

# Chapter 1

Application and purpose and  
guidance on financial difficulties

## 1.3 Guidance on financial difficulties

### 1.3.1

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In *CONC* (unless otherwise stated in or in relation to a *rule*), the following matters, among others, of which a *firm* is aware or ought reasonably to be aware, may indicate that a *customer* is in financial difficulties:

- (1) consecutively failing to meet minimum *repayments* in relation to a credit card or store card;
- (2) adverse accurate entries on a credit file, which are not in dispute;
- (3) outstanding county court judgments for non-payment of debt;
- (4) inability to meet *repayments* out of disposable income or at all, for example, where there is evidence of non-payment of essential bills (such as, utility bills), the *customer* having to borrow further to repay existing debts, or the *customer* only being able to meet *repayments* of debts by the disposal of assets or security;
- (5) consecutively failing to meet *repayments* when due;
- (6) agreement to a *debt management plan* or other *debt solution*;
- (7) evidence of discussions with a *firm* (including a *not-for-profit debt advice body*) with a view to entering into a *debt management plan* or other *debt solution* or to seeking *debt counselling*.