

# Vulnerable Customers

The Financial Conduct Authority (FCA) defines a vulnerable customer as “someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care”.

When assessing vulnerability, Guardian Finance Limited will take a tailored approach and review individual needs and circumstances on a case-by-case basis. We understand the importance of our customers receiving the appropriate information about the products and services that we offer to enable them to make an informed decision. Entering into a Hire Purchase, vehicle lease or Personal Loan agreement with its imposed terms and conditions involves a long-term financial commitment and therefore it is imperative that our customers fully understand their obligations.

## Identifying vulnerable customers

We recognise that a customer may be vulnerable or potentially vulnerable for various reasons and these may include mental or physical infirmity, age, credulity, addiction, a recent change in circumstances, new to finance commitments or a particular finance product, learning difficulties, illiteracy and/or where English is not the customer’s first language. The reason for vulnerability could be a permanent or temporary situation. Our staff are trained to ask appropriate questions and to actively listen to responses. A customer may reveal information suggesting that they could be vulnerable (self-identification) or we may recognised specific behaviours which could indicate that an individual is potentially vulnerable.

When engaging with customers over the telephone it can be difficult to identify vulnerability. This is due to the fact that it is not possible to see many of the characteristics (such as body language and facial expressions) which may signal that the prospective customer requires additional information and guidance to enable them to make an informed decision. Typical telephone characteristics to be aware of include:

- an inability to hear or understand what is being said
- repeated questions of a similar nature
- comments or answers which are inconsistent with the telephone discussion or which indicate that they have not understood the information which has been provided
- verbal confirmation that they don’t understand or that they require the assistance of someone else in making a decision.

We regularly engage with customers face-to-face when assisting with signing up. During this process the same characteristics are likely to be evident in vulnerable individuals but also body language and facial expressions may also assist in identifying vulnerability.

## What happens if a customer is identified as being vulnerable?

Being identified as being vulnerable does not automatically preclude a customer from using our products and services. Due to the diversity of the factors that can contribute to the level of customer vulnerability, there will not be one approach that can be adopted to fit each situation.

However, examples of how we can ensure that the customer receives a fair outcome may include:

- providing additional opportunities for the customer to ask questions about the information that we have provided
- taking more time to explain things
- asking if there is anybody who is able to assist them and suggest the opportunity to have a family member or friend to be party to the conversations
- proposing to complete the transaction after a period of further consideration.

If for any reason we believe that the customer does not understand the service which is being offered to them we will not proceed with the transaction and will advise them that we will write to them with further information about the product or service that they are seeking.

The overriding principle in our dealings with vulnerable customers is that fair outcomes are achieved throughout the customer journey. We will always deal with our customers respectfully and with integrity.