

Fees Explained

Money Village Ltd policy is to be totally transparent in its fees and charges.

An **'Initial Instruction Fee'** of €495 is payable to cover the costs of setting up the plan. It is possible to spread the cost over three months depending on your disposable income.

Where payment is spread over a number of months, it will result in lower repayments being made to your creditors for that period.

There is a **'Monthly Management Fee'** to cover the cost of administering payments to creditors, providing a dedicated Personal Advisor, and dealing with subsequent queries from creditors. This fee is €35 if you have between 1 and 3 debts, €40 for 4 or 5 debts and €50 if you have 5 or more debts.

Negotiated Full and Final Settlements

A full and final settlement is an offer to creditor negotiated by us to make a lump sum payment and in return your

creditor write off the balance owing after the payment.

In the event that you can arrange for a full and final settlement, we will negotiate with your creditors. Our fee for this service is 10% of the amount your creditors agree to write off.

Important Things to Know

Cooling Off Period

You will have an initial cooling off period of 14 days from the date you sign your plan contract, during which you can change your mind and receive a full refund of any monies paid to us. If you wish to cancel your plan at any time after this, then an assessment of the work we have undertaken against the fee payments received will be carried out. You will be notified of the outcome of this assessment with any fees due refunded to you within 14 days.

Your Credit Record

If you have maintained all of your monthly debt repayments (for example the minimum payments due on your credit cards and loans) in full before entering a plan, your credit record is very likely to be adversely affected by entering the plan. This is because under the plan, you will not be paying the full monthly debt repayments, and this information is shared with credit record

agencies, who keep this information for at least 6 years.

If you are in arrears in loan repayments or experiencing problems with credit card debt then chances are your credit record has been adversely affected.

Companies look at an individual's credit record to assess whether potential customers are 'good risks'. If companies do not believe you are a 'good risk' they may decline to grant you credit. Money Village Ltd cannot guarantee that your credit record will not be adversely affected.

While making reduced payments to your creditors it is likely that loan arrears may continue to be recorded.

Priority Debts

Your LifePlan plan does not include your 'priority debts'. Payments such as your mortgage, utility bills and tax should be paid by you – they will not be paid as part of this plan.

Payments

Where customers choose not to pay their Instruction Fees up front, we allow fees to be paid in up to three equal instalments. During this period, reduced payments are made to creditors. As a result of making reduced payments, it is possible that an account can go further into arrears, as creditors are not obliged to accept them.

Where creditors decline to freeze charges and interest during this period, or indeed during the plan, one consequence is that the amount owed may actually increase and therefore the length of time required to repay your debts may increase.

All companies that offer debt counselling should tell you this, and no-one should guarantee to you that this is not the case.

Creditor Activity

Once our customers have been in a plan for a few weeks, most experience a reduction in the number of phone calls and letters from creditors. In fact reducing creditor 'hassle' is one of the key benefits of being a customer. Generally creditors are happy to accept payments made by you through your plan and discontinue debt collection activity. However we cannot guarantee this will happen.

Whilst in your plan, you should never ignore letters from your creditors. Your personal advisor will always be on hand to advise you if you do not understand why you have received a letter from your creditor. Money Village Ltd - like every organisation offering debt counselling - cannot guarantee that collection actions, including default notices and litigation, can be avoided; and that default notices may incur costs that will be added to a customer's debt.