



Common Financial Statement - Creditor good practice checklist

- Ensure any communications use plain language, and are positive and sympathetic in manner.¹
- If the customer's payments are not sufficient to prevent a default from being applied to the account, you should not state that the offer has been rejected/declined in any communication(s).
- You should not include references to repayment amounts different to those offered by the customer, based on CFS, in communications. You should explain to the customer, in plain language, that while some statutory notices have to include references to contractual repayment amounts, they should just keep paying in line with their offer.
- You should clearly state the expected date and frequency of the payments due and, if applicable, how the customer can change the payment date.
- If the customer is making their payments directly to you, ensure all payment options are explained, with any preferred methods of payment highlighted.
- You should inform the customer of when you will contact them for regular reviews of their financial situation and whether a change in their circumstances may warrant an earlier review of their finances.
- You should clearly communicate how interest and charges will be treated on the customer's account.
- You should provide clear information about the ways in which the customer or their adviser can contact you.
- You should provide customers with information in plain language, about the actions that could lead to a breakdown in the payment arrangement and the consequences of a breakdown.

¹ An example of good creditor communication is available on the CFS website, which also relates to subsequent points in this checklist www.cfs.moneyadvicetrust.org/cfs_resources/resource_library/?/category/supporting_documents