

Treating Customers Fairly in Arrears

If you are having trouble paying your mortgage, we will try to help you. The following explains how we will treat you fairly, and what steps you should take to help yourself.

We will

- Contact you as soon as possible to discuss your problem.
- Give you a clear point of contact with us.
- Talk to an agency which gives debt advice (for example, Citizens' Advice), if you want us to.
- Give you a reasonable time to pay back the debt.
- Consider each borrower's circumstances on an individual basis.
- Only start proceedings to repossess your home if we cannot solve the problem with you. This will only be considered as a last resort.

We might be able to

- Arrange a new payment plan with you, taking your and our interests into account.
- Change the way you make your payments, or the date you make them.
- Allow you to pay back your mortgage over a longer period of time (which would reduce your monthly payments).
- Change the type of mortgage you have to one more suitable to your current situation.

We will not

- Have a one size fits all approach, you are an individual and will always be treated as such.
- Outsource to debt collectors.
- Consider re-possession whilst agreed payments are being met.
- Start re-possession proceedings whilst reasonable negotiation settlement is possible.
- Continue with court action if payment is made whilst court papers are being filed.

If we cannot offer you any of these options, we will explain to you why. If we can make one of these arrangements with you, we will explain how it will work and give you time to consider it. If we cannot offer any of these options, we may agree to you remaining in the property whilst you sell the property yourself, depending on your circumstances.

What you can do to help

- Tell us as soon as possible if you are having problems repaying your mortgage or think that you might experience problems shortly.
- Seek debt advice if you would like help with managing your finances.
- Contact us quickly, if we try to contact you.
- Make sure you keep any other people paying the mortgage, and anyone guaranteeing the mortgage, up to date with what is happening.
- Keep to the payment plan we agree with you, or tell us if there is a change in your circumstances which may affect the arrangement. If you do not make the agreed payments, we might have to go to court to get back any money you owe us, or to repossess your property.
Check whether you can get any state benefits or tax credits which could help to increase your income.
- If you have a payment or income protection policy, check whether it will help with your payments.
- Tell us if you move to a new address, including discussing with us the consequences of moving out of the mortgaged property.

You may want to talk to a professional adviser, such as a debt counsellor or a lawyer, before you change your mortgage arrangements. We would strongly advise that you seek independent, free debt advice.

Costs and Charges

If you are in arrears, we may charge you for reasonable administrative and legal costs. We will tell you the amount you will have to pay.

Only if we cannot agree on a solution

- We may go to court to start proceedings to repossess your home. If proceedings take place, we strongly recommend that you attend the court and that you seek independent debt advice.
- Starting court proceedings does not necessarily mean that we will repossess your home. We will keep trying to solve the problem with you. Possession is a last resort.

- Before we repossess your home, we will give you advice about getting in touch with your local authority to see if they can find you somewhere else to live.

If we repossess your home

- We will sell it for the best price we can reasonably get. We will try to sell it as soon as possible.
- We will give you reasonable time to take your possessions from your home.
- We will use the money raised from selling your home to pay your mortgage and associated loans.
- If there is any money left over, we will pay it to you.

If selling your home does not raise enough money to pay off the mortgage

- If there is not enough money from the sale to pay the whole mortgage, you will still owe us the amount that is left (a shortfall debt). We will tell you what this is as soon as possible.
- If you bought your home with other borrowers, each of you is responsible for all the money borrowed. This is true even if you normally only pay part of the mortgage.
- We will contact you within six years of selling your property to arrange for you to pay back what you still owe.
- We will take account of your income and outgoings when we arrange a payment plan for this shortfall debt with you.
- You may have to pay additional court costs.
- If a shortfall debt is not paid, it could affect whether you are able to get credit in the future.

Other Issues

Some companies may offer you new loans or even invite you to sell your property to them and then lease it back as a way of resolving your short term financial difficulty. Please be careful, as such actions may not be in your long term best interests. We would advise you to seek independent advice before entering into any arrangement of this type.

You may be thinking about handing your keys over to us. If you do this, you will still owe us any outstanding debt, and we would advise you to discuss this option with us before taking such action.

Complaints

If you do not think that we treated you fairly, you can complain.

We will always try to resolve any issues straight away. However, we acknowledge that whilst some issues may be simple and can be dealt with quickly, others may be more complex and we may need more time to investigate further. If this is the case, we will send you a formal acknowledgement within 5 working days giving a time scale for our proposed actions and response. Where possible, this will be no more than 7 days after we have acknowledged your complaint.

If the person you report your complaint to cannot resolve your complaint right away they will pass it in turn to:

1. The Supervisor of the Branch or Department concerned.
2. A Senior Manager.
3. The Chief Executive.

Under no circumstances will a complaint take more than 8 weeks to resolve.

The Society is a member of the Financial Ombudsman Service, and if you believe that we have not provided you with a satisfactory response, you have the right to ask the Ombudsman to review your complaint. This should be no more than 6 months after you have received the final decision from the Chief Executive.

If your complaint is not dealt with to your satisfaction, you may then take it to the Financial Ombudsman. The Financial Ombudsman Service provides a free and independent service for consumers, and can be contacted at:

The Financial Ombudsman Service

South Quay Plaza
183 Marsh Wall
London E14 9SR

Phone: 0845 080 1800