Minimum Standards

(pursuant to Clause 2.6.ii of the Undertakings in Lieu)

1. The minimum standards set out below are non-exhaustive, illustrative examples and may be amended from time to time if they do not work as intended, following consultation with the Steering Group.

Authorised providers

2. EW providers which are authorised by a successor body to the Financial Services Authority shall be deemed to meet the minimum standards (in 3 and 4 below), except where the Steering Group can produce clear and compelling evidence that they fail to do so.

Minimum Standards

Financial capability

3. EW providers must have adequate financial resources to meet their obligations to consumers under their EWs. An EW provider will be considered to meet this standard where:

a. It has supplied EWs, or comparable products, for 2 years or over, or can otherwise provide audited accounts or other financial information which demonstrate it to be a going concern, or

b. It has specific arrangements in place to meet its EW liabilities (for example, ring fenced fund to meet EW liabilities, appropriate insurance arrangements).

Minimum level of service

4. EW providers must ensure the provision of a minimum level of customer service. An EW provider will be considered to meet this standard where:

a. It can demonstrate the capability to undertake, or otherwise arrange to undertake, repairs (for example, has been conducting or arranging repairs for six months or more or has
arrangements in place with repairers to conduct repairs (such repairers need not be authorised by manufacturers)), and

b. The EW provider, or a director or senior executive at the EW provider, has not been subject to criminal or regulatory censure in the recent past, most particularly a censure in relation to fraud, dishonesty or breaches of consumer protection law.