payment plan when requested;
  - (c) following a plan review, they determine that a token payment plan is no longer a suitable debt solution for me; or
  - (d) they are required to do so for legal or regulatory reasons.
- 3.4 If this Agreement is cancelled they will repay any money not yet paid to my creditors to me within five business days of cancellation unless they are prevented from doing so for legal or regulatory reasons.
- 3.5 If I still owe money to my creditors when this Agreement is cancelled, my obligation to pay my creditors continues and my creditors may take further collection activity against me (including legal action) for non-payment of those debts.
- 3.6 There is no cancellation fee payable if this Agreement is cancelled.
- 3.7 In the event that this Agreement is cancelled, it is my responsibility to cancel the direct debits and standing orders payable to StepChange Debt Charity.

### 4. Data Protection consent for StepChange Debt Charity and my creditors

By signing this Agreement:

- 4.1 I agree that StepChange Debt Charity and my creditors (and any debt recovery agency on my creditor's behalf) can process personal data about me (including my name, address, email address, telephone number, bank account details and details of my finances and debts) and share it with others, for as long as they and my creditors (and any debt recovery agency on my creditor's behalf) may need to do so in line with data protection law and this Agreement;
- 4.2 I agree that my personal data may be processed by them and my creditors (and any debt recovery agency on my creditor's behalf) in connection with any debt advice provided to me, and/or for them to arrange a token payment plan with my creditors (and any debt recovery agency on my creditor's behalf). I agree that in arranging a token payment plan, the Services will involve an automated decision making process;
- 4.3 I understand that my personal details will also be used by StepChange Debt Charity to create and maintain their records, to manage and administer their business and to improve the Services;
- 4.4 I understand that my personal data is confidential and will only be disclosed by them and my creditors (and any debt recovery agency on my creditor's behalf) to:

- (a) those who they and my creditors (and any debt recovery agency on my creditor's behalf) believe necessary to agree a token payment plan in respect of me;
- (b) any of its subsidiaries and other group companies which, for StepChange Debt Charity, includes StepChange Voluntary Arrangements and StepChange Financial Solutions who might provide other financial solutions to me;
- (c) other organisations, including credit reference agencies, regulatory bodies and trade associations, in connection with the Services, for the purposes of:
  - verifying my identity;
  - obtaining an accurate picture of my debts;
  - undertaking audits and quality management;
  - processing payments;
  - compiling statistics;
  - undertaking research;
  - attempting to trace me if I cannot be contacted in relation to this Agreement; and
  - implementing this Agreement;

and, where my personal data is disclosed to any of these other organisations, it may be held for as long as may be required for the purposes listed above, including to perform regular checks to enable them and my creditors (and any debt recovery agency on my creditor's behalf) to fulfil legal or regulatory obligations;

- (d) financial crime prevention agencies to investigate or prevent financial crime, including fraud;
- (e) such other persons required by law (such as the Financial Conduct Authority); or
- (f) any other person, but only with my express written consent;

- 4.5 I understand that all telephone calls will be recorded and may be monitored for quality, training or audit and regulatory purposes, and to ensure that they and my creditors (and any debt recovery agency on my creditor's behalf) provide me with accurate information in relation to my financial situation;
- 4.6 I understand that if I ask, they and my creditors (and any debt recovery agency on my creditor's behalf) will tell me what information is held about me and provide me with a copy in line with data protection law. I will let the relevant organisation know if I think that any information held about me is inaccurate or if my details change, so that the organisation may correct it and update its records; and
- 4.7 I understand that I am entitled, under my Data Protection rights, to:
- (a) object, or withdraw my consent, to all or any processing of my personal data by StepChange Debt Charity and my creditors (and any debt recovery agency on my creditor's behalf); and/or
  - (b) request that my personal data be erased by them and my creditors (and any debt recovery agency on my creditor's behalf)

at any time, by providing not less than five working days' notice to StepChange Debt Charity or my creditor (or any debt recovery agency on my creditor's behalf). In the case of StepChange Debt Charity, this should be sent to StepChange Debt Charity's Data Protection Officer at Wade House, Merrion Centre, Leeds, LS2 8NG or [DPO@stepchange.org.uk](mailto:DPO@stepchange.org.uk).

I acknowledge that if I give such notice, StepChange Debt Charity may be unable to provide the Services, in which case they shall be entitled to terminate/cancel this Agreement. If I have any further queries or complaints regarding the processing of my personal data referred to in this Agreement or my data protection rights generally, I may contact the relevant organisation's Data Protection Officer (details for StepChange Debt Charity above) or the Information Commissioner's Office.

## 5. Authority for StepChange Debt Charity and my creditors to act

By signing this Agreement:

- 5.1 I authorise StepChange Debt Charity and my creditors (and any debt recovery agency on my creditor's behalf) to process my personal data by discussing and sharing any and all aspects of my financial situation with those who they and my creditors (and any debt recovery agency on my creditor's behalf) believe necessary in order to assist me in resolving my financial problems; and
- 5.2 I agree that, if StepChange Debt Charity becomes aware of a debt which is not within my personal action plan, they may add the repayment of the debt to my token payment plan.

## 6. Amendment to Agreement

- 6.1 I understand that StepChange Debt Charity may have to change this Agreement. If they do so they will send notice to me and/or provide access to the changes. Before StepChange Debt Charity makes such changes they will give me seven days' notice. If I do not accept the proposed changes then I can cancel this Agreement under clause 3.

## 7. Unhappy with the service

- 7.1 If I am unhappy with the service I can make a complaint by emailing [customerrelations@stepchange.org](mailto:customerrelations@stepchange.org) or by writing to Client Complaints Manager, StepChange Debt Charity, Wade House, Merrion Centre, Leeds, LS2 8NG.
- 7.2 If I am not satisfied with the outcome of the complaint process I understand that I may complain to the Financial Ombudsman Service. For more information I can visit the Financial Ombudsman Service website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

Client reference number .....

Client name (1):..... Client name (2) if applicable:.....

Client signature:..... Client signature:.....

Date:..... Date:.....

Foundation for Credit Counselling, Wade House, Merrion Centre, Leeds LS2 8NG trading as StepChange Debt Charity and StepChange Debt Charity Scotland. A registered charity no.1016630 and SC046263. It is a limited company registered in England and Wales (company no. 2757055).  
Authorised and regulated by the Financial Conduct Authority