

# Financial Hardship Policy

(annexing Summary of Financial Hardship Policy – see Schedule B)

TelcoHQ Pty Ltd

## 1. Introduction

This is TelcoHQ's Financial Hardship Policy.

We understand that financial hardship can make it difficult for some customers to pay their bills. This policy is designed:

- (a) to alleviate pressures in such cases
- (b) to ensure, as far as possible, that our bills are paid
- (c) to maintain service, if that is feasible.

## 2. TCP Code

This Financial Hardship Policy acknowledges the *Telecommunications Consumer Protections Code C628:2012* and we shall comply with the Code in relation to it.

We will give you a copy of the Financial Hardship Policy Summary in Schedule B to this Policy:

- (a) upon request
- (b) when you indicate to us that you are experiencing Financial Hardship
- (c) if we consider that you may be eligible for the Policy.

The Summary in Schedule B forms part of this Policy.

## 3. Our contact details

We encourage you to contact us if you experience any difficulties paying our services.

You can contact us regarding financial hardship issues as follows:

Name / position:	Financial Hardship Officer	<i>Contact hours</i>
Telephone:	<b>1300 193 299</b>	8am-10pm Mon-Fri 8am-8pm Sat-Sun
Email:	<b>info@telcohq.com.au</b>	All hours – processed during business hours
Postal address:	<b>Suite 13/30 Denison St, Bondi Junction NSW 2022</b>	All hours – processed during business hours

## 4. Who can claim financial hardship?

This policy is only available to our:

- (a) personal/residential customers

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- (b) small business customers.

You are a personal/residential customer if you are an individual who acquires a telecommunications product for the primary purpose of personal or domestic use and not for resale.

You are a small business customer if you are a business or non-profit organisation which acquires from us one or more telecommunications products which are not for resale and, at the time you entered into your customer contract, you:

- (c) did not have a genuine and reasonable opportunity to negotiate the terms of the customer contract
- (d) had or would have an annual spend with us which was, or we estimated on reasonable grounds to be, no greater than \$20,000.

### 5. What counts as financial hardship?

'Financial hardship' means a situation where:

- (a) you are unable to discharge the financial obligations owed under your customer contract with us or otherwise discharge the financial obligations you owe to us, due to illness, unemployment or other reasonable cause
- (b) you believe that you can discharge those obligations if the relevant payment arrangements or other arrangements relating to the supply of telecommunications products by us to you are changed.

### 6. Assessment of applications

We will assess any application you make in a fair and timely manner.

### 7. Step 1: You need to tell us about it.

Sometimes, we may become aware that you are experiencing hardship but usually, we'll only know if you tell us.

The first thing to do to make a hardship claim is contact us and tell us:

- (a) who you are
- (b) what TelcoHQ bills you have difficulty with
- (c) what the difficulty is.

### 8. Step 2: We ask for it in writing.

Now, there may be some unusual cases where you can't quickly get us anything in writing. If that seems to be the case, we'll try to deal with you on the telephone – but you must give us something in writing as soon as you can.

Schedule A is an Application Form you may use to satisfy this requirement and give us other initial details we almost always need.

You must send any documentation we require to the email address, or postal address in section 3 above, addressed to 'Financial Hardship Officer, TelcoHQ.

Our assessment of an application may be based on the information you provide or other information available to us.

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We may cancel any financial hardship arrangement if you have provided false or incomplete information.

### 9. **Step 3: We'll check if there are any disputed amounts.**

Our financial hardship arrangements are for people who agree they owe money but can't pay it for good reason. They don't apply if you dispute a bill or say you don't have to pay it.

We'll ask you:

- (a) to clearly identify the problem bill/s;
- (b) to confirm they are not disputed
- (c) to confirm that you intend to pay when you reasonably can.

If there is a dispute, we'll refer you to our disputes policy instead of this financial hardship policy.

### 10. **Step 4: We'll decide if it could be considered as financial hardship.**

First, we'll consider if you're telling us you can't pay our bill/s. If you're not saying that, it's not a case of hardship.

Second, we'll consider whether non-payment is reasonable. For instance, if you cannot pay us because you choose to continue to pay a month-to-month yoga class membership, we might consider it unreasonable to pay that instead of your phone bill.

Third, we'll consider why you're financially restricted. Relevant reasons may include:

- (a) you lost your job
- (b) a dependant of you lost their job and you must support them
- (c) family breakdown
- (d) illness
- (e) unexpected and unavoidable extra financial commitments e.g. medical bills from an accident.

We won't try to give a complete list, but these examples are good guidelines for the kinds of reasons we can accept. If your reasons are as serious and good as these ones, we'll be flexible about accepting them.

Fourth, we'll consider whether a change of arrangements could help you pay. If there's nothing we can do under this policy that would make any difference, we can't make a hardship arrangement with you.

If all the above are satisfied, we'll accept that you are making a financial hardship claim.

### 11. **Step 5: We may ask for documentary proof.**

We may ask you to provide written evidence that you are telling us the truth.

Normally, we'll ask for documentation if:

- (a) it looks like you'll need a hardship arrangement for a long time
- (b) the amount involved is over \$500
- (c) you have been our customer for less than six months

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(d) we consider there is a reasonable possibility of mistake or fraud.

But we may ask for documentation in other cases, based on similarly serious reasons.

Examples of documents we might require are:

(e) evidence that you lost employment

(f) evidence that you have consulted a financial counsellor

(g) a statutory declaration by you

(h) a statutory declaration by someone familiar with your circumstances

(i) a medical certificate.

The purpose of asking for documentation is to help justify your claim, and to help us be flexible about what arrangements may assist in your circumstances.

We may require evidence of your capacity to pay e.g. a financial statement confirmed by a statutory declaration. As a normal rule, if we ask you for any proof or documentation and you don't provide it within 10 working days, your hardship application is considered withdrawn. (But we won't unreasonably refuse to reinstate it if you later ask us to).

If we ask for documentation:

(j) you must send it to the email address or postal address in section 3 of this policy, addressed to 'Financial Hardship Officer, TelcoHQ; and

(k) we will comply with applicable privacy laws.

### **12. Step 6: We will decide about whether we accept that you've showed financial hardship.**

We will do that within five working days after you have done what is required of you under steps 1 to 5.

If you have an active email address, we will notify you by email. Otherwise, we'll normally notify you by post or any other method you asked for and we agreed to.

The rest of the steps assume that we have accepted that your claim of financial hardship.

### **13. Step 7: We'll work with you to agree on a hardship arrangement.**

Our notification under step 6 may include a proposal for a hardship arrangement.

We will be flexible about arrangements, taking your circumstances into account. But we do have policy guidelines.

You must contact our Financial Hardship Officer by telephone, normally within 10 working days after we send the notification.

If you do not contact the Financial Hardship Officer within the required time, your application will be considered withdrawn (but we will not unreasonably refuse to reinstate it if you contact us within a reasonable time and ask us to).

When you contact the Financial Hardship Officer, they (or a delegate they appoint) will discuss the proposed financial hardship arrangement with you and see if you accept it or whether another arrangement can be agreed.

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### 14. Our policy guidelines

- (a) For existing debts, a deferred payment plan should ensure that the debt is paid:
  - (i) at not less than 10% of the amount outstanding a month
  - (ii) in full within six months.
- (b) Your debt should not increase after the end of the current billing period.
- (c) We will consider with you whether any changes to your service may help you retain service without increasing your debt e.g. by:
  - (i) call barring
  - (ii) restricted access
  - (iii) slower access
  - (iv) prepayment
  - (v) extended payment period up to 14 days longer than normal, for up to six months
  - (vi) waiving reconnection fees unless we are liable to a third party (e.g. wholesaler) for them.
- (d) An arrangement must be one that you can comply with. If no such arrangement appears possible within a reasonably flexible application of the policy, we cannot offer you a hardship arrangement.

### 15. We won't normally take credit management action while we are discussing a possible arrangement with you, or an arrangement is in place

We will suspend credit management action while an arrangement under this Policy is being discussed or is in place unless:

- (a) you do not meet your obligations under the arrangement  
(In that event, if you do not contact us to discuss a new arrangement, we will take reasonable steps to contact you before taking credit management action).
- (b) we decide it is reasonable to do so given the circumstances, e.g. to prevent a further increase in the debt owed
- (c) you agree that the arrangement is unable to be completed.

### 16. Step 8: If we can reach an arrangement with you.

Sometimes, it may not be possible to agree an arrangement with you within our policy guidelines (applied reasonably flexibly). If we do reach a hardship agreement with you:

- (a) we'll send you a summary of the arrangement by email or post
- (b) the summary will include the amount and frequency of any 'catch up' payments you must make
- (c) it will also note any service restrictions that will apply; and
- (d) you should contact us without delay if your circumstances change.

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### 17. During the term of a hardship arrangement:

- (a) you and we must comply with it
- (b) we will monitor your compliance
- (c) we will review the arrangement if you notify us that your circumstances have changed and request us to do so
- (d) we will not sell your debt.

### 18. Our dealings with you

Our Financial Hardship Officer and delegates:

- (a) will treat you with courtesy and respect
- (b) will be understanding in cases of genuine financial hardship
- (c) are entitled to be treated by you with courtesy and respect
- (d) are entitled to act in our reasonable interests, especially in making sure claims are genuine and we are not disadvantaged without good cause.

### 19. Costs associated with this policy

There are no costs to you for making a financial hardship application or otherwise in connection with this policy.

### 20. Training

Our Financial Hardship Officer and delegates must:

- (a) read this policy in full before commencing duties and at least once each two months after that
- (b) read Chapter 6 of the *Telecommunications Consumer Protections Code C628:2012* in full before commencing duties and at least once each six months after that
- (c) participate in all further training about the policy that we direct.

### 21. Where to get more information and assistance

Financial Counsellors are trained and accredited to work in the local community to provide remedial, preventative and advocacy services for people in financial distress (or who are in danger of entering financial distress) with a focus on people of low income.

They are generally funded by State and Federal Governments and services are provided free of charge.

A Financial Counsellor works with you to clarify and analyse your financial situation, explain financial and legal documents and processes, and identify and discuss options for resolving financial problems.

While a Financial Counsellor may assist you in negotiating with creditors, you are always in control over what course of action will be taken.

In some States, Consumer Advocates offer advice about consumer rights to Customers.

## 22. Contacting your local Financial Counsellor or Consumer Advocate

QLD	Financial Counselling Services of QLD	(07) 32571957
NSW	Credit and Debt Hotline	1800 808 488
ACT	Care Financial Counselling	(02) 62571788
VIC	Consumer Credit Legal Service	(03) 96023800
TAS	Anglicare Financial Counselling	1800 243 232
SA	Uniting Communities Financial Counselling	(08) 82025180
WA	Financial Counsellors Resource Project	(08) 92219411
NT	Anglicare Financial Counselling	(08) 89850000