

RESTRICTED COMMERCIAL

REQUIREMENTS IMPOSED BY THE OFFICE OF FAIR TRADING ("the OFT") PURSUANT TO SECTION 33A AND 33D(4) OF THE CONSUMER CREDIT ACT 1974 ("the Act")

REQUIREMENTS PROPOSED BY AND RELATING TO:

Tower Capital Limited (company registration number 3065199) which holds licence number 396212 ("TCL") and whose registered office address is at 15-16 Quay Street, Newport, Isle of Wight PO30 5BG.

For the purposes of these requirements:

- (1) **"payday lending"** means the provision of small sum cash loans marketed on a short term basis, not secured against collateral, including loans repayable on the consumers next payday or at the end of the month and specifically excluding home credit loan agreements, credit cards, credit unions and overdraft, and **"payday loan"** shall be construed accordingly¹.
- (2) **"existing loan"** means any consumer credit regulated loan in respect of which Tower Capital Limited is the creditor of which any part of the amount due remains outstanding as at the date of these requirements.

THE OFT REQUIRES THAT:

- 1 Further to TCL's notification to the OFT on 13 September 2013 that it ceased offering payday loans, TCL will continue not to offer such loans.
- 2 For the remainder of the period for which TCL holds a consumer credit licence or authorisation of any kind from the FCA, it:
 - a. Will undertake licensable activities only for the purposes of administering and collecting its existing loans;
 - b. Will not make any new regulated loans or grant any further rollovers² or extensions on any existing loans;
 - c. Will not enforce any interest held in any property, such interest to include but not be limited to a charging order, by any means to

¹ For the avoidance of doubt, this definition is intended to cover that lending, which on the 13 September 2013 TCL advised it was no longer engaged in.

² For the avoidance of doubt rollover and or extension refers to any refinancing, renegotiating or rolling over of loans or parts thereof (whether or not this includes charges, fees and interest or not).

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include written demands, possession proceedings or seeking an Order for Sale or any similar mechanism save that TCL is not precluded from accepting monies paid following the voluntary sale of such property by the equitable and/or legal owner(s); and

- 3 Where an agreement is made with a customer for repayment using a debit card, TCL:
- a. Will only make one attempt to take monies from that debit card on the agreed date and for the agreed amount;
 - b. Will not make any further attempts to obtain payment from the debit card, nor for a smaller amount until the customer has been contacted and agreed in writing to its further use;
 - c. Will confirm the payment method with the customer via email or letter, prior to any payment falling due, with all new arrangements agreed with consumers after the date of these requirements;
 - d. Will not make any further attempts to obtain payment from the debit card on receipt of oral or written notification by the cardholder that they do not consent, or wish to cancel or revoke any previously given consent, to payment being taken by their debit card.

ANY FAILURE TO COMPLY WITH THE ABOVE REQUIREMENTS WILL RENDER TOWER CAPITAL LIMITED LIABLE TO FURTHER FORMAL ACTION BY THE OFT. THIS COULD INCLUDE THE IMPOSITION OF FINANCIAL PENALTIES PURSUANT TO SECTION 39A OF THE ACT AND/OR THE REVOCATION OF TOWER CAPITAL LIMITED'S CONSUMER CREDIT LICENCE PURSUANT TO SECTION 32 OF THE ACT.

Authorised signatory on behalf of OFT: *J David FISHER*

Name / position: *DAVID FISHER, SENIOR DIRECTOR CONSUMER CREDIT*

Date: *13 February 2014*