

CUSTOMER AWARENESS OF CODE OF PRACTICE

1. Introduction

The Community Development Finance Association (CDFA) is the membership body for community development finance in the UK. It is a condition of membership of the CDFA that CDFI's adhere to the Code of Practice, and as a member we want you to know that we comply with these standards.

2. Our commitment to you

CDFIs are organisations that are in place to provide a range of products and services that are appropriate for your needs. In sharing the commitment to the Code of Practice with you, CWRT will be represented by 'we' and customers will be represented by 'you'.

Please read this document to find out standards of conduct around:

- investment and borrowing from CWRT
- how we market our products
- the level of service you should receive from CWRT
- a summary of the ten standards we adhere to as a member of the CDFA.

3. Investment into CDFIs

If you are approached to provide an investment into CWRT by means of a prospectus, advertising or website, we will observe the following:

3.1 Responsibility not to mislead

We will not mislead investors, especially into thinking that their financial promotions are subject to regulation by a statutory agency (e.g. in the case of I&P Societies, by the FSA via the Financial Services & Markets Act 2000) when it is not the case. Any share issues or invitations to invest in CWRT will be approved by a suitably qualified person.

3.2 Transparency about risk

Investment in us is risk capital, and not equivalent to deposits (with the exception of CDFIs that are banks). We endeavour to only approach prospective investors who are equipped to understand the risk (or have access to external, professional advice, attached to their investment).

Exceptions to this will be membership organisations offering fixed, low cost shares as a form of membership.

Investors with enough information to make an informed decision and the element of risk will be made explicit (e.g. that loans undertaken by CWRT may be unsecured).

Accounts and reports to investors will be clear and transparent.

3.3 Identification of investors

We will take reasonable steps to verify your identity.

4. Marketing Financial Products

CDFIs handle a variety of financial products. When marketing or discussing these financial products with you, CWRT will observe the following under the Code of Practice:

4.1 Charges

We will provide information of the interest rates that will be charged and any additional fees that may be incurred in borrowing money. This will be in our documentation and agreements

4.2 Provision of advice/guidance to borrowers

We will make clear what advice and support is available to borrowers once the loan has been taken out.

4.3 Compliance with consumer protection legislation

Your rights are covered by the Consumer Credit Act and our agreement complies with the Act, where the Act applies.

4.4 Loan assessment

We try to help people unable to get finance from the main high street lenders. To make loans we will take personal data and check against credit reference agencies. We will meet clients and make an assessment on ability to repay and on the information provided. You must ensure that you provide full information for us to make an informed decision about offering credit.

4.5 Data Protection

Any data that you provide us is secure and we will view as private information. However, if you do not keep up with repayments, we may provide information about your credit performance to credit reference agencies.

4.6 Clear repayment, default and cancellation arrangements

We will provide a clear repayment plan and state any arrangements/ penalties relating to cancellation or default of payment. We will always listen to financial difficulties that you may experience.

5. Consumer Satisfaction

Whether working with investors or clients, CDFIs will observe the following under the Code of Practice

5.1 Consumer (Satisfaction) Service

We want to provide a high quality service. If you have any feedback we would be interested to hear from you through our customer feedback.

5.2 Complaints and Conciliation

If you have a complaint about us, we will offer you our complaints procedure. We will work with you to deal with the complaint.

If you are not satisfied you can contact the Financial Ombudsman Service - www.financial-ombudsman.org.uk

5.3 Support during financial difficulties

If you require further support you can contact a range of debt support services.

Definitions

Credit Reference Agencies – Organisations that hold information about individuals credit performance. There are two main providers:

- Experian: www.experian.co.uk
- Equifax: www.equifax.co.uk

Debt support services – Citizens Advice Bureau, Credit Counselling Service, Debt helpline

FSA – Financial Services Authority

I&P Societies – Industrial and Provident Societies, who are run on a co-operative basis.

Membership Association

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