CPA CHRISTMAS PREPAYMENT ASSOCIATION ®
IMPROVED SECURITY FOR SAVERS

The Christmas Prepayment Association Limited

Code of Practice

PART I

Definitions and Interpretation

Within this Code of Practice the following definitions and rules of interpretation shall apply:

"Agent"	means all persons registered and accepted by Members at their discretion to act in respect of a Scheme. .
"Association"	means the Christmas Prepayment Association Limited ("CPA").
"Code"	means the Code of Practice of the Association as it is from time to time in force.
"Code of Practice Committee"	means a committee established by the Board of Directors to exercise its powers of administering or enforcing this Code of Practice ("Committee").
"Consumer"	means any member of the public with whom Members have dealings and who enter into a Scheme.
"Director of Compliance"	means a director of the Association who shall from time to time be appointed to be responsible for ensuring the compliance of Members with the Code.
"Director of Consumer Affairs"	means a director of the Association who shall be from time to time appointed for monitoring and addressing Consumer concerns and Consumer rights.
"Funds"	means any and all monies received from Consumers either directly or via an Agent in relation to a Scheme.
"Legislation"	means all UK Acts of Parliament, Statutory Instruments and Regulations so far as they are in force and as amended from time to time.
"Literature"	means all relevant literature provided by a Member to a Consumer via a website or any other means whatsoever including, but not limited to catalogues, promotional material and terms and conditions.

"Member" means a person registered as a Member of the Association.

"Part I" means Part I of the Code.

"Part II" means Part II of the Code.

"Part III" means Part III of the Code.

"Person" includes a corporate or unincorporated body.

"Scheme" means a scheme of prepayment or saving offered by a Member to a Consumer.

"Trustee" means such person appointed to act as trustee of a Member's bank account which is designated for the sole purpose of managing the Funds.

The headings in this document are inserted for convenience only and shall not affect the construction or interpretation of the Code.

Words in the singular shall include the plural and vice versa.

1. INTRODUCTION

1.1 The Christmas Prepayment Association Limited is the self-regulated body representing the Christmas prepayment industry. The Association requires that Members commit to this Code in order that Consumers can be satisfied that Members shall maintain high standards of professional conduct and that all Funds received are dealt with in accordance with arrangements as approved by the Association.

1.2 This Code shall be monitored by the Association's board of directors. In particular, compliance with this Code shall be reviewed by an independent Director of Compliance, free from association with any Member. Likewise, Consumer concerns and Consumer rights shall be monitored by an independent Director of Consumer Affairs, free from association with any Member.

1.3 The Association requires Members promoting a Scheme to comply with this Code and to provide an annual Certificate of Compliance to the Association. Members may be liable to disciplinary action by the Association if they fail to comply, subject to the authorisation of the board of directors of the CPA.

1.4 Members shall co-operate with any investigation undertaken by the Association into an alleged breach of the Code. If the matter is referred to the Committee, the

Committee shall give the Member no less than 14 days notice in writing of the time and place of hearing of the complaint. The Member shall be entitled to make representations at the hearing either personally (with or without legal representation) or in writing.

1.5 Members shall provide the Association with a copy of its annual audited accounts as soon as these have been signed by the appropriate authorised signatories every 12 months.

1.6 Complaints and correspondence shall be forwarded to the Director of Consumer Affairs at the address below:-

Level 14
20 Chapel Street
Liverpool
L3 9AG

2. CONDUCT

2.1 On application for membership to the Association and at all times thereafter, Members shall demonstrate their ability to and shall comply with:

(a) Part I; and

(b) Either of Part II or Part III

of the Code.

2.2 Members shall satisfy the Board of Directors of the Association that there exists adequate resources and funding to ensure that the objectives and provisions of the Code are fulfilled.

2.3 Members shall provide appropriate training for and monitoring of all relevant staff to ensure that they are aware of the terms of the Code and carry out all obligations arising therein.

2.4 Members shall display the Association's logo and contact details on all relevant Literature.

2.5 Members shall make a copy of the Code available to Consumers at their place of business if so requested and on Members websites.

3. ADVERTISING AND PROMOTIONS

3.1 All advertising or promotional material produced by or on behalf of Members shall be clear, truthful and accurate and shall not mislead Consumers about the goods and/or services offered.

3.2 Members shall comply with all appropriate Legislation, including the Data Protection Legislation and shall use all reasonable endeavours to ensure that any other data held by the Members are kept accurate and up to date. Specifically, Members shall use all reasonable endeavours to ensure that mailing lists are kept accurate and up to date and that names and addresses of persons who have asked to be deleted have been removed without delay.

3.3 All advertising and promotional material produced by Members shall comply with all advertising Legislation so far as it is applicable and relates to the Code.

3.4 Schemes involving the availability of prizes to Agents or Consumers shall be continued as a marketing incentive provided that the rules governing entry are clearly stated, that any special conditions that may apply are clearly explained and that all relevant Legislation is adhered to.

PART II

This Part II of the Code applies to Members who advertise market and provide Christmas Prepayment services directly to Consumers.

4. DEALING WITH FUNDS

4.1 Funds received by Members, must be used exclusively for the purpose of a Scheme.

4.2 All Funds received in any form by or on behalf of Members in relation to a Scheme shall be paid immediately into the account so designated by Members.

4.3 All accounts referred to in Clause 4.2 must be controlled independently of the Member. Upon receipt, Members must pay money received directly from customers or via an agent, into a designated trust account, 50% of whose trustees shall be

independent of the Member concerned and such money shall only be released in accordance with the terms of the approved trust arrangements.

4.4 Members shall have the operation of the trust accounts annually reviewed by the Director of Compliance.

5. QUALITY AND SERVICE

5.1 Members shall ensure that all goods and services offered through a Scheme are of satisfactory quality and comply with all relevant Legislation.

5.2 Consumers shall have the right to return any goods supplied through a Scheme that are found not to be of satisfactory quality, including but not limited to goods damaged in transit, free of charge and at no cost to themselves. Members shall comply with all Legislation in providing Consumers with replacement goods if requested and where reasonably possible. In the event that replacement of the goods is not reasonably possible, the Member shall reimburse the Consumer to the full value of the price paid.

5.3 Members shall ensure that any and all goods delivered to Consumers or Agents or any other third party through a Scheme are packaged to a high standard and in a container fit for purpose to ensure that goods are delivered in a high standard.

5.4 In the event that goods and/or services requested by Consumers are not available, Members undertake to use all reasonable endeavours to provide either goods and services of equal or, at no extra cost, higher quality, or in the alternative, a full refund of the goods and/or services.

5.5 Members shall ensure that the goods delivered match the description.

5.6 Members shall ensure that the benefit of all guarantees provided by manufacturers or suppliers is passed to Consumers. All guarantees given by manufacturers or suppliers shall be in addition to any rights of the Consumer arising under Legislation, common law or otherwise.

5.7 Members shall comply with all Legislation in relation to premises, delivery vehicles, goods, services and storage facilities. Members shall also use all reasonable endeavours to ensure that their suppliers, distributors, and any other third party engaged in the provision of the Scheme on behalf of Members also comply with such Legislation.

5.8 Members will offer efficient, effective and user friendly points of contact to allow for queries or enquires. Such points of contact will usually but not necessarily be in the form of a call centre.

6. RELATIONSHIPS BETWEEN MEMBER AND CONSUMER

6.1 Members shall ensure that the Literature contains details of:-

- The goods and services provided;
- Prices (inclusive of VAT and any relevant duties) and any other additional charges which may be levied;
- Members option to reserve the right to adjust the price within the life of the catalogue or price list;
- Contact details for enquiries;
- Any restrictions on availability of goods or services;
- The logo of the Association;
- Details of how to obtain a copy of this Code;
- An address and/or telephone number for enquiries and/or complaints;
- Any terms of business which may directly or indirectly affect Consumers.

6.2 Members shall ensure that the price of the goods and services is clearly indicated, true and accurate at the time of printing any catalogue.

6.3 Members acknowledge that Consumers have the right to cancel or amend orders placed under the Scheme and request a full refund prior to delivery. Members may levy a reasonable charge for such services provided those charges have been clearly stated in the Literature.

6.4 Members shall provide to Consumers (or Agents if applicable), as soon as possible after acceptance, written confirmation of entry into the Scheme and make available to them terms and conditions of the Scheme. Such terms and conditions shall comply with relevant Legislation.

6.5 Members shall take all steps which are reasonably practicable in order to ensure that debts owing to Members by Consumers are collected fairly and reasonably. Members shall use all reasonable endeavours to ensure that where a third party debt recovery agent is engaged, the same level of caution is exercised before proceedings are taken on behalf of Members.

6.6 Members shall comply with all Legislation with respect to unsolicited goods and services and distance selling.

6.7 Members shall not place pressure on potential Consumers or make unsolicited visits or unsolicited telephone calls to Consumers.

7. RELATIONSHIPS BETWEEN MEMBERS AND AGENTS

7.1 Members shall use all reasonable endeavours to ensure that any third party engaged in the provision of a Scheme on behalf of a Member or with whom a Member may have dealings in connection with a Scheme, shall abide by the provisions of this Code.

7.2 Members' relationship with Agents shall be governed by the Code and Members shall use reasonable endeavours to ensure that Agents comply with this Code.

7.3 Members recognise the importance of good relations and effective communication with Agents and Consumers and shall comply with the practices stated in this Code. Members shall provide clear instructions to Agents regarding how to operate a scheme.

7.4 Members shall ensure that Agents (and Consumers where applicable) are notified of delivery periods and specific dates where appropriate and as soon as possible. Members shall make every effort to accommodate requested changes to delivery dates and where not possible shall so advise.

7.5 Members will endeavour to notify Agents (and Consumers where applicable) as soon as possible after becoming aware of any change or delay to the communicated delivery dates.

7.6 Members acknowledge that Agents shall have the right to terminate their agencies without explanation at any time upon discharging all liabilities for money received from and goods received for and on behalf of Consumers.

8. CONSUMER COMPLAINTS AND PROCEDURES

8.1 Members shall acknowledge in writing any complaint made by a Consumer or Agent in respect of goods and services provided and must respond in writing to the Consumer or Agent within 14 working days of receipt of a complaint.

8.2 If a Member is unable to resolve the compliant to the satisfaction of the Consumer or Agent, the Consumer or Agent shall be referred to the Association, in particular the Director of Consumer Affairs, who shall provide an independent conciliation service.

8.3 Members shall provide to Consumers and Agents information relating to their complaints procedure. Members shall co-operate fully with Consumers, Agents and/or their representatives who may include but shall not be limited to trading standards officers, Citizens Advice Bureaux and other Consumer advisers.

PART III

Introduction

This Part III of the Code applies to Members who advertise market and distribute a Scheme but who do not provide these services directly.

9. DEALING WITH FUNDS

9.1 Members shall ensure that money received from a Consumer is paid by the Member immediately to the operator of the Scheme who must either be:

(a) a bank subject to PRA or similar regulation in the EEC; or

(b) An entity holding a designated account for receipt of such monies with such a bank.

9.2 Funds received by Members, must be used exclusively for the purpose of a Scheme.

9.3 Members shall review with the operator of the Scheme the operation of the arrangements referred to in Clause 9.1 above every 12 months.

10. RELATIONSHIPS BETWEEN MEMBERS AND CONSUMERS

10.1 Members shall ensure that the Literature contains details of:

- An address and/or telephone number for Consumer enquiries;
- Full and clear information in relation to the services offered;
- The logo of the Association;
- Any geographical restrictions on the availability of the services promoted; and
- Any terms of business which may directly or indirectly affect Consumers; these shall be printed in a clear and concise manner

10.2 Members shall display a copy of this Code at their place(s) of business on request and make copies available for distribution to Consumers on the Members' website.

10.3 Members shall not place pressure on potential Consumers or make unsolicited visits or unsolicited telephone calls to Consumers.

11. CONSUMER COMPLAINTS AND PROCEDURES

11.1 Members shall acknowledge in writing any complaint made by a Consumer or Agent about the promotion of services provided by a Member; Members shall respond in writing to the Consumer or Agent within 14 working days of receipt of a complaint.

11.2 If a Member is unable to resolve the compliant to the satisfaction of the Consumer or Agent, the Consumer or Agent shall be referred to the Association, in particular the Director of Consumer Affairs, who shall provide an independent conciliation service.

11.3 Consumers, who have complaints about the actual services being provided, should contact directly the provider of the service and not the promoter.

11.4 Members shall provide to Consumers and Agents information relating to their complaints procedure. In particular Members shall provide on promotional material an address or telephone for Consumers complaints including that of the provider of the service. Members shall co-operate fully with Consumers, Agents and/or their representatives who may include but shall not be limited to trading standards officers, Citizens Advice Bureaux and other Consumer advisers.