

Your application and credit referencing



How we decide whether or not to accept an application to open an account

When you/your organisation apply/applies, we'll look at the information you have provided on the application form, together with any information we need to obtain about you/your organisation. When we assess your application, your details will be checked with Fraud Prevention Agencies and we may make searches at Credit Reference Agencies who will give us information, including information from the electoral roll, to verify your identity. Scoring methods may be used to verify your identity. A record of this process will be kept that may be used to help other companies verify your identity. If you give us false or inaccurate information and fraud is identified, we'll send details to fraud prevention agencies. Law enforcement agencies may have access and use this information.

We and other organisations may search and use the records held by Credit Reference and Fraud Prevention Agencies about you and your financial associates and others in your household, to prevent crime, fraud and money laundering and, for example to:

- check details provided on applications for credit and credit related or other facilities;
- verify your identity if you or your financial associate(s) apply for other facilities;

- help make decisions about credit and credit related services, insurance proposals and claims and all types of facilities for you, your financial associate(s) or partner/spouse and other members of your household;
- check the operation of credit and credit related accounts and to manage accounts and facilities, including tracing debtors, and recovering debt;
- help make decisions about job applicants and employees; and
- undertake statistical analysis and systems testing.

We and other organisations may access and use from other countries the information recorded at fraud prevention agencies. Further information on the credit reference agencies and fraud prevention agencies that we use is available by telephoning 0800 092 3300.

If you/your organisation applies for credit facilities we'll ask your permission to approach a Credit Reference Agency to see if it has any information about those of you who will be party to the account. Our decision will be based on the details all parties provide, together with information we receive about all parties from the Credit Reference Agency. For example, your age, occupation, details about your business, and so on, are all taken into consideration. We'll also take into account details such as how well you've managed previous and existing accounts with other organisations.

What happens when you apply to Cater Allen Private Bank for credit facilities?

Whenever we receive an application from a personal customer for an overdraft*, we consider the application carefully and compare it to groups of similar customers who have applied to us in the past. We'll also take into account the information obtained from the Credit Reference Agency. Using this method, we make reliable decisions which are more consistent than relying upon personal impressions alone. The process is, therefore, fairer and objective. We don't discriminate on grounds of sex, race, colour, religion or disability and we don't refuse accounts simply because of where you live.

We consider two main questions:

- Does it make sense for the individual(s) concerned to take on the financial commitment – will they be able to honour it?
- Is the risk acceptable to Cater Allen Private Bank?

Should the answer to either of these be 'no', we have to decline the application which, naturally, will be disappointing for both Cater Allen Private Bank and our applicant(s).

*Overdrafts are only available to personal customers who have a Private Bank Account or a Sterling Bank Account and are over the age of 18.

What information does Cater Allen Private Bank supply to a Credit Reference Agency?

In accordance with the criteria in the Lending Code, we'll provide a Credit Reference Agency with details about your account. We'll register a default at the Agency only after formal demand for payment has been made and where at least 28 days' notice of intention to disclose such information has been given. What we supply is in accordance with the Data Protection Act 1998 and the Data Protection Statement you are given when you apply or when you sign the formal agreement to be bound by the terms and conditions of the account.

The UK credit industry has established an agreement for the purpose of regulating the sharing of credit account performance and related data on individuals. This agreement is called 'The Principles of Reciprocity'. Cater Allen Private Bank complies with this agreement concerning the supply and use of data. Details of your accounts, which we supply to a Credit Reference Agency, may be used by other lenders for credit assessment of you and other people with whom you are financially associated. Information held may occasionally be used for debtor tracing and fraud prevention.

Is the information you provide used in any other way?

If you open an account with us, we'll keep your information after your account is closed. Your information may be shared with and used by Santander UK plc and other companies in the group to which Cater Allen belongs (the Santander group),

our associated companies or agents for administration purposes and to:

- provide and run the account or service you have applied for and develop and improve our products and services;
- identify and advise you by post, telephone or electronic media of products or services which the Santander group and associated companies think may interest you (for credit products this may involve releasing your details to a Credit Reference Agency); and
- release your name, address and telephone number to market research organisations for the purpose of confidential market research surveys carried out by post or telephone on our behalf.

If you don't want to receive any such information or have your details disclosed to a market research company then please write to:

Cater Allen Private Bank, FREEPOST ANG40024, Bradford, BD1 5WL – (no stamp required).

Please note that if you ask us not to contact you about any of our products or services, you may not hear about a new product that may offer you a better rate of interest or save you money.

What is a Credit Reference Agency?

A Credit Reference Agency is an independent company licensed by the Office of Fair Trading, under the Consumer Credit Act 1974, to hold information on individuals. Agencies hold details about almost every adult in the UK, including facts concerning the customer's financial background. This information

helps lenders to verify the identity of the customer and provides details of their past and present financial commitments and/or credit relationships and the manner in which they have been conducted.

What kinds of information do Credit Reference Agencies provide?

The two kinds of information Credit Reference Agencies provide are:

Public information (including):

- Voters' Roll (Electoral Register).
- County Court Judgments (CCJs) and Scottish Decrees.
- Bankruptcies, Individual Voluntary Arrangements and Administration Orders.

Private information (including):

- Details of existing credit or loan agreements.
- Records of any closed or settled credit agreements within the past six years.
- Details of any current or previous arrears – including arrangements to repay outstanding amounts.
- Details of any default, write-off or property repossession within the past six years.
- Records of any searches made by other loan/ credit providers.

Like most financial organisations, Cater Allen Private Bank supplies data to, and receives data from, specific Credit Reference Agencies for the purposes of assessing applications and credit account maintenance activities.

Could information from the Credit Reference Agency be the only reason for declining your application?

Possibly, but if this is the case, we'll tell you. The information received from the Credit Reference Agency is only one part of the decision-making process. Sometimes, there may be no detrimental information held about you at the agency but we still may not be able to accept an application simply because it does not meet all of our business criteria at the time.

Is the information from a Credit Reference Agency always negative?

Not at all. Credit Reference Agencies only supply factual information. They do not state any opinion regarding a customer's creditworthiness and they don't make the decision as to whether or not to accept an application. That is our responsibility. Agencies don't know which applications are successful or declined either, so they can't tell why an applicant may have been refused credit. Credit Reference Agencies do not hold, as is commonly believed, a blacklist of people or properties – instead, the information held usually helps people get credit.

Obviously, our decision will be affected if information received from a Credit Reference Agency shows that you are in arrears on a credit or loan agreement or that you want to borrow too much in relation to your income. Similarly, we take evidence of County Court Judgments or other credit defaults very seriously. We always try to be a responsible lender but we won't automatically decline an application just because there may have been some problems in maintaining past commitments. On the other hand, information that you have existing credit agreements that indicate you are managing your commitments well, will enable us to look at your application favourably.

NOTE – you can access information held by a Credit Reference Agency on you and, if you think it is incorrect, have it amended. See overleaf for more information.

What are your rights of access to any information held about you?

You have the right under the Data Protection Act 1998 to see certain records we hold about you on payment of a fee. This is known as a subject access request. You can get an information sheet explaining your rights from us by calling our Client Team as normal on 0800 092 3300.

We can also send you the subject access request form. Obviously, our Client Team can always answer any questions you have about your account. Details of how you can obtain a copy of the information held about you by a Credit Reference Agency are given on the following page.

If Cater Allen Private Bank declines your application, are other lenders likely to do the same?

Not necessarily. Other companies may apply different criteria to applications and use different methods of credit risk assessment. In some instances, they may place a different emphasis on the same information. This should not discourage you from applying elsewhere.

The fact that we've asked a Credit Reference Agency for information about you will be recorded by that agency. Other credit providers may learn of this if they use the same agency when considering an application from you. It is unlikely that a single enquiry would cause problems in the future.

Can you check the information a Credit Reference Agency has about you?

Yes. Under the Data Protection Act 1998 you may request details held about you by the Credit Reference Agency. Simply send them a written request, stating all names that you have been known by (include full forename and other initials), your date of birth and the address(es) that you have lived at within the last six years together with a cheque/postal/money order for £2.

Cater Allen Private Bank mainly uses Experian Ltd and Equifax Plc, although other Credit Reference Agencies do exist.

You can ask us for an application form or you can write to each agency directly at the following addresses:

Consumer Help Service, Experian, PO Box 8000,
Nottingham, NG1 5GX
www.experian.co.uk
Tel: 0870 241 6212

(the fee for the telephone service, which requires a credit or debit card, is £2.50).

Credit File Advice Centre, Equifax plc, PO Box 1140,
Bradford, BD1 5US
www.equifax.co.uk
Tel: 0870 010 0583 (option 2)

With a copy of your credit file you will also be sent a booklet, which explains how to interpret the information held and what your rights are. You can, for example, challenge the accuracy of any details shown. If you believe that what you see is not correct, you can contact the organisation that supplied the information and tell them what you believe is wrong and why. If, after investigation, it is agreed that the information is not accurate, then it will be changed.

Even if there is accurate information held which affects your ability to obtain loans or credit, you have the right to put a 'notice of correction' on your credit file. This is your opportunity to make a statement, if you wish, to explain your version of events. Once this 'notice' has been placed, every lender who looks at your file must read the 'notice' before making any lending decision about you. Naturally, it's up to the lender to make its own decision, but at least they will have taken your statement into account.

Can you appeal against our decision?

Yes, if you think we have made a mistake, or you have further information to support your case. You may appeal in writing to:

The Appeals Officer, Cater Allen Private Bank,
9 Nelson Street, Bradford BD1 5AN

We will always be happy to reconsider an application.

Note re: Credit Repair Companies

Please be careful when dealing with companies that claim they can 'clean up' your credit history. You'll find the advertisements in newspapers and magazines and even on the TV or the radio. You can sort out your credit file yourself or with expert help. You can get free advice about County Court Judgments, bankruptcy, defaulted accounts or other arrears. It's also free to find out how to sort out your debts and how to apply for credit even if your past is not perfect.

For more information or advice, contact:

Citizens' Advice Bureau (look in your local telephone directory for details of the nearest Citizens' Advice Bureau branch) or view www.nacab.org.uk

For help with debt or credit problems, contact:

Consumer Credit Counselling Service telephone:
0800 138 1111 or view www.ccs.co.uk

National Debtline telephone: 0808 808 4000 or view
www.nationaldebtline.co.uk.

You can obtain a free booklet – 'Credit Explained' – from the UK office of the Information Commissioner, by calling 0845 630 6060 (option 4) or visiting www.ico.gov.uk

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Cater Allen Private Bank is able to provide literature in alternative formats. The formats available are: Large Print (as recommended by RNIB), Braille, Audio Tape and PC Disk. If you would like to register to receive correspondence in an alternative format please contact us on 0800 092 3300. For the hard of hearing and/or speech impaired please use the Typetalk service via 18001 0800 092 3300.

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