

**NOTE FOR THE PUBLIC REGISTER UNDER SECTION 35 OF THE  
CONSUMER CREDIT ACT 1974 (THE ACT)**

**LICENCE NO: 113022**

**LICENSEE: SWIFT SECURITIES LTD**

**DETERMINATION OF MINDED TO IMPOSE REQUIREMENTS  
NOTICE**

An adjudicator, acting on behalf of the Office of Fair Trading (OFT), served a notice on the licensee that she was minded to impose requirements on the licensee. The adjudicator received representations from the licensee.

**SUMMARY OF REASONS FOR ADVERSE DETERMINATION**

Having considered the representations, the adjudicator decided to impose the following requirements:

**Underwriting**

The Licensee will ensure that its underwriting decisions are subject to a proper assessment of the borrower's ability to meet repayments on the loan in a sustainable manner and without undue hardship and without resort to the security, taking account of relevant circumstances and any reasonably foreseeable future circumstances.

Specifically the Licensee must

- a) verify income (s) declared by prospective borrowers;
- b) take appropriate account of a potential borrower's other financial commitments;
- c) take appropriate account of a potential borrower's individual financial and personal circumstances;
- d) give appropriate consideration to all information which is obtained by the licensee in the course of assessing an application;
- e) ensure that its underwriting procedures are compliant with the Second Charge Lending Guidance, particularly the General Principle as stated at paragraph 2.1 which states that all underwriting decisions should be subject to a proper assessment of the borrower's ability to repay the loan without undue hardship and without resort to the security. In so doing, the Licensee will take full account of all relevant circumstances and any reasonably foreseeable future circumstances.

### **Arrears management**

The Licensee must

- a) use litigation as a last resort and only where a borrower is unable to meet his commitments in the long term or unwilling to engage with the Licensee;
- b) ensure that its communications with customers accurately reflect its authority and the correct legal position, in accordance with paragraphs 2.3 and 2.4d of the OFT's Debt Collection Guidance July 2003, updated December 2006.

### **Default charges**

The Licensee must

- a) ensure that the tariff of charges gives a clear explanation of when charges will be applied to an account and what they are for;
- b) The Licensee's charges should be set out clearly and fully as part of the credit agreement and in periodic statements.

Notice of any appeal, which must be given within 28 days of the date on which notice of the determination is issued, and of its result, will be put on the public register.

**PLEASE NOTE THAT THESE PROCEEDINGS ARE NOT THE SAME AS THOSE OF A COURT. THEREFORE A FINDING THAT A PERSON HAS ENGAGED IN CONDUCT WHICH AMOUNTS TO AN OFFENCE OR CONTRAVENTION OF A STATUTE DOES NOT MEAN THAT THE PERSON CONCERNED HAS BEEN CONVICTED OF THAT OFFENCE OR BEEN FOUND BY A COURT TO HAVE CONTRAVENED THAT STATUTE.**

DATE OF DETERMINATION: 17<sup>TH</sup> JUNE 2011