PAYDAY LOAN SCANDAL: Another Major Payday Loan Lender On The Brink: Leading Payday Loan Claims Company Warns That Wageday Advance Is The Next Payday Lender Lining Up To Write Off Compensation Liability.

Tuesday 5 February, 2019

WARRINGTON, ENGLAND - Allegiant Finance Services, the UK's original payday loan claims specialist company, has today highlighted a filing by Curo Group Holdings Corp, the American parent company of WageDayAdvance. The filing indicates WageDayAdvance has proposed an arrangement to the UK's Financial Conduct Authority which would see its liability to customers for payday loan compensation limited to just £17.9 million, despite it likely facing future claims potentially running into tens of millions. Claims in Q3 & Q4 of 2018 alone accounted for $7.6 million according to WageDayAdvance's accounts with many claims remaining undealt with due to backlogs. This shock revelation comes shortly after WageDayAdvance announced it grew its customer base from 16,500 in 2017 to 23,500 in 2018, with revenue up from $14 to $20 million.

Jemma Marshall, Managing Director of Allegiant Finance Services commented

"*This is a deeply concerning development. WageDayAdvance is part of a profitable international group. It appears Curo is saying that if the FCA doesn't agree to WageDayAdvance's proposal to limit its historic liabilities it may instead put WageDayAdvance into administration or something similar, just like Wonga. Our concern is that if the proposed scheme is agreed by the FCA, WageDayAdvance will be able to trade lucratively in the future while its customers have not been fully compensated – what message does that send out to consumers and other payday loan lenders who may look to follow suit? Curo has benefited from unaffordable loans lent by WageDayAdvance since it took ownership in 2013, and its current proposals would likely allow it to keep income from those missold loans*".

The filing by Curo indicates it expects a response from the FCA by the end of February. The FCA's position in relation to the proposal is presently unknown. Marshall went on to note:

"*We would encourage customers who had repeat, unaffordable loans with WageDayAdvance to make a claim without delay to claim compensation now. It could take a number of months for WageDayAdvance's proposal to be approved, so there is potentially still time to claim. Claims can be made directly to WageDayAdvance for free, or through a Claims Management Company such as ourselves via* https://paydayloanclaims.net *on a no win no fee basis. Customers of WageDayAdvance who feel they have a genuine claim for mis-selling should not delay*".

ENDS

Editor Information

Allegiant Finance Services Limited is regulated by the Claims Management Regulator in respect of regulated claims management activities CRM26974. It was the UK's first dedicated. payday loan claims company. Allegiant does cold call or make unsolicited calls. It is dedicated to ethical claiming. The relevant Curo Holdings filing can be seen here: https://seekingalpha.com/filing/4322066

Telephone: 0345 544 1563

Related Sectors:

Personal Finance ::

Related Keywords:

Payday Loans :: Payday Loan Claims :: Curo :: WageDayAdvance :: Wonga :: Allegiant Finance Services :: Payday Loan Claims :: Payday Loan Compensation ::

Scan Me:

Company Contact:

Allegiant Finance Services Limited

T. 0345 554 1563
E. helpdesk@allegiant-finance.co.uk
W. https://allegiant.co.uk

View Online

Newsroom: Visit our Newsroom for all the latest stories:
https://www.allegiant.pressat.co.uk