



ARREARS - SUMMARY POLICY AND CHARGES

Mortgages and HomeSecure Loans

The following represents a summary of Scotwest's Arrears Policy for Mortgages and HomeSecure loans (loans) including details of potential charges for accounts in arrears.

Arrears Summary Details

Loan account holders are advised to contact Scotwest at the EARLIEST opportunity if there is a possibility they may have difficulty in meeting their loan repayments. We can then fully discuss the various options available.

Contact: Secured Lending Department, 13 Elmbank Street, Glasgow G2 4PB
Telephone 0141 227 2392 or e-mail mortgages@scotwest.co.uk

In the event that the loan account holder does not contact Scotwest before the first failed repayment, Scotwest will try to establish contact with the account holder, by telephone in the first instance, to discuss the situation. A summary of the next stages are shown below.

LETTER NUMBER	WHEN ISSUED	CONTENT	CHARGE
1	1st of the month following the missed payment.	<ul style="list-style-type: none">• Money Advice Service fact sheet "Problems Paying Your Mortgage".• Copy of loan agreement.• List of payments missed.• Total £ sum of loan shortfall.• Total debt outstanding.• Any charges incurred at this stage (e.g. legal fees, administration or interest charges).• Indication of future charges.• Request for account holder to contact Scotwest Credit Union immediately.	£10
2	7 days after Letter 1 where no contact has been established.	As above with urgency of situation stressed.	£5
3	7 days after Letter 2 where no contact has been established.	As above with urgency of situation stressed and details of legal proceedings initiated.	£5
4	7 days after Letter 3 where no contact has been established.	As above with urgency of situation stressed including details of possibility of repossession.	£5



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The charges detailed on the front page will be applied to the loan account as and when the letters are issued. This would increase the sum outstanding on your loan and consequently the amount of interest you would pay.

The following charges *MAY* also be levied to loan accounts where deemed applicable:

- Administration charges e.g. staff resources
- Legal fees e.g. issuing letters, initiating legal proceedings
- Interest charges for missed payments
- Other costs e.g. property valuation and repossession costs

Scotwest is committed to only passing on actual costs incurred and will not levy any additional charges for arrears management on loan accounts. This is part of Scotwest's aims and objectives as a Credit Union and our desire to treat all members fairly and ensure their interests are fully considered at all times.

As part of the arrears management process, Scotwest will consider the following options when contact is established with loan account holders:

- Variation of the regular payment date.
- Variation to the method of payment collection.
- Accepting payment of the interest only element.
- Renegotiating payment terms for a specified period.
- Deferring the payment of interest.
- Rescheduling payments in line with the information presented.

We may consider extending the term of the loan and subsequently amending repayment amounts where applicable. This will only be considered in **EXCEPTIONAL** circumstances and where all other options have been ruled as either unsuitable or not in the best interests of the borrower or Scotwest. Where an extension to the term of the loan is agreed, a revised Key Facts Illustration and Offer document will be issued to the loan account holder explaining all relevant details.

Where an alternative option is agreed upon, this will be regularly reviewed by Scotwest in order to assess its on-going suitability for both the account holder and Scotwest.

Repossession proceedings will only be initiated after every possible alternative option has been fully reviewed and exercised. This is firmly a last resort for Scotwest however it should be stressed that on-going commitment and co-operation of loan account holders is vital. Although repossession is not the preferred option for the account holder or Scotwest, it must be stressed that it will be considered and exercised where necessary.

Your home may be repossessed if you do not keep up repayments on your mortgage.

Find us on:



Scotwest Credit Union is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN 213616)



0141 227 2392

www.scotwest.co.uk