

## Chapter 2

# Conduct of business standards: general

## 2.4 Credit references: conduct of business: lenders and owners

### Application

2.4.1

**R**

This section applies:

- (1) to a *firm* with respect to *consumer credit lending*; or
- (2) to a *firm* with respect to *consumer hiring*.

### Disclosure of name and address of credit reference agencies consulted

2.4.2

**R**

- (1) Not later than the *lender* ("L") informs a *credit broker* that L is not willing to make a *regulated credit agreement*, L must, unless L informs the *customer* directly that L is not willing to make the agreement, inform the *credit broker* of the name and address (including an appropriate e-mail address) of any *credit reference agency* from which L has, during the negotiations relating to the proposed agreement, applied for information about the financial standing of the *customer*.

[Note: regulation 2 of SI 1977/330]

- (2) Not later than the *owner* ("O") informs a *credit broker* that O is not willing to make a *regulated consumer hire agreement*, O must, unless O informs the *customer* directly that O is not willing to make the agreement, inform the *credit broker* of the name and address (including an appropriate e-mail address) of any *credit reference agency* from which O has, during the negotiations relating to the proposed agreement, applied for information about the financial standing of the *customer*.

[Note: regulation 2 of SI 1977/330]

### Searching credit files

2.4.3

**G**

A *firm* undertaking a credit reference search should not leave evidence of an application on a credit file where a *customer* is not yet ready to apply. Where practicable, *firms* should facilitate *customers* shopping around for *credit* by offering a 'quotation search' facility.

[Note: paragraph 3.13 (box 2) of *ILG*]