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According to the Financial Services Authority (FSA) it has used a power obtained under a 2010 law for the first time to introduce a consumer redress scheme that will force advisers who mis-sold a product to pay compensation. A three-month consultation has been launched by a three-month consultation on setting up a redress scheme for an estimated 15,000 investors who were mis-sold the CF Arch cru Investment and diversified funds by several hundred financial advisors.

Financial Services Authority stated that investors had wanted a low-risk product but the Guernsey-domiciled Arch cru funds comprised high-risk assets such as shipping and venture capital. As per a spokesman of FSA these sorts of assets are hard to price and there is not an immediate market for them. It's not good enough for an advisor to rely on a marketing pamphlet to say its low risk. The proposal of consultation came that firms would have to contact their customers within four weeks of the scheme coming into force. The firms need to work out using an FSA calculator, how much money each investor should receive within a few months, taking into account any money already awarded under a separate scheme agreed in 2011.

Capita Group, Bank of New York Mellon and HSBC these three groups involved in administering the funds last June who agreed voluntarily to contribute 54 million pounds to recompense investors in the Arch cru funds. The FSA revealed that the two schemes will be operating independently but we advise applying to both. A lawyer at CMS Cameron McKenna, Simon Morris stated that requiring firms to proactively review mis-sales rather than, as in the past, wait for complaints or require customers to ask for a review, will be the new face of investor protection in Britain. Mr. Morris further added that this announcement shows that the future has arrived. It presages what the new Financial Conduct Authority will do on a business-as-usual basis. Need cash for investment apply with text loans and get funds immediately?

To put investors back into the position they would have been in had they received suitable advice is the main aim of the redress scheme. UK is putting all its efforts to end two decades of mis-selling scandals which have cost about 15 billion pounds in compensation and shredded investor confidence in financial products. Under the previous financial law the FSA had the power to introduce consumer redress but it was never used as the process was burdensome, requiring government and parliamentary endorsement.

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Kevin Cook is an expert financial adviser, today he wrote a article on a text loans no credit check, mini loans, mobile text loans, instant text loans and a payday text loans
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