

# Our Privacy Statement

# Our Full Privacy Statement

## Why we need your information and where we obtain it

Our main use of your personal information is to look after your account or to provide the specific service you require. Some details we obtain elsewhere – from credit reference agencies or your employer for instance. If you apply to us for insurance, we will pass your details to the insurer. If you make a claim, any information you give to us, or to the insurer, may be put onto a register of claims and shared with other insurers to prevent fraudulent claims. A list of the participants is available from the insurer. We may also disclose your information within our group of companies, to our agents and other insurers to investigate or prevent fraud.

To meet the requirements of the Banking Code and our regulator the Financial Services Authority (FSA), we are obliged to contact you shortly before the maturity of any fixed term or fixed rate products. This ensures that you are aware of the options available and helps you make an informed decision about your maturity instructions.

If you were 'introduced' to us by a third party and/or have a relationship with or are supporting one of our affinity partners, we will give them your contact details and sufficient information about you to help with their accounting and administration. Introducers or affinity partners may use these details to contact you about products and services unless you have asked them not to do so.

To comply with money laundering regulations, there are times when we need to confirm (or reconfirm) the name and address of our customers. This information may be shared with other HBOS Group companies. For more details

about identity checks, please refer to the 'About You – Personal information and Your Identity' leaflet.

We may record phone conversations to offer you additional security, resolve complaints and improve our service standards. Conversations may also be monitored for staff training purposes.

Our employees are personally responsible for maintaining customer confidentiality. We provide training and education to all our staff to remind them about their obligations. Our policies and procedures are regularly audited and reviewed.

## How we use your information

The Data Protection Act puts obligations on users of personal information and lays down principles for its use. One principle states that information has to be processed fairly and lawfully. This means that you are entitled to know how we intend to use any information you provide. You can then decide whether you want to give it to us.

Organisations must lodge a notification with the Information Commissioner describing the purposes for which they process personal information. The details are publicly available from the Commissioner's office at Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF. (Tel 01625 545745. Fax 01625 524510). Alternatively, see the Commissioner's website ([www.ico.gov.uk](http://www.ico.gov.uk)).

The Data Protection Act does not generally apply to companies but it does cover personal data relating to sole traders and partnerships. When we receive an application from a business we may perform a search with a credit reference agency on the individual company directors or partners.

Unless you have given us your consent, we will not provide information about you to companies outside our group to use for their own marketing purposes. Sometimes we need to give information to our agents and subcontractors so that they can

provide a particular service for us. Sometimes, these companies may be located abroad in countries that do not have adequate data protection laws. In these circumstances we always take great care to ensure that your personal information is kept safe and secure. If you hold a credit or debit card with us, we will share transaction details with our scheme providers (e.g. MasterCard). Other members of our group may also share your information to help keep their records up to date and administer your relationship with them.

We are also committed to meeting the standards set by the Banking Code, copies of which are available in our branches or on their website ([www.bba.org.uk](http://www.bba.org.uk)). Occasionally, the Banking Code Standards Board's compliance monitoring body audits a sample of our customer records to assess our compliance with the Code. Whenever this happens, strict confidentiality conditions are always imposed.

Some Acts of Parliament oblige us to disclose information about our customers to certain bodies with statutory powers. For example, we must give information to authorised benefit fraud investigators where fraudulent benefit claims are suspected. In addition, the Inland Revenue has the statutory authority to audit our customers' accounts from time to time.

If you apply to us for a credit-based product, the details you provide, the information we already have and information from credit reference agencies are used to assess credit risk using a technique called 'credit scoring'. Various factors in all these details help us to assess the risk. A score is given to each factor and a total credit score obtained. If your score is above a confidential pre-set pass score, the application is likely to succeed. For more details please ask for our 'Credit Scoring' leaflet or visit our website ([www.halifax.co.uk/creditscoring](http://www.halifax.co.uk/creditscoring) or [www.bankofscotland.co.uk/creditscoring](http://www.bankofscotland.co.uk/creditscoring)).

If you email us, or give us your email address, we will keep a record of it. We may use it to contact you occasionally about other products and services, which may interest you, unless you ask us not to do so. We will not give your email address to any unauthorised third parties. When emailing us, we recommend you use the email

facility on our websites to make sure that the content of your email is secure. If you send us email in other ways, remember that it will be 'insecure' and could be intercepted. If you do send us 'insecure' email, please keep the amount of confidential information you include to a minimum. We will do likewise when we reply.

The Data Protection Act defines certain information as 'sensitive' (racial or ethnic origin, political opinions, religious beliefs, trade union membership, physical or mental health, sexual life, criminal proceedings and offences). If you apply to us for insurance, a pension, health insurance or life assurance, we may ask you for some 'sensitive' details. We will only use this information to provide the service you require and we will ask for your explicit consent. As a customer, there may be times when you give us sensitive information.

We may share it with other parts of the HBOS group and our subcontractors to keep your records up to date. Some transactions that you (or an additional cardholder) make on a card account may cause sensitive or confidential details to appear on your statement. If your card is used for such transactions, we believe that the details appear on your statement with your explicit consent.

## Your choices and how to contact us

We may use your account details, transactions and information provided to us by third parties in our customer contact programme. Occasionally, members of our group of companies may contact you by letter, telephone, email and text message or otherwise to inform you about other products and services that may interest you. We try to limit our customer contact programme to acceptable levels, but if you wish to exercise your right to opt out, simply inform your local branch or let us know by any means convenient for you.

Alternatively you can write to us at:

Data Unit  
 Freepost NWW15306  
 City House  
 City Road  
 Chester  
 CH88 3YZ

Remember, however, that opting out could stop us contacting you about any of our products or services that may benefit you. For example, you may not hear about a new savings or mortgage product that offers you a better rate or saves you money.

Under the Data Protection Act you have the right of access to your personal data. The Act allows us to charge a fee of £10 for this service. If anything is inaccurate or incorrect, please let us know and we will correct it. If you do not want to receive unsolicited mail from other companies, you can prevent this by registering with the Mailing Preference Service. In addition, the Telephone and Fax Preference Services enable you to object to receiving unsolicited marketing phone calls or faxes from other companies. To register, simply telephone the appropriate number i.e.

Mailing Preference	–	020 7291 3310
Telephone Preference	–	020 7291 3320
Fax Preference	–	020 7291 3330

Alternatively, you can register online. For more details about all the Preference Services, please see the Direct Marketing Association's website ([www.dma.org.uk](http://www.dma.org.uk)).

## Credit referencing

If you apply for any of our credit-based products (e.g. mortgage, personal loan, credit card, current account or Share Dealing account), we will perform a search with a credit reference agency. We may give details of your account and how you conduct it to credit reference agencies. Similar information may also be given about your other lending/credit relationships with members of the HBOS Group. If you borrow and do not repay in full and on time, we may tell credit reference agencies who will record the outstanding debt.

The information below provides further details about how credit reference agencies, HBOS and other lenders use your information.

### **Q: What is a credit reference agency?**

**A:** Credit reference agencies (CRAs) collect and maintain information on consumers' and businesses' credit behaviour, on behalf of lenders in the UK.

### **Q: What is a fraud prevention agency?**

**A:** Fraud Prevention Agencies (FPAs) collect, maintain and share information on known and suspected fraudulent activity. Some CRAs also act as FPAs.

### **Q: Why do you use them when I have applied to your organisation?**

**A:** Although you have applied to HBOS and we will check our own records, we will also contact CRAs to get information on your credit behaviour with other organisations. This will help us make the best possible assessment of your overall situation before we make a decision.

### **Q: Where do they get the information?**

**A:** Publicly available information:

- The Electoral Register at Local Authorities.
- County Court Judgments from Registry Trust.
- Bankruptcy information from the Insolvency Service.
- Fraud information from fraud prevention agencies.
- Credit information comes from information on applications to banks, building societies, credit card companies etc and also from the conduct of those accounts.

### **Q: How will I know if my information is to be sent to a CRA or FPA?**

**A:** You will be told when you apply for an account if your data will be supplied. The next section tells you how, when and why we will search at CRAs and what we will do with the information we obtain from them. We will also tell you if we plan to send payment history information on you or your business, if you have one, to CRAs. You can ask at any time for the name of the CRAs and FPAs used by HBOS.

### **Q: Why is my data used in this way?**

**A:** We and other organisations want to make the best possible decisions we can, in order to make sure that you, or your business, will be able to repay us. Some organisations may also use the information to check your identity. In this way we can ensure that we all make responsible decisions. At the same time we also want to make decisions quickly and easily and, by using up to date information, provided electronically, we are able to make the most reliable and fair decisions possible.

**Q: Who controls what credit reference agencies are allowed to do with my data?**

**A:** All organisations that collect and process personal data are regulated by the Data Protection Act 1998, overseen by the Office of the Information Commissioner. All credit reference agencies are in regular dialogue with the Commissioner. Use of the Electoral Register is controlled under the Representation of the People Act 2000.

**Q: Can just anyone look at my data held at credit reference agencies?**

**A:** No, access to your information is very strictly controlled and only those that are entitled to do so, may see it. Usually that will only be with your agreement or (very occasionally) if there is a legal requirement.

**Read this section very carefully**

## What we do:

1. When you apply to us to open an account, we will:-
  - a) Check our own records for information on:
    - i) Your personal accounts;
    - ii) And, if you have one, your spouse/(personal) partner's personal accounts (A personal partner will be someone with whom you have a relationship that creates a joint financial unit in a similar way to a married couple. You will normally, but not necessarily, be living at the same address. It is not intended to include temporary arrangements such as students or flat sharers);
    - iii) If you are a director or partner in a small business we may also check on your business accounts (A small business is defined as an organisation, which might be sole trader, partnership or a limited company that has three or less partners or directors).
  - b) Search at credit reference agencies for information on:
    - i) Your personal accounts;
    - ii) And, if you have ever done the following we will check your financial associate's personal accounts as well:
      - Made a joint application now;

- Previously made joint applications;
- Have joint account(s);
- Are financially linked (Credit reference agencies may link together the records of people that are part of a financial unit. They may do this when people are known to be linked, such as being married or have jointly applied for credit or have joint accounts. They may also link people together if they, themselves, state that they are financially linked.)
- If there is insufficient information to enable us to assist you, we may also check other members of your family;
- If you are a director or partner in a small business we may also check on your business accounts;
- Search at fraud prevention agencies for information on you and other members of your household and your business (if you have one).

2. What we do with the information you supply to us as part of the application:
  - a) Information that is supplied to us will be sent to the credit reference agencies.
  - b) If you tell us that you have a spouse or (personal) partner, we will:
    - i) Search, link and/or record information at credit reference agencies about you both.
    - ii) Link joint applicants and/or any individual identified as your spouse or partner, in our own records.
    - iii) Take both your and their information into account in future applications by either or both of you.
    - iv) Continue this linking until the account closes, or is changed to a sole account and one of you notifies us that you are no longer linked.

**So you must be sure that you have their agreement to disclose information about them**

- c) If you give us false or inaccurate information and fraud is identified, we will record this and may also pass this information to financial and other organisations involved in fraud prevention to protect us, them and our respective customers from theft and fraud.
- d) Your data may also be used by this organisation, to offer you other products, but only if you have given your permission.

3. With the information that we obtain we will:
  - a) Assess this application for credit and/or;
  - b) Verify your identity and the identity of your spouse, partner or other directors/partners and/or;
  - c) Undertake checks for the prevention and detection of fraud and/or money laundering.
  - d) We may use scoring methods to assess this application and to verify your identity.
  - e) Manage your personal and/or business account (if you have one) with us.
  - f) Undertake periodic statistical analysis or testing to ensure the accuracy of existing and future products and services.
  - g) Any or all of these processes may be automated.
  
4. What we do when you have an account:
  - a) Where you borrow or may borrow from us, we will give details of your personal and/or business account (if you have one), including names and parties to the account and how you manage it/them to credit reference agencies.
  - b) If you borrow and do not repay in full and on time, we will tell credit reference agencies.
  - c) We may make periodic searches of our Group records, credit reference and fraud prevention agencies to manage your account with us, to take decisions regarding your identity and also credit, including whether to make credit available or to continue or extend existing credit.
  - d) If you have borrowed from us and do not make payments that you owe us, we will trace your whereabouts and recover payment.
  
5. When credit reference agencies receive a search from us they will:
  - a) Place a search “footprint” on your credit file whether or not this application proceeds. If the search was for a credit application the record of that search (but not the name of the organisation that carried it out) may be seen by other organisations when you apply for credit in the future.
  - b) Link together the records of you and anyone that you have advised is your financial associate including previous and subsequent names of parties to the account. Links between financial associates will remain on your and their files until such time as you or your partner successfully files for a disassociation with the credit reference agencies.
  
6. Supply to us:
  - a) Credit information such as previous applications and the conduct of the accounts in your name and of your associate(s) (if there is a link between you – see 1b above) and/or your business accounts (if you have one).
  - b) Public information such as County Court Judgments (CCJs) and bankruptcies.
  - c) Electoral Register information.
  - d) Fraud prevention information.
  
7. When information is supplied by us, to them, on your account(s):
  - a) Credit reference agencies will record the details that are supplied on your personal and/or business account (if you have one) including previous and subsequent names of parties to the account and how you manage it/them.
  - b) If you borrow and do not repay in full and on time, credit reference agencies will record the outstanding debt.
  - c) Records shared with credit reference agencies remain on file for 6 years after they are closed whether settled by you or defaulted.
  
8. How your data will **NOT** be used by credit reference agencies:
  - a) It will **not** be used to create a blacklist.
  - b) It will **not** be used by the credit reference agency to make a decision.
  
9. How your data **WILL** be used by credit reference agencies:
  - a) The information which we, other organisations and fraud prevention agencies provide to the credit reference agencies about you, your financial associates and your business (if you have one) may be supplied by credit reference agencies to other organisations and used by them to:
    - i) Verify your identity if you or your financial associate applies for other facilities including all types of insurance applications and claims.

## What credit reference agencies do

- ii) Make decisions on credit, credit related services and on motor, household, life and other insurance proposals and insurance claims, about you, your partner, other members of your household or your business.
- iii) Trace your whereabouts and recover payment if you do not make payments that you owe.
- iv) Conduct checks for the prevention and detection of crime including fraud and/or money laundering.
- v) Manage your personal, your partner's and/or business account (if you have one).
- vi) Manage your personal, your partner's and/or business insurance policies (if you have one/any).
- vii) Undertake statistical analysis and system testing.
- b) Your data may also be used for other purposes for which you give your specific permission or, in very limited circumstances, when required by law or where permitted under the terms of the Data Protection Act 1998.
- c) Your data may also be used to offer you other products, but only if you have given your permission. That will be on the front of any form that you have completed.

## How to find out more

You can contact the three agencies currently operating in the UK; the information they hold may not be the same so it is worth contacting them all. They will charge you a small statutory fee.

CallCredit  
Consumer Services Team  
PO Box 491  
Leeds  
LS3 1WZ  
Tel 0870 0601414\*  
**www.callcredit.co.uk**

Equifax PLC  
Credit File Advice Centre  
PO Box 1140  
Bradford  
BD1 5US  
Tel 0870 010 0583\*  
**www.myequifax.co.uk**

Experian  
Consumer Help Service  
PO Box 8000  
Nottingham NG80 7WF  
Tel 0870 241 6212\*  
**www.experian.co.uk**

If you have been refused credit you can get advice from your local Trading Standards Department, Citizens Advice Bureau or Consumer Advice Centre and the agencies' websites. The Information Commissioner also produces a useful leaflet entitled 'Credit Explained'. You can obtain a free copy on the Commissioner's website ([www.ico.gov.uk](http://www.ico.gov.uk)) or by telephoning 08456 30 60 60\*.

## Fraud prevention agencies

We have systems that protect our customers and ourselves against fraud and other crime. Customer information can be used to prevent crime and trace those responsible. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use this information to prevent fraud and money laundering, for example, when:

- Checking details on applications for credit and credit related or other facilities.
- Managing credit and credit related accounts or facilities.
- Recovering debt.
- Checking details on proposals and claims for all types of insurance.
- Checking details of job applicants and employees.

Please contact us on **0870 1200 849\*** if you want to receive details of the relevant fraud prevention agencies. We and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

\* Calls to 0845 numbers will cost a maximum of 4p per minute and to 0870 numbers a maximum of 8p per minute. A 6p call set up fee also applies. The price of calls from other telephone companies will vary. The call price is correct at March 2008.

# Xtra<sup>®</sup> help

## Additional needs

We are committed to meeting the needs of all our customers. If you have a hearing or speech impairment, you can use Typetalk whenever you contact us, or contact us using Textphone on **08457 32 34 36\*** (lines are open 9am-5.30pm, 7 days a week). For visually impaired customers, we can provide documents in large print, Braille or on audiocassette. Please speak to a member of staff.

\*Calls to 0845 numbers from BT landlines will cost a maximum of 4p per minute plus a 6p call set-up fee. The price of calls from other telephone companies will vary. The call price is correct at March 2008.

## Customer complaints

Our aim is to please – but we know that sometimes things go wrong. If you have a problem we want to know. A colleague will be happy to help either over the phone or at a branch.

A copy of our complaints procedure is available on request.

Complaints we cannot settle may be referred to the Financial Ombudsman Service.