

Financial Hardship Policy

Introduction

Faktortel understands that sometimes customers experience financial difficulties and we are here to help. We are committed to supporting our customers work through such financial difficulties, understanding the importance of maintaining telecommunications services through such times. Should you need our help in this regard, we will work with you on a case by case basis to find a sustainable solution, depending on the customer's individual circumstances.

What is financial hardship?

Financial hardship occurs where a customer cannot meet their financial obligations under their contract due to illness, unemployment or another reasonable cause and the customer believes they would be able to meet those obligations over time if certain circumstances surrounding the service were changed, for example if a post-paid account were to become a pre-paid account or a long term payment plan were established.

Eligibility

We deal with financial hardship on a case by case basis but as a general rule financial hardship will not be available to business customers. There may be exceptions to this, for example sole-traders or other small-businesses which are genuinely unable to operate without the ongoing participation of a single person. In such situations we will assess whether financial hardship may be available by reference to the individual circumstances of the applicant.

What a financial hardship arrangement can change

If you successfully apply for financial hardship, Faktortel will negotiate with you to reach an agreement on arrangements more suitable to your circumstances.

It is a fundamental principle of any hardship arrangement that the repayment should be sufficient to cover both expected future use of the service at an appropriate level, and reduce the level of the applicant's debt over time. Crucially, the agreement should ensure that further purchases from Faktortel do not cause the applicant to go into further debt, or substantially contribute to a worsening of the applicant's financial position. To this end, while the financial hardship arrangement is in place, we will not sell debts, report hardship customers to credit agencies or suspend or disconnect the services of hardship customer due to debt.

Depending on your circumstances, we can offer the following options for keeping your services connected:

- Spend controls;
- Restriction of service, in respect of overall or specific services;
- Low cost interim options until the Customer can continue with original payments.

In some cases, we may be able to offer one or more of the following financial arrangements:

- Temporarily postponing or deferring payments;
- Agreeing on an alternative arrangement, plan, or contract;
- Discounting or waiving of debt;
- Waiving late payment fees;
- Waiving cancellation fees; or
- Incentives for making payments.

Ideally, we strive to develop arrangements that will allow applicants to return to purchasing services on an ordinary basis as soon as possible.



How to make an application

If you think you may be eligible for and benefit from a financial hardship arrangement, or you would like to know more, we encourage you to contact our accounts team at accounts@faktortel.com.au. In assessing your application for hardship we will take into account

- Your billing history
- The nature of the services you're purchasing
- The reason you are making the request
- Any evidence you have provided demonstrating that the reason you have given for your request is a genuine reason

We may also request other information about and evidence of your financial position and circumstances. Without this information we may be unable to assess your eligibility for financial hardship. Once we have received the information, we will advise you within 7 days of your eligibility for assistance. When we reach an agreement we will put that in writing. You must inform us if your circumstances either improve or deteriorate during the agreement. The provision of false information is grounds to end any financial hardship arrangement.

Financial Counsellors

You can talk to a financial counsellor from anywhere in Australia by ringing 1800 007 007 between 9:30AM and 4:30PM Monday to Friday. This free-call will connect you to the nearest financial counsellor in your state or territory; alternatively you can find counsellors near you and get more information on financial counselling by visiting <https://www.moneysmart.gov.au/managing-your-money/managing-debts/financial-counselling>

If you wish to review a decision made in relation to an application for Financial Hardship, please see our Complaints Handling Policy: <https://faktortel.com.au/our-policies/complaints-handling/>