

## CPA Collections & Card Payments Policy.

### **1. Introduction, Scope and Purpose**

1.1 This document outlines the firm's policy and processes regarding the operation of card payments and the processing of cardholders' information in connection with Continuous Payment Authorities (CPA) payments.

1.2 It's scope covers card payments and CPA collections related to all types of customer accounts for all our products.

1.3 CPA and single card payments are common methods of payment utilised by customers amongst a range of payment methods the firm accepts. Other payment methods include bank standing order, Direct Debit (secured lending only), bank paying-in book, payments direct (eg online transfer) or by post (at customers own risk) and home collection, by arrangement.

1.4 A continuous payment authority (CPA) is a regular automatic payment that can be set up using a debit card. The authority to make payments is linked to a bank account or card account, and is a popular method of making regular payments.

### **2. How a CPA Operates**

2.1 Family Finance credit agreements provide the option of setting up a CPA as the method of payment. The terms and conditions of how this will operate are set out in the agreement and are also explained in the adequate explanation provided to all customers.

2.2 All payments made by CPA must meet customers' expectations and payments will not be taken for any greater amount or on any other date unless as a result of further contact and authorisation by the customer.

### **3. Routine payments**

3.1 If the automated CPA fails (due to insufficient funds) on the agreed date, employees may try to take another payment manually later the same day or the following day. If that request fails then we will try to contact the customer to establish the reason why - e.g. has there been a change in their circumstances? Have they been paid late?

3.2 If the customer cannot be contacted after two consecutive failures and efforts made to contact them are unsuccessful, no further attempts will be made to take that month's payment due. If we are unable to contact the customer, a letter will be sent to the customer requesting they contact us to discuss the missed payment. No further attempt will be made to collect that month's instalment which is overdue by CPA until contact has been made with the customer.

3.3 Providing we have made reasonable efforts to contact the customer (even if they are unsuccessful, we will still attempt to collect **the next instalment due** by CPA, on the due date agreed.

#### **4. Cancellation of CPA**

4.1 CPAs can be cancelled by the customer informing us or the bank issuer. If cancelled, payments still due will need to be made to the account by an alternative method of payment (e.g. Standing Order).

4.2 CPA's will be cancelled after 3 consecutive failed monthly instalments.

4.3 Should any payments be taken erroneously by CPA after an instruction has been given to cancel, any such payments will be refunded immediately upon identification of the error.

4.4 Should the customer be unable to make a CPA payment and they wish to cancel the CPA they will need to contact either us and/or the card issuer as soon as possible