IBA: CCJ & Insolvency Guide

Compliance 24/03/2026



GENISTAR
Financial Freedom For All

1.0 Disclosure Requirements (What must be declared)

Applicants must fully disclose all current and historic financial matters, including:

- Any civil proceedings that have resulted in, or may result in, a CCJ or judgment debt
- Any intention to begin legal proceedings that could lead to a judgment
- Any bankruptcy or insolvency proceedings
- Any Individual Voluntary Arrangement (IVA) or deed of arrangement

Failure to disclose relevant information may result in **rejection** or **withdrawal** of approval, **regardless of the debt value**.

2.0 Key Definitions

- **CCJ (County Court Judgment)**
  A court order requiring repayment of a debt (England, Wales, or Northern Ireland).
- **IVA (Individual Voluntary Arrangement)**
  A formal agreement to repay debts over a fixed period (usually 5 years).
- **Bankruptcy / Insolvency**
  A legal process for individuals who cannot repay their debts.
  (This does **not** apply to companies or partnerships.)

3.0 Table of Outcomes

Type	Amount / Description	Genistar Outcome
Non-Disclosed (not declared on application)	Any undisclosed judgements / financial concern	**Considered – case by case**
Disclosed	Under £4,000	Accept - Commission plus advance permitted. Added to CCJ/IVA Register.
Disclosed	£4,000 – £6,000	Accept - Commission and advance permitted. A Debt Management Plan (DMP) must be in place and provided **prior to acceptance**. Added to CCJ/IVA Register.
Disclosed	£6,000 – £10,000	Accept - Commission paid on drip only. No advance permitted until total CCJ balance is reduced below £6,000. A Debt Management Plan (DMP) is required **prior to acceptance**, together with three months' bank statements evidencing active management of the debt. Added to CCJ/IVA Register.
Disclosed	£10,000+	Senior Compliance review - If approved, Commission paid on drip only. No advance permitted until total CCJ balance is reduced below £6,000. A Debt Management Plan (DMP) is required **prior to acceptance**, together with three months' bank statements evidencing active management of the debt. Added to CCJ/IVA Register.
Individual Voluntary Arrangement (IVA)	IVAs last for a minimum of 5 years	Senior Compliance review - Approval depending on case and require 3 months' worth of regular payments **prior to acceptance**. The individual may only be paid on drip to start with or advance with EVP approval. Added to CCJ/IVA Register.
Bankruptcy and Insolvency (BAI)	Bankruptcies last for 1 year	Reject - Generally, cases will be rejected until bankruptcy is discharged. The individual may only be paid on drip to start with or advance with EVP approval. Added to CCJ/IVA Register.

4.0 Why we have to check this

FCA Requirement: We must assess an applicant's *Financial Soundness* under FCA Fit & Proper rules (FIT 2.3).

Prevent Pressure-Selling Risk: High personal debt can lead to behaviours that harm customers, so checks help reduce pressure-selling or poor customer outcomes.

Ensure Consistent, Fair Decisions: Screening allows all applicants to be assessed using the same criteria.

Identify Non-Disclosure (Conduct Risk): Failure to declare CCJs/insolvency is treated as a separate conduct issue and may be more serious than the debt itself.

Protect the Business From Financial Risk: Large CCJs/IVAs/bankruptcy can affect commission, chargebacks, liability and stability.

Protect Genistar's Reputation and Customers: Ensures good customer outcomes, strong governance, and accountability.

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