

Product Suitability

We shall, at all times endeavour to take reasonable steps to ensure that any product offered is not unsuitable for the customers needs or circumstances

Vulnerability

In providing information and explanations about products we shall take into account the customers level of understanding. If we are not satisfied that the customer does not have a good understanding of these products or services we shall consider alternative methods to provide the relevant information

Data Protection /Consent to Search

We shall inform customers of what personal data we need to collect, for what purposes and with whom we share. We shall obtain customers consent to credit searches and treat all Data in line with FCA Guidelines. You have the right to request we delete this information. This information can be shared to our finance funders to obtain credit.

Can we give you independent financial advice?

We are not independent financial advisers and so are unable to provide you with independent financial advice.

Pre Sale Explanations

Before entering into a Credit Agreement we will take you through the funders pre-sale Information and adequate explanations

How will we use your information?

We will use your information to obtain quotes from funders and brokers to process finance applications through them and we and/or they may also conduct a search of your record held with one or more credit reference agencies. Credit checks may as a result appear on your credit file lodged by organisations with whom you have not dealt directly. The personal information collected will also be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected you could be refused certain services, finance or employment.

Pre & Point of Sale Support Material

Suitability assessment

Purpose

The purpose of the Suitability Assessment is to discharge the dealer's regulatory obligations under Rule 2.5.3 of FCA's Consumer Credit Sourcebook (CONC) which states: "A firm must take reasonable steps to satisfy itself that a product it wishes to recommend to a customer is not unsuitable for the customer's needs and circumstances".

Identify Customer's Needs & Circumstances

In order to discharge the CONC 2.5.3 obligation, the customer's needs and circumstances must accordingly be identified during the initial discussion with them. The following is a non-exhaustive list of factors to consider which may assist in this exercise:

Is the customer interested in owning the car or just usage?

How often does the customer like to change their car?

What annual mileage does the customer expect to drive? Note that mileage restrictions may apply to HP products (with implications, for example, on early termination), as well as to PCPs.

What deposit, if any, does the customer have?

What monthly payments does the customer consider they can afford?

Is there outstanding finance on a current vehicle (if so, obtain the funder's details for the purpose of obtaining a settlement figure)?

Assess Vulnerability

You should take extra care and seek appropriate advice if at any stage, the customer:

- * indicates that they **may not be able to afford** finance payments or that they have a **poor credit history**;
- * is, for whatever reason (for example, because English is not their first language), struggling to **understand the nature of the products discussed or the implications of entering into a finance agreement**.

If you nonetheless decide to submit a proposal, you must make the funder or broker aware of the vulnerability you have identified so that they can ensure that it is addressed before pay-out. If it is health-related, you must obtain the customer's **explicit consent** before sharing the information with any broker or funder.

Present the options to the customer

Equipped with the relevant information about the customer, proceed to present the product options to the customer. You could provide them with links to various product information available from independent sources (eg, <http://www.financingyourcar.org.uk/car-finance/>) which they can review in their own time if they wish. Free and impartial advice on borrowing and debt is also available at www.moneyadvice.service.org.uk, including useful loan and car running-cost calculators. If the customer's deposit or part-exchange is insufficient to clear any outstanding finance, you should explain that this may result in a declined application, a different product (eg, personal loan), higher interest rate or a longer payment period. Similarly, if you have reason to suspect that they may not qualify as a prime customer, you should manage their expectations on the interest rate which may be available and the monthly payments.

Prepare the Proposal (via MIDOS for Mann Island or an approved integrated third-party platform)

Once a suitable product has been identified, a proposal can be prepared. Your status disclosure, Data Protection Notice/Privacy Policy and a quote and should be provided to the customer in order that:

- * the customer can understand what services you provide and how you are remunerated;
- * the customer is given detailed information about the product, including any mileage limitations, and the cost of finance and is then in a better position to assess both the affordability and sustainability of the payments;
- * you can demonstrate that you have informed the customer, in accordance with data protection legislation, how their personal data may be processed – and in particular that they understand the implications of credit searches - and their rights in this regard;
- * you have a record of discussions with the customer, so you can show you have discharged your regulatory obligations and to protect your commercial interests, eg, if there is a subsequent dispute.

Once the customer has given their consent to proceed, you should ask them to check the proposal for accuracy and completeness before you submit the proposal. Ask them to confirm this in writing for the record and then proceed to submit the proposal. If the customer's circumstances change before pay-out, you must inform the funder and go through the above process again as appropriate.

Dealer Complaints Support Material

Suggested Fields for Finance Complaints Log

1. Complainant name
2. Date and method of receipt of complaint (eg, phone, email, post, in person)
3. Funder/Broker Name and contact details
4. Customer agreement number / proposal number
5. Vehicle details (reg, make, model, mileage)
6. Summary of complaint
7. Complaint classification (eg, satisfactory quality, misdescription, misrepresentation, non-disclosure, unsuitable product, data protection, credit search, poor service)
8. Party with responsibility for investigation and final response (eg, funder, broker or dealer)
9. Date notified to funder/broker (where applicable)
10. Date of acknowledgement/notification to customer of forwarding to funder/broker
11. 8-week date
12. Name of dealer complaint investigator
13. Details of investigation, evidence obtained and conclusions reached
14. Date response(s) submitted to broker/funder
15. Date of final response to customer
16. Decision – upheld/rejected
17. Redress offered? (Y/N)
18. Redress amount (if relevant)
19. Cost of redress, including any goodwill gesture
20. Referred to the FOS? (Y / N)
21. Date notified of the FOS referral
22. FOS accepted / rejected
23. FOS decision date
24. Date complaint closed

DISCLAIMER: Note that this template is supplied for general information and guidance only in relation to finance-related complaints. Mann Island makes no representations or warranties about its accuracy or compliance and cannot accept responsibility if it is relied upon as compliant or suitable for any dealer's particular business model or circumstances. Note, in particular, that it does not address insurance or other non-finance complaints.

Within [Dealer Name], customer satisfaction and quality service are paramount. However, we recognise that things can go wrong and that customers might sometimes have cause to complain. When they do, and this is the result of something we have done or not done, we are committed to putting things right, as we see all complaints as an opportunity to gain customer feedback and improve our service.

This leaflet sets out the complaints procedure we have established to help ensure that you receive a quick and fair reply from us.

Our Commitment

We promise to:

- investigate your complaint thoroughly and, so far as within our control, promptly;
- keep you informed of progress; and
- do everything we reasonably can to help you.

How to Contact us

Here is how you can contact us should you have a complaint:

- By post: **[Dealer address]**
- By email: **[complaints@dealer.com]**
- By phone: **[Contact numbers – ensure you disclose any charges which may be incurred]**

When you contact us

Please tell us:

- your name and address (including email address if you are happy to communicate in that way);
- your vehicle registration number;
- a phone number where we can contact you if we need to and any times you would prefer us to contact you;
- a clear description of your complaint; and
- what you would like us to do to put things right.

If you have asked someone to act on your behalf in pursuing your complaint, we will need your signed authority before we will be able to deal with them.

Our Procedure

- We will work to resolve all complaints quickly and fairly.
- We will acknowledge your complaint in writing within five business days if we have not been able to resolve it sooner.

- Your complaint will be referred to one of our complaint handlers, who will investigate the complaint promptly, thoroughly and impartially.
- If your complaint relates to a vehicle which has been supplied under a finance agreement, the finance company is likely to want investigate the matter itself and will gather information from us to enable it to respond fully to your complaint. We will write to tell you if the complaint has been forwarded to the finance company to deal with.
- We (and/or the finance company) will aim to let you have a final response to your complaint within eight weeks of receipt but, if it remains unresolved after that time, you will be informed in writing why a final response has not been provided and when you should expect to receive it. Rather than await a final response, you may be able to refer your complaint to the Financial Ombudsman Service at that point, so you will also be provided with details of the Financial Ombudsman Service together with an explanatory leaflet.
- We have intentionally made our complaints handling procedure simple to follow, so that you should not have to seek any advice (for example, from a solicitor), so we (or the finance company) will not normally agree to meet any costs you incur for such advice, even if your complaint is upheld.

Independent Review of Your Complaint

The Financial Ombudsman Service provides a free, independent and impartial service for customers to resolve disputes with financial services firms. **The Financial Ombudsman Service will be able to tell you whether or not they can deal with your complaint.**

If you decide to refer your complaint to the Financial Ombudsman Service, you must do so within six months of the date of our final response. If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances (for example, if the Ombudsman believes that the delay was as a result of exceptional circumstances).

The Financial Ombudsman Service can only deal with your complaint if you have given us (or the finance company) the opportunity to put matters right, so please contact us first and we will do all we can to help you. The contact details for the Financial Ombudsman Service are:

Financial Ombudsman Service

Exchange Tower Harbour Exchange London E14 9SR

Telephone:

0800 023 4567 (calls free on mobile phones and landlines)
 0300 123 9123 (consumer helpline - calls cost no more than calls to 01 or 02 number)
 (18002) 0207 964 1000 (calls using next generation text relay)
 +44 207 964 0500 (calls from outside the UK)

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Template Dealer Point-of-sale Disclosure for Finance Complaints

DISCLAIMER: Note that this template is supplied for general information and guidance only in relation to finance-related complaints. Mann Island makes no representations or warranties about its accuracy or compliance and cannot accept responsibility if it is relied upon as compliant or suitable for any dealer's particular business model or circumstances. Note, in particular, that it does not address insurance or other non-finance complaints

What can you do if you wish to complain about our services or contact us?

If you wish to make a complaint, please contact us:

- by writing to us at Complaints, [dealer name and postal address];
- by emailing **[complaints@dealer.co.uk]** ; or
- by telephoning **[contact number(s)]**.

More information about our complaints procedure is available on request.

If, after making a complaint to us you are still unhappy and feel the matter has not been resolved to your satisfaction, please contact the Financial Ombudsman Service (“FOS” - www.financial-ombudsman.org.uk). Please note that FOS may not be able to deal with complaints from business customers.

[Further details about complaints and FOS can be found on our website at **[insert link].**]

If you require further information, please contact us by telephoning the above number(s) or emailing us at **[email address]** addressing your correspondence to : **[the Complaints Manager]**

Vehicle Finance Status Disclosure for [Dealer name / trading style]

Frequently asked questions

Who are we?

[Insert full legal name of business], a dealership acting as a credit broker in arranging finance for vehicle transactions.
[We also operate under the following trading styles: list, as applicable]

[Disclose any linked company – eg, if you are owned or part-owned by a funder or broker.]

Our [registered office – for companies] address is: Dealer Business Park, Dealer Land, AB1 2CD. Registered in England. Company registration no. XXXXXXXX. [Add postal address(es) if different from the registered office]

Are we authorised to arrange finance for you?

Yes, we are authorised and regulated for credit-broking activities by the Financial Conduct Authority (“FCA”). We are not a lender. Our FCA Firm Reference Number is XXXXXXXX. For more information, please visit the FCA website at: <https://register.fca.org.uk/>. Please note that business customers may not be protected under the Consumer Credit Act 1974 or FCA rules.

What can we do to help finance your vehicle?

We can introduce you (whether direct or through a specialist credit broker) to a number of finance companies (“funders”) who may be able to finance your transaction. [We work with the following funders – list: this is optional and remember that it will need to be kept up to date], There are other funders to which we cannot introduce you which may also be able to offer you finance.

We will provide you with information and explanations about the finance products that may be available to you and, where we recommend a product to you, we will ensure that this is based on the information you

Give us about your needs and circumstances so that it is suitable for you. Finance is arranged subject to status and terms and conditions. We cannot guarantee that we will be able to secure finance for you.

Can we give you independent financial advice?

We are not independent financial advisers and so are unable to provide you with independent financial advice.
[Add if applicable: We are, however, independent of the funders and brokers we work with.]

Do you have to pay for our service?

No, you make no payment to us [NB If applicable – otherwise information about fees must be disclosed].

But a funder or broker we work with may pay us for introducing you to them. Different funders/brokers may pay us different amounts. [We will tell you how much we will be paid if you ask. NB Whilst this is an optional statement at the moment, it is likely to become mandatory, along with further remuneration details, so will need to be kept under review.]

How will we use your information?

[NB this is just a summary and not intended to be a full or compliant data protection notice and must not be used as such].

We will use your information to obtain quotes from funders and brokers to process finance applications through them and we and/or they may also conduct a search of your record held with one or more credit reference agencies. Credit checks may as a result appear on your credit file lodged by organisations with whom you have not dealt directly. The personal information collected will also be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected you could be refused certain services, finance or employment.

Further details of how your information will be used by us, funders and these fraud prevention agencies, and your data rights can be found here [link to dealer’s full DP Notice/privacy policy]. A full data protection notice/ privacy policy will be provided to you before we submit any application for finance on your behalf.

We are registered as a data controller with the Information Commissioner’s Office under registration number XXXXXXXX.

What can you do if you wish to complain about our services or contact us?

If you wish to make a complaint, please contact us:

- * by writing to us at Complaints, [dealer name and postal address]
- * by emailing [complaints@dealer.co.uk] ; or
- * by telephoning [contact number]

If, after making a complaint to us you are still unhappy and feel the matter has not been resolved to your satisfaction, please contact the Financial Ombudsman Service (“FOS” - www.financial-ombudsman.org.uk). Please note that FOS may not be able to deal with complaints from business customers.

[Further details about our complaints procedure and FOS are available on request and can be found on our website at [insert link].]

If you require further information, please contact us by telephoning the above number(s) or emailing us at [insert email address], addressing your correspondence to [the Complaints Manager].

Customer Declaration [optional]

I confirm I have read and understood the above information.

Customer's signature		
Print Name (in block capitals)		Date :

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Information & Adequate Explanations

Purpose & Legislative Context

Providing information and “adequate explanations” to the customer is a key regulatory obligation. Under FCA Rules, firms are required “to explain the key features of a regulated credit agreement to enable the customer to make an informed choice”. To discharge this requirement, funders produce a document called “Pre-contract credit information” (also known as the “Standard European Consumer Credit Information” or SECCI), as well as written explanations (eg, “Your Agreement Explained”, MIVF’s title for this document). Funders then expect/require the dealer to take the customer through these documents before any agreement is signed.

The documents and pre-signing conversation with the customer thus serve to follow up and reinforce the initial discussion with them (see Appendix 1). So, the greater the effort put into that first discussion, the more likely that the signing-up process will go smoothly, quickly and easily. It is, however, absolutely essential that, where the product or terms specified by the funder differ from those originally proposed, the customer is carefully taken through the changes and understands why they have been made.

Even if the customer indicates there is no need, you must continue to provide the information and explanations.

SECCI

You should first take the customer through the SECCI as this will both confirm the customer’s understanding from the original discussion (see Appendix 1) and provide an ordered agenda for taking the customer through any changes to the originally proposed terms.

SECCI (continued)

The SECCI sets out (and the customer should be taken through in the same order):

- * the key features of the finance product;
- * the associated costs, including interest, and charges;
- * the consequences of missing payments;
- * for what period the funder is bound by the SECCI terms;
- * the customer’s rights:
 - to withdraw, cancel or terminate the contract;
 - to repay early - and details of any compensation payable to the funder for this; and
 - to be given credit reference agency details

SECCI (continued)

In order to put them “in a position to assess whether the agreement is adapted to [their] needs and financial situation”, the customer must in addition be:
advised to consider the SECCI and that they may take it away to consider it in their own time;
provided with “an opportunity to ask questions about the agreement”; and
advised “how to ask the firm for further information and explanation”.

Adequate Explanations (AE)

Having gone through the SECCI, you should then take the customer through the funder’s AE document (or script where an oral explanation is required). Do not volunteer extra information unless you’re very sure of its accuracy, as you otherwise risk misrepresenting the product.

The level and extent of the explanation required depends on:

- the type of credit;
- the amount and duration of the credit;
- the actual and potential costs of the credit;
- the risks to the customer, which are likely to be greater the higher the total cost of the credit relative to their particular financial situation;
- the customer’s level of understanding of the information and explanation provided.

So, if the customer shows a lack of understanding or indicates concerns about affordability, you may not be able to restrict your explanation to the funder’s document and may need to tailor it so that they can assess whether they can afford the finance and understand the risks for them personally. Bear in mind here the process for identifying and flagging vulnerability described in Appendix 1.

Adequate Explanations (continued)

The matters which must be explained are:

- features of the agreement which may make the credit unsuitable for particular types of use (unlikely to be relevant for restricted-use vehicle finance agreements);
- the monthly and total payments;
- Features which could operate adversely in a way the customer is unlikely to foresee - eg, mileage restrictions/penalties where the customer will be doing high mileage;
- The main consequences of failing to pay, including;
- increase in the total cost of the debt;
- default charges and interest for late or missed payments;
- impaired credit rating and its effect on future access to, or cost of, credit;
- legal proceedings;
- repossession;
- the effect of exercising any right to withdraw or cancel and how and when it can be exercised.