



HARDSHIP POLICY

This is a guideline for how Australian Debt Recovery handles customers who are or may be experiencing vulnerability, those who may be requesting assistance, or those who have indicated a need for help repaying their debt due to financial hardship.

In these policies, “we”, “us”, “company”, “organisation”, and “our” refer to Australian Debt Recovery.

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Australian Debt Recoveries

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Purpose

This policy confirms Australian Debt Recovery's commitment to ethical, honest, and fair conduct with customers experiencing financial hardship and those in or experiencing vulnerable situations. We take extra care of customers who are experiencing vulnerability and those who may be requesting assistance or who have indicated a need for assistance in repaying their debt due to financial hardship.

Scope

This policy applies to all Australian Debt Recovery employees, customers, and their representatives experiencing payment difficulties.

Definitions

Below are commonly used terms and their definitions to assist in understanding this policy.

- Financial Hardship is defined as any situation where someone is having difficulty repaying a loan, debt, or bill.
- An employee (s) is a person(s) hired by Australian Debt Recovery to do a specific job.
- A Client is defined as, for this policy, a company we work on behalf of.
- A Customer is defined as any individual from whom we collect or receive funds for this policy.
- Personal Information is defined as information or an opinion about an identified individual or a reasonably identifiable individual.
- Sensitive Information is defined as a subset of personal information. It includes information or an opinion about your racial or ethnic origin, political opinions, religious beliefs or affiliations, philosophical beliefs, sexual orientation, criminal record, health information or genetic information.
- Vulnerable Person(s) is defined as but not limited to minors, unaccompanied minors, disabled people, older adults, pregnant women, single parents with children, victims of trafficking, torture, rape, or other forms of psychological severe matters, persons with serious illness, persons with mental health matters, family, and domestic violence.

Policy Authorisation

The Managing Director will formally approve this written policy.

Our Commitment

This policy incorporates management's commitment to abide by pertinent laws and policies to guarantee adherence to statutory requirements in accordance with the Related Resources section of this policy.

Policy Summary

We apply an approach consistent with the ASIC/ACCC Debt Collection Guidelines and the National Consumer Credit Protection Act that encourages flexibility by organisations attempting to collect outstanding debts. This includes recognising customers who are or may be experiencing vulnerability or experiencing financial hardship and recognising that customers may have several debts owing to different creditors. A flexible approach involves making meaningful and sustainable payment arrangements that reasonably consider a customer's ongoing living expenses to enable them to live in essential comfort and prevent impoverishment or humiliation.

We endeavour to provide customers who have expressed or been identified as being in or experiencing vulnerability or financial hardship with assistance to meet their contractual obligations. As a responsible organisation, we do not intend to cause hardship to customers, regardless of whether the NCCP Act covers them or not. Accordingly, at its absolute discretion, Australian Debt Recovery will consider contract variations where necessary to assist customers. Where we are not the contract owner, we will make recommendations or escalate cases to our clients on matters of hardship where appropriate.

Policy Guidelines

This policy includes but is not limited to the following employee guidelines when working with customers who may be experiencing or in situations of financial hardship and or vulnerability:

- Competency and Training.
- Identifying and engaging with customers who may be experiencing or in situations of financial hardship and or vulnerability.
- Flexible and sustainable payment arrangements.
- Engagement with customers & their representatives.

- Confidentiality and privacy.

Policy Compliance & Monitoring

Suspected breaches or misuse of this policy are to be reported to the Managing Director and Compliance Manager. The Managing Director and Compliance Manager are responsible for monitoring our compliance with this policy and our legislative and regulatory obligations, including any practices, attitudes and conduct that may compromise our policies and or the abovementioned obligations.

Policy Review

This policy will be reviewed annually as part of our internal review process when significant changes occur to our internal or external processes or when legislation, regulations, or other industry-specific guidelines or codes have been updated.

Policy Information

Confidentiality & Privacy.

Australian Debt Recovery will meet our general legal obligations and duties to protect and ensure customer confidentiality and privacy. Our Privacy Policy, which outlines how we handle and protect personal and sensitive information, is available on our company website. Alternatively, you can email us at the provided compliance email address and request a copy.

Competency & Training.

We will ensure that our staff are trained to competently do their work and understand how to comply with all applicable industry regulations, legislations, guidelines, and codes.

We are committed to ensuring that:

- Employees are committed to and supported by our executive management team.
- Our Competency & Training Programs are communicated and completed.
- All employees are provided with additional training where applicable.
- All employees complete annual refresher training.

- All employees will engage with our customers and their representatives fairly, reasonably, respectfully, and ethically.

Inclusion & Accessibility.

We are committed to providing a service to all people, including, but not limited to, older customers, people with disabilities, and those from culturally and linguistically diverse backgrounds. We will train our employees to identify customers experiencing vulnerability and adapt our standards for them sensitively and helpfully.

Our training will include awareness of vulnerable circumstances as a result of family and domestic violence and elder abuse.

We are committed to improving the accessibility of our service and will take reasonable measures to enhance accessibility. We will offer to communicate with you through an interpreter service, which is reasonably practical if you need to speak fluent English and would benefit from this assistance. We will also offer to communicate with you through the National Relay Service if you have hearing difficulties.

Get In Touch Early

Financial hardship can happen to anyone. Circumstances such as cost-of-living pressures may make it harder for customers to pay their bills. Whether it is a short-term setback or ongoing, we understand that payment difficulties can arise for many different reasons.

Contact us if you're struggling to keep up or worried about managing your repayments. We can tailor a support option to suit your needs.

Why you may need financial assistance.

There are many reasons customers may need help to meet their repayments. The list of common hardship and vulnerability indicators below is incomplete. It should be used only as a guide to assist customers and our staff in identifying those experiencing financial hardship or being in vulnerable situations.

- Death in the family.
- Illness, injury & mental health.
- Family violence, domestic violence, financial abuse, elder abuse.
- Natural disasters, pandemics & sudden emergencies.
- Unemployment, inflation & reduced or low income.
- Incarceration, substance abuse, & gambling.
- Financial illiteracy & over-commitment to credit arrangements.
- Divorce or separation.
- Age-related or disability impairment.
- People from culturally & linguistically diverse backgrounds or living in remote, regional & rural communities.
- Or any other personal or financial circumstance that causes significant detriment.

Remember, we may only become aware of your circumstances if we are told about them.

How We Can Help

We have various support options, and the assistance provided will depend on your circumstances and needs.

Assistance options

We will work with customers to determine the most appropriate assistance option for each circumstance; some of these options may include:

- Extending the term of a contract and reducing payments.
- Extending a contract term and delaying repayments for a set period.
- Delaying repayments for a set period without extending the contract term.
- Reducing or freezing the interest rate for a set period.
- Partial & complete debt waivers.
- Agree with you to pay a reduced lump sum amount.

Will Australian Debt Recovery engage with my authorised representative?

We understand that sometimes our customers may engage an authorised representative or financial counsellor to assist them during their financial hardship or vulnerability. As part of our hardship program, subject to customer privacy and authority, we are committed to the following:

We are working cooperatively and being responsive to the information needs of financial counsellors and authorised representatives.

What if Australian Debt Recovery is acting on behalf of my credit provider?

If we are an acting agent on behalf of your original credit provider, we can still assist you. If you have identified or advised us that you are experiencing financial hardship, we will work with you and our client to help you.

Identifying Financial Hardship & Customer Vulnerability

We know that customers may feel uncomfortable discussing their financial situations. Our staff are trained to identify vulnerable customers who may benefit from our hardship program and to assist those who have identified themselves as vulnerable or in hardship. We are committed to:

- Identifying customer hardship and vulnerability as early as possible.
- Empowering employees to negotiate and agree on flexible and sustainable solutions for our customers.
- Encouraging customers and their representatives to contact us if they are struggling financially.
- Ensure that our employees are trained to communicate sensitively and respectfully with customers experiencing hardship or vulnerability, facilitating their self-identification of hardship or vulnerability.
- Determine a customer's eligibility for hardship using an objective criterion.
- Knowing where customers in vulnerable situations or experiencing financial hardship can be referred for professional advice, help, or assistance in regaining control of their finances.

We understand that customers might experience financial hardship due to multiple factors or be in vulnerable situations and circumstances throughout their lifetime.

Professional Support for Vulnerable Customers

Our team can provide additional assistance to vulnerable customers by providing them with professional external support services.

Service	Type of Support Provided	Contact Details	About
National Debt Helpline	Financial Difficulty Services	1800 007 007	Provides access to local financial advisers.
Translating & Interpreting Services (TIS)	Literacy Services	13 14 50 www.tisnational.gov.au	National 24/07 interpreting service.
Services Australia	Government Services	www.servicesaustralia.gov.au	Government services for students and the elderly.
Lifeline	Crisis Support	13 11 14	24-hour support for anyone experiencing a personal crisis or thinking about suicide.
MensLine Australia	Mental Health & Family Support	1300 789 978	24-hour phone and online support and information services for men.
National Relay Service (NRS)	Telephone access service for deaf people, hearing or speech-impaired	Voice: 1300 555 727 TTY: 133 677 SMS: 0432 677 767	Australia-wide telephone access service for those who are deaf or have a hearing or speech impediment.
1800 Respect	Family & Domestic Violence Service	1800 737 732	24-hour hotline for anyone who has experienced or is at risk of family or domestic violence and or sexual assault.
Women's Legal Services Australia	Women's Legal Services	www.wlsa.org.au	Community legal centres specialising in women's legal issues.
Aboriginal Family Domestic Violence Hotline	Family & Domestic Violence Service	1800 019 123	A dedicated contact line for Aboriginal victims of crime who would like information on victims' rights, how to access counselling and financial assistance.
Centre for Rural & Remote Mental Health	Geographic Service	(02) 6363 8444	Provides leadership in rural and remote mental health research. (They do not provide emergency services)
GriefLine	Special Circumstances	https://griefline.org.au/	Support for people experiencing grief, loss, and trauma.

Relationships Australia	Special Circumstances	1300 551 800	Relationship support services.
STARTTS	Cultural Background Services	(02) 9646 6800	Support for people of any age who have survived torture, trauma or both and are refugees, asylum seekers or from a refugee-like background.
National Aboriginal Community Controlled Health Organisation	Health & Wellbeing	www.naccho.org.au	National body representing Aboriginal community-controlled health services across Australia.

Supporting Customers in Financial Hardship & Vulnerable Situations

With customer cooperation, we will work with you to help you find a sustainable solution to your financial difficulties. Any help we can provide will depend on individual situations and circumstances, and it will be provided to customers on a case-by-case basis.

Customers experiencing financial hardship or those in vulnerable situations are encouraged to be open about their situations, contact us as soon as possible to advise us and provide updates about their circumstances.

We are committed to:

- We are providing customers with details to external professional support services who may be able to assist them.
- We are making information publicly available about our processes for working with customers in financial difficulty and vulnerable situations.
- Suspending any non-legal collection or recovery actions where a customer seeks financial counselling assistance or similar for a reasonable period.
- Where permissible under law, ensure all information relating to a customer's financial circumstance is passed on to authorised third parties.
- We assist customers who have a joint account with someone and are experiencing financial hardship or who may be in a vulnerable situation and can do so without initially involving the other person.
- Assisting guarantors who may be experiencing hardship or are in a vulnerable situation.
- Treating you with respect and empathy.
- Providing you with timely assistance and information.

Ensuring payment options are fair, flexible, and affordable.
Facilitate and review ongoing training for our staff to better assist you.
Maintain strong relationships with community stakeholders and industry.

Has a natural disaster or emergency circumstance impacted you?

Our team supports all our customers and their communities, responding to catastrophes and natural disasters quickly, efficiently, professionally, and compassionately. We understand that every situation is different, and we have a range of solutions that can be tailored to meet your needs. Australian Debt Recovery is committed to assisting customers who are affected by natural disasters and or emergency circumstances by:

- Flagging accounts by postcode that have been declared areas of natural disasters.
- Fast-tracking situations and, in most circumstances, placing accounts on hold immediately.
- Ceasing all recovery and collection activities for a specific period ensures that customers have the time to sort out their affairs and get their lives back on track.
- Reducing repayments within a specific period.
- Deferring payments due within a specific period.
- Releasing customers from their debt (where appropriate).
- Waiving specific fees (where appropriate and applicable).

If you are in this position, please let us know we're here to support you.

What happens if I have a joint account or am in a family and domestic violence situation?

Our operators are well-trained in handling these circumstances and can assist when you notify us of your situation.

- When you notify us of your situation, we will action your request without informing the other party.
- We will always endeavour to keep your information private and, where practicable, action and note accounts per your instructions to assist with your privacy. These instructions may include things like:
 - How to contact you safely
 - When to contact you safely and
 - Who is the best person to contact if we cannot reach you?
 - Or who not to contact if we are unable to reach you.

How to Apply for Assistance

There are many ways you can apply and ask for assistance.

- Contact our office and speak to one of our friendly operators.
- Send an email to the compliance email address provided,
- Post your request to the company address, Attention: Compliance Department.
- Go to our website and complete the hardship request form
<https://www.ausdebt.com.au/make-a-payment/other-dispute-hardship-requests/>

Our dedicated team will endeavour to respond to your request within 5 business days.

How long will it take to know if my hardship request has been approved?

Depending on the type of request, we aim to provide you with an outcome as swiftly as possible. Often, assistance can be offered quickly and efficiently over the phone.

If a more detailed assessment of your personal and financial circumstances is required to identify how we can help, we will proceed with this process. Assistance is available whether you are an individual, joint account holder, or guarantor.

Should you have a joint account and are experiencing financial difficulty, we can provide individual assistance upon request. While you are awaiting the outcome of your financial assistance request, please be assured that all recovery and collection activities will be paused.

Once your application is approved, further recovery and collection activities will cease for the approval period.

Assessing hardship requests

We will use but are not limited to the following indicators and factors of financial hardship when we consider and assess a customer's eligibility and the type of financial hardship assistance that may be able to be provided:

- Customers' eligibility for welfare payments, including those from Centrelink agencies.
- A deficiency in all sources of income that would impact a customer's ability to settle obligations as they fall due, such as primary living conditions.
- The ability to increase all sources of income and the timeframe this may take to achieve.
- The consistency of repayments already made on the account (where applicable).
- If the cause(s) of a customer's financial situation is/are short-term or long-term.
- Ability to repay the debt without causing further financial difficulties to the customer (where a customer requests a reduced payment arrangement).

To help you, we may ask:

- About a customer's income and expenses, as this helps us determine how we can best assist you.
- Documents to support your request for financial hardship assistance, such as but not limited to medical certificates or employment separation certificates.

Everything you tell us will be confidential and assessed on a case-by-case basis.

Flexible payment arrangements

Australian Debt Recovery will assist customers in financial hardship with alternative payment options. These arrangements will be flexible and consider information about a customer's capacity to repay their debt and the period of hardship that may take place.

We are committed to:

- Base payment arrangements on the individual circumstances of customers.
- Obtain enough information to determine how much customers can afford to pay and set up a realistic payment arrangement that assists customers in meeting their financial obligations and remaining connected.
- Be aware that customers may commit to more than they can afford because they are anxious or worried about further issues if they cannot pay.
- Assessing the capacity to pay provided by financial counsellors and acknowledging that financial counsellors allocate a significant amount of time to helping each customer in hardship develop an affordable budget and assess customers' capacities to pay.

Complaints & Disputes

We want to do everything we can to make our service work for our customers, and we will do what we can to resolve your concerns. If you have a complaint about our service, we will do our best to work towards an early resolution.

If this isn't possible, our Compliance team is available (provide the updated contact details based on your current service provider information), or you can email us. If you remain dissatisfied with our decision or this outcome, you may escalate your complaint to our external dispute resolution service.

Australian Debt Recovery Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA). External Dispute Resolution is a free service. AFCA offers an impartial dispute resolution scheme to assist consumers with resolving complaints and disputes. The Australian Financial Complaints Authority (AFCA) contact details are:

Website: www.afca.org.au Email: info@afca.org.au Phone: 1800 931 678 (free call) In writing to: Australian Financial Complaints Authority GPO Box 3, Melbourne VIC 3001

Time limits may apply to complaints to the AFCA, so you should act promptly or consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

Responsibility & Implementation

The Compliance Manager is responsible for ensuring this policy is fully implemented. Australian Debt Recovery will ensure that its staff are trained:

- To understand their obligations under s72 of the NCCP Act.
- To identify when a customer is suffering from hardship and help where appropriate or advise the compliance team of the customer's request.
- Process and respond to hardship requests within the time frames set out in the NCCP and RG 271.
- All customers should expect to be treated with dignity and respect.

SME Hardship Assistance

Purpose

This section outlines our commitment and approach to assisting Small to Medium Enterprises (SMEs) experiencing financial hardship. Recognizing the pivotal role of SMEs in the Australian economy and the unique challenges they face, we are dedicated to providing support that respects their circumstances and contributes to their stability and recovery.

Scope

This policy applies to all SME customers of Australian Debt Recovery experiencing payment difficulties due to financial hardship. It encompasses businesses across various industries, acknowledging the diverse challenges faced by different sectors.

Definitions

SME Financial Hardship: Refers to a situation where an SME is unable to meet its financial obligations to Australian Debt Recovery due to circumstances beyond its control, which could include cash flow issues, significant market downturns, or other operational challenges.

Business Continuity Support: Assistance provided to ensure the continued operation of an SME during periods of financial hardship.

Policy Guidelines

Early Engagement

We encourage SME customers to engage with us at the earliest sign of financial difficulty. Early communication enables us to work together to identify potential support measures and avoid further financial stress.

Tailored Assistance Options

Understanding that each SME has unique challenges, we offer tailored assistance options, including but not limited to:

- Temporary relief from payment obligations.
- Restructuring of debt arrangements.
- Advice and support on managing cash flow and operational costs.
- Referral to professional advisory services for business restructuring or financial management.

Assessment Process

Our assessment process for SME hardship requests is thorough and considerate, focusing on the sustainability of the business and the feasibility of proposed assistance measures. We may require financial statements, cash flow forecasts, and a business recovery plan for our assessment.

Supportive Measures

Depending on the assessment, supportive measures may include:

- Adjust payment terms to align with the SME's revised cash flow projections.
- Temporary suspension or reduction of interest and charges.
- Deferral of principal payments.
- Assistance in accessing government support programs and resources for businesses in distress.

Professional Advisory Services

We recognise the importance of professional advice in navigating business challenges. We can provide SMEs with information on accessing specialist advisory services for business restructuring, financial management, and legal advice.

Monitoring and Review

Support arrangements will be subject to regular review, considering the evolving financial position of the SME and the broader economic environment. We commit to maintaining open and transparent communication with our SME customers throughout the duration of the support period.

Contact and Application

SME customers seeking assistance should contact our dedicated SME support team via:

Phone: 1300 767 721

Email: enquiries@ausdebt.com.au

Online: <https://www.ausdebt.com.au/make-a-payment/other-dispute-hardship-requests/>

Our team is equipped to discuss your situation confidentially and offer guidance on the hardship assistance application process and the required information.

Related resources

Legislation

- The NCCP Act
- The ASIC Act
- ASIC/ACC Debt Collection Guidelines
- AFCA's Approach to Hardship
- Banking Code of Practice
- Customer Owned Banking Code of Practice

Associated Shield Documents

- Hardship Variation Application
- Code of Conduct
- Collector Code of Conduct
- Privacy Policy
- Hardship Resolution Manual
- Complaints & Disputes Policy