

SCOTT & MEARS CREDIT SERVICES LIMITED (IN ADMINISTRATION) (the “Firm” or “Scott & Mears”)

04 September 2025

FREQUENTLY ASKED QUESTIONS (FAQs)

Important Notice

The Firm entered Administration on 02 September 2025. Administrators from specialist insolvency practice Begbies Traynor have been appointed to manage the Firm’s affairs, business and property.

These FAQs have been prepared with the current information available to the Administrators. The Administrators will continue to update these FAQs as and when required.

This document does not constitute legal, tax, financial or other professional advice. Investors should take advice from their own professional advisers before taking any action in connection with their investments.

Administrators’ contact information

The Administrators will provide updates via a dedicated website and further information should be sought in the first instance from <http://www.begbies-traynorgroup.com/scottandmears>

Should you wish to contact the Administrators directly please email scottandmears@btguk.com or telephone 0113 209 1040.

Being alert to scams

We encourage you to be vigilant and to exercise caution when dealing with correspondence regarding the Administration of the Firm.

Please be alert to the possibility of fraud and scams. Caution should be exercised if you are encouraged or pressured to make a bank transfer to cover costs or fees and requested to provide certain personal information following an unauthorised or unsolicited call, email, or letter. If you receive any such communication, we advise you not take any action or engage with the sender or caller. There is no requirement for any creditor to make a bank transfer to a third party to secure the release of money.

If you are in any doubt regarding the authenticity of the correspondence or communication you may have received, please contact the Administrators as soon as possible by emailing scottandmears@btguk.com or telephoning 0113 209 1040. This is the official line of communication for the Administration.

Support is available to all investors and further information on the Administration should be sought in the first instance from the dedicated webpage <http://www.begbies-traynorgroup.com/scottandmears>.

Claims Management Companies (CMC)

For most creditors there is little benefit in involving a third party to assist in making a claim for any losses suffered as a result of the Administration of the Firm. Promises from such third parties that by using their services you will be able to (a) recover any amounts you have lost more quickly; and/or (b) recover a higher percentage of the monies amount should be treated with caution. Please be assured that the Administration will be conducted in a creditor friendly manner. If you choose to engage a third party to assist in making a claim, please note that the third party is likely to seek a fee which may reduce what you get back.

What is Administration?

Administration is a formal insolvency process that typically lasts 12 months. It is generally used to maximise the value of assets and achieve a better outcome for creditors or enable a distribution to be made to one or more secured and/or preferential creditors. The procedure facilitates an orderly wind down of a firm's affairs.

What is meant by insolvency?

This is when a firm is unable to pay the people or entities it owes money too.

What is a creditor?

A creditor is any person or entity that is owed money.

What has happened to the Firm?

The Firm was incorporated on 23 November 2005. The principal activity of the Firm was providing debt collection services.

The Firm was authorised by the Financial Conduct Authority ("**FCA**") under Firm reference number 668815 on 1 December 2015. The Firm held permissions for:

- Debt collecting
- Agreeing to carry on a regulated activity

The Firm did not have permission to hold or control client money.

On 14 August 2025, the Firm contacted Begbies Traynor for advice on its financial position. The catalyst for seeking advice was that a shortfall had been identified in the money collected from debtors on behalf of its clients.

As discussions progressed, the Firm indicated that the level of the shortfall was significant and was anticipated to be in excess of £750k. The Firm indicated that it could not repay this money and was accordingly insolvent. Begbies Traynor was subsequently engaged by the Firm on 28 August 2025 to assist in placing the Firm into Administration. The Firm duly entered Administration on 02 September 2025.

Is the Firm regulated?

Yes – the Firm will remain authorised and regulated by the FCA despite its entry into Administration.

Are the FCA aware that Administrators have been appointed?

Yes – the FCA provided its consent to the appointment of the Administrators and will be kept informed of progress throughout the Administration.

Are the Administrators regulated?

The Administrators are regulated by the Institute of Chartered Accountants in England and Wales.

Which business does the Administration cover?

The Administration applies to Scott & Mears Credit Services Limited only. Companies which may be connected to the Firm are not covered by the Administration and we are not able to advise on this business. Creditors of any other business should speak to their usual contact.

Are you in contact with the Firm's management?

The Firm's management is actively assisting the Administrators and we are in regular dialogue with them.

What does the Administration mean for me?

The Firm has ceased to trade. The Administrators are currently gathering information from the Firm and will be writing out to creditors in due course with their Proposals for the Administration. At this time we are unable to comment on the prospect of creditors receiving any money back from the Firm.

I paid money that I owe to Scott & Mears

Scott & Mears may have collected a payment from you on behalf of one of its clients who you owe money too. We understand that some of the money collected by Scott & Mears has not been paid over to its clients. This means that your creditor may not have received the payment you made to Scott & Mears.

The Administrators are currently reviewing the Firm's records and are working to produce a reconciliation of the receipts and payments on your account. This will allow the Administrators to establish what payments may not have been paid over to your creditor. As soon as practicable, the Administrators will send a statement of your account to you.

The Administrators understand that any monies you paid to Scott & Mears satisfied that part of your debt obligation to your creditor. If you only made a partial payment of your debt to Scott & Mears, the balance remaining is still outstanding, and we encourage you to cancel any standing order or other payment arrangements with the Firm and contact your creditor regarding future payment arrangements. Customers who are struggling financially can get free and impartial guidance from the Money Helper Service and further information is available at <https://www.moneyhelper.org.uk/en?source=mas>.

I have used Scott & Mears to collect debts on my behalf

According to the Firm's records Scott & Mears collected money on your behalf from one or more of your debtors. Based on the terms of engagement you entered with the Firm, we understand that any payment made to Scott & Mears satisfied the equivalent value of the debtor's obligation to you.

The Administrators are currently reviewing the Firm's records and working to produce a reconciliation of receipts and payments on your account. As soon as practicable, the Administrators will send you a statement of your account.

You are entitled to claim in the Administration for any money collected on your behalf by Scott & Mears which was not paid to you.

If your debtor only made a partial payment to Scott & Mears, the remaining balance of the debt is outstanding and you may take steps to recover this amount. However, you should not pursue clients for any balances which have been paid to Scott & Mears, for which you will have a claim in the Administration.

Is there any way to claim monies from the Financial Services Compensation Scheme (FSCS) and what is the procedure to get my money back?

There are rules around who and in what circumstances FSCS protection applies. The Administrators have been in discussions with FSCS to establish if there is any recourse to compensation in this matter. At present, there is not believed to be FSCS coverage in relation to this Firm. Should this position change, the Administrators will contact you.

How do I make a claim for money I am owed?

You are not required to take any steps at this time. When the Joint Administrators send out their Proposals we will include a proof of debt form for you to complete. If you do not consider that you are a creditor of the Company, please notify us and we will update our records.

I complained about the Firm – what happens now?

Any complaints made to the Firm will be considered by the Administrators and those complainants will be entitled to make a claim in the Administration. Similarly, if you escalated a complaint to the Financial Ombudsman Service or FCA, you will be entitled to make a claim in the Administration and the Administrators will liaise with these entities as appropriate.

What should I do if I wish to complaint about the Firm now?

Should you wish to make a complaint about the Firm, please contact the Administrators either by emailing scottandmears@btguk.com or by telephoning 0113 209 1040.

I think I am a creditor of the Company, what should I do regarding outstanding balances?

The Administrators will write to you in due course regarding outstanding balances and ongoing supply, however, please send correspondence to scottandmears@btguk.com in the first instance.

What happens next and when will I hear from the Administrators?

The Joint Administrators are working to collect in all of the Firm's assets and where necessary, sell these.

The Joint Administrators are required to report to customers and creditors within 8 weeks of their appointment on 02 September 2025. This report will set out the Joint Administrators' proposals (the "**Proposals**") for the Administration.

The Proposals will set out, amongst other things, the likelihood of creditors receiving any money back from the Firm and the anticipated costs of the Administration process. At that time, we will issue a proof of debt form for creditors to complete and we will be seeking from the appropriate body of creditors approval for the basis of our remuneration and expenses.

Can I speak to the person in charge?

A dedicated mailbox has been set up for those affected by the Administration of the Company. In the first instance, we politely ask that you direct your queries to the email address scottandmears@btguk.com.

This mailbox is being monitored by the Administrators' staff and they will endeavour to answer your queries as soon as possible. However, due to the volume and similarity of certain queries being received certain queries will be addressed through updates on the Administrators' website.

Alternatively, you may call our office on 0113 209 1040 to speak to a member of our team.

Please monitor the website for latest updates at <http://www.begbies-traynorgroup.com/scottandmears>. The Administrators will provide further updates once in a position to do so.