License of subprime credit broker revoked by OFT

by Sandra Jeux

Article published on March 12th 2012 | Finance

The license of a sub-prime credit broker has been revoked as it is accused of "deceitful and oppressive business practices". The expensive payday loans were arranged by Yes Loans for some consumers rather than the products they were initially asking about. Besides, it was found by the Office of Fair Trading (OFT) that it misled the people believing that it is a loan provider whereas the fact is that it is a credit broker. According to the emphasis of the firm, it is not closed and it is still being allowed by its license to continue business via any appeals procedure. The decision of OFT has been welcomed by consumer groups. Sarah Brooks, director of financial services at Consumer Focus said that it appeared â€œlong overdueâ€•. The activities of Yes Loans were being investigated by OFT over many years, and some of the practices were changed by the firm including no upfront fees.

According to watchdog, the evidence about prolonged engagement in deceitful and oppressive business practices, and continuing presence of some of the employees who are responsible for running the enterprises is enough to make them unfit to hold credit license. Yes Loans is one of the biggest brokers of its kind in UK. High Pressure sales tactics were used by it for persuading consumers to give their card details on the false promise that the security checks were needed, according to OFT. The brokerâ€™s fee was also deducted by it without clarifying that a fee was payable and many times it was done without permission of customers. It has been decided by the OFT that two associated businesses, Blue Sky Personal Finance and Money Worries Limited are also not fit to keep the consumer credit license. Twenty eight days have been given to them to appeal against the decision.

A joint statement has been issued by the firms. They said that they worked tirelessly for implementing significant and fundamental advancements to the enterprises. Now they are disappointed that OFT has decided to revoke the licenses of long standing businesses despite the fact that it recognized their work. The businesses render the services of loan brokerage as well as other financial services all of whom are satisfied. Are you in search of quick funds apply with short term loans for bad credit @ http://www.shorttermloansforbadcredituk.co.uk/ and get quick bucks for short period.

They added that they are currently taking the advice regarding lodging an appeal against the decision of OFT. Regardless of the result of appeal, no jobs within the firms are at risk, according to them. Finally they said that their licenses are valid currently and throughout any appeal process and allow them to continue to do businesses. The consumers are also waiting for the final decision which will come after the firms will lodge the complaint. The cancellation of licensing of such big firms may be shocking for several individuals. It is hoped that whatever will the final outcome, it will go in favors of consumers and they will not be affected by all this up & down in the market.

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Article Keywords:
Finance, credit, license

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