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The effect of interest rate
controls in other
countries

Technical appendix

Technical appendix on research methods

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1.0 The evidence base in Europe

1.1 Original consumer research undertaken in the UK, France and Germany

The major source of evidence was extensive original consumer research undertaken in the UK France and Germany. The intention in undertaking original consumer research was to understand how the experience of low income households and credit users in the UK, which has no rate ceiling, compared with that of their counterparts in France and Germany, selected as large European credit markets with long-established rate ceilings. The intention was to obtain a demand perspective on credit needs and to understand how patterns of credit use and borrowing behaviour impacted various aspects of the credit experience, including the cost of credit and outcomes of credit use.

Original consumer research was undertaken with low income households in France Germany and the UK (defined as falling into the equivalent of the bottom two income deciles of household income for the UK). This was determined as being household income of less than £825 p.m. in the UK and less than €1250 in France and Germany. Research was undertaken in each country by Taylor Nelson Sofres with respondents selected to be a nationally representative random sample of low income consumers in each case, drawn from sampling points across the territory concerned. The interviews were conducted face to face and in home with some 2717 individuals, being 915 respondents in the UK, 900 in Germany and 902 in France, with interviews undertaken between October and November 2003. Interviews were CAPI administered in the UK and France and paper based (interviewer data entry) in Germany. The main body of questions was identical in each country with some questions being country specific. The research in France featured questions on revolving credit which are a key feature of the market for low income credit provision in France. These questions were not used in Germany where revolving credit was not a feature of provision to low income consumers. Copies of (English language versions) of the questionnaires can be found in A following.

In the event, the sample profile in Germany was more affluent than that in the French and German sample.

The sample profile in each case was as follows:

	UK	France	Germany
Household income (pre-tax)			
Less than 450 pounds per month	34.6	24.5	18.6
450 - 650 pounds per month	36.3	30.5	28.4
650 - 825 pounds per month	29.1	36.1	53.0
Age of respondent			
18-24	15.6	7.3	15.2
25-34	15.4	13.8	22.6
35-44	15.7	18.8	24.3
45-54	9.3	14.1	16.1
55-64	15.8	10.0	11.4
65-74	17.9	19.8	6.5
75+	10.4	16.3	3.9

Gender of respondent			
Male	43.0	37.0	36.1
Female	57.0	63.0	64.0
Marital status and presence of children			
Single, no children	25.3	27.9	46.8
Married or cohabiting with a partner, no children	4.5	9.8	8.3
Married or cohabiting with a partner, children at home	18.6	19.7	10.3
Single parent with children at home	20.4	15.2	13.7
Married or cohabiting with a partner, children left home	12.9	8.6	6.4
Single, children left home	17.7	18.9	14.4
Household employment status			
No-one working in paid employment	68.3	53.4	27.6
One person working part-time or occasionally	9.6	11.4	22.3
Two or more persons working part-time or occasionally	2.9	0.5	1.6
One person working full-time, with no-one else working	12.3	27.0	34.6
One person working full-time, at least one other working part-time or occasionally	3.0	0.6	4.2
Two or more persons working full-time	3.8	0.4	1.5
Other	0.1	1.3	7.8

1.2 Review of products and associated pricing in France and Germany

The original consumer research was supplemented by a review of available products and associated pricing in both France and Germany. This was achieved through a combination of web-based survey and telephone-based mystery shopping.

In **France** this was focused on the following suppliers:

Suppliers	
	BNP
	Société Générale
	Crédit Lyonnais
	CCF
	CIC
	Crédit Agricole
	Crédit Mutuel
	Banque Populaire
	Caisse d'Épargne
	Crédit du Nord

Revolving credit	Mediatis Cofidis Cetelem Sofinco Finaref
Personal loans	Mediatis Cofidis Cetelem Sofinco Finaref
Credit brokers	123 Credit Pretweb Crediclic
Retailers	Carrefour Auchan FNAC Galerie Lafayette

In **Germany** this was focused on the following suppliers:

Suppliers	Sparkassen various Deutsche Bank Deutsche Post Bank Commerzbank Hypovereinsbank Norisbank Dresdner Bank
Mail order	Baur Bon Prix Otto
Retailers with card facilities	Karstadt Praktiker Real Vobis

Credit product features and pricing

The following credit product features were examined:

Loan features

- Lending criteria
 - Personal circumstances
 - Employment
 - Income
 - Whether guarantees required
 - Loan to income ratios
- Minimum loan values

Card features

How card can be used

- For purchases in store only / in limited range of partner outlets / anywhere
- Remote purchases by telephone / internet?
- To obtain cash:
 - In store
 - ATM
- Credit limits
- Monthly payments and minimums

Credit pricing

- Interest rates
- Set up or joining fees and how structured
- Standing charge for the facility / membership fees and how structured
- Transaction related charges and how structured
- Credit repayment insurance:
 - Whether offered / compulsory / default unless rejected
 - Cost and how structured and calculated
- Penalties and / or administration charges for account irregularity and how structured

1.3 Review of the regulatory framework for consumer credit in both France and Germany

The review was based on the regulatory framework in terms of both the detail of key legislation and interpretation by the courts. This was undertaken both on line and by means of written query to the appropriate regulators and thorough investigation of the current legal issues relevant to consumers in each market.

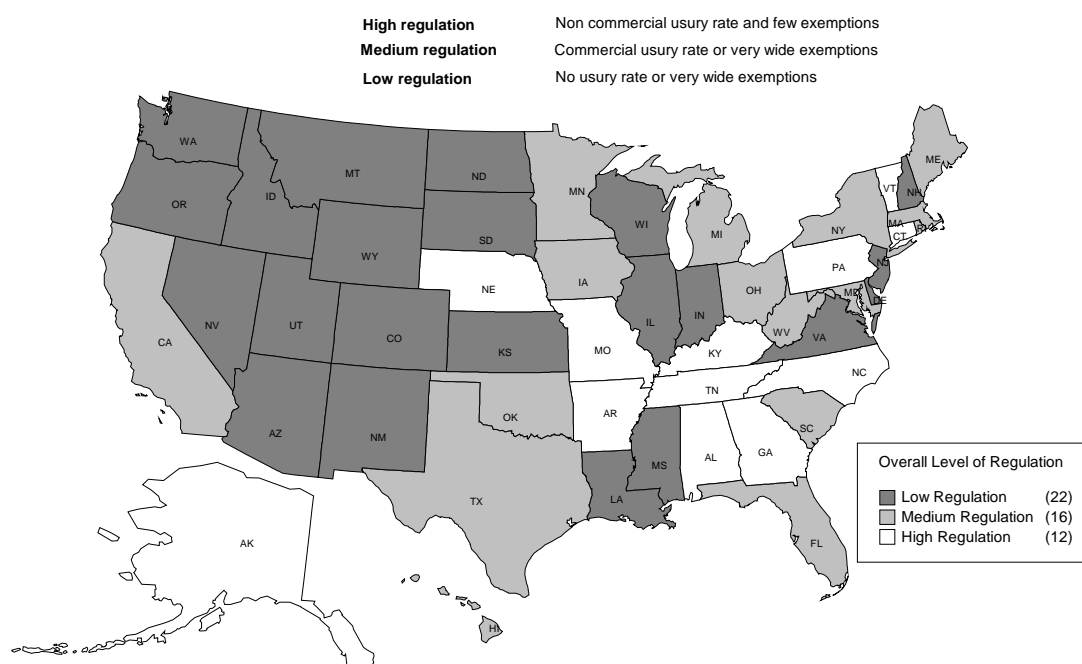
2.0 The US evidence base

2.1 The regulatory framework

We established the regulatory framework for each of the US states by means of both web based survey and written and telephone query to the appropriate state banks, regulators and legislatures.

We subsequently allocated states to one of three bands, being high, medium and low regulation, on the basis of the relative tightness of regulatory controls. Those states classified “high regulation” were defined as having a non commercial usury rate with few exemptions. By non commercial we mean too far removed from mainstream credit interest rates (e.g. a usury rate of 10% when a common credit card interest rate is 20%). States classified as having a “medium” level of regulation” were defined as having a commercial usury rate or wide exemptions to the usury rate for small sum lending, effectively allowing high cost lending with “low regulation” states being defined as having either no usury rate or very wide exemptions. A detailed summary of the regulatory environment pertaining in each state is contained in Appendix A.

Figure 1: Overall Level of Regulation in Consumer Credit Market in 2003, US States



We were able to use the regulatory geography as the basis for analysis of consumer credit data (see 2.2 following), for the census of lender pricing at state level (see 2.3 following) and for the census of lending outlets by type at state level (see 2.4 following).

2.2 Analysis of time series credit reference data

We were fortunate in being able to analyse a large sample of US credit users drawn from the database of Transunion, one of the three major credit reference agencies in the US. The sample extract was a nationally representative random sample of 380,000 US credit users drawn quarter on quarter over a decade from 1993 to 2003.

The database enabled robust analysis of credit users in states with a variety of regulatory frameworks, including those with and without interest rate ceilings in place (set at varying levels) and those which did and did not have payday enabling legislation in place. This enabled us to analyse the use of credit products and the supply of credit in each state, the mix of credit products being used, credit balances and the extent of delinquency and default. We were able therefore to group states together on the basis of whether the state operated price controls in the form of rate ceilings and whether the regulatory framework allowed for high cost credit, either through the medium of specific enabling legislation or small sum loan exemptions (31 states in 2003). The regulatory geography and the basis of our allocation to states with and without price controls is illustrated in the map in Figure 1 above. On the basis of this sample, we were able to estimate the scale of credit exclusion arising in states with price controls and the extent and nature of diversion to alternative credit vehicles for credit users able to access such credit in states where high cost credit was not available as a consequence of price controls. We were also able to track the extent of delinquency and problem debt in states with and without price controls and to estimate the costs to the consumer associated with that delinquency and to do so quarter and quarter over a full decade.

2.3 Census of mainstream lenders' pricing in each state

A famous exercise undertaken by the National US Commission on Consumer Finance 1971 established, via a census of the pricing on the then two most common loan types in each of the states, that pricing on mainstream loans was determined at this time by competition rather than the rate ceiling pertaining in each state. The census established that pricing in all of the states on the benchmark loans (a one year personal loan and a three year automobile loan) was very similar in each of the states regardless of whether a rate ceiling was in place and the level at which the ceiling was set (See Figure 13 page 23 in the main report). It was argued by some that this was unlikely to be the case in modern credit markets and that prices would rather tend to drift towards a ceiling. We therefore set out to reproduce the exercise undertaken by the Commission by means of a web-based survey of analogous mainstream loans in each state, the benchmark test loans being a \$12000 dollar 36 month automobile loan and a \$1000 personal loan. Some 1646 advertised rates were checked across all of the US states for the auto-loan while 591 advertised rates were checked across all of the US states for the personal loan.

Pricing in each state was then analysed on the basis of the regulatory framework pertaining in each state. States were grouped together on the basis of having no ceiling, and thereafter grouped in series of ten states with progressively higher ceilings, as in the 1971 exercise. The average APR pertaining in each set of ten states was then compared with the average rate ceiling across each set of ten states. The results were then compared with the 1971 findings.

2.4 Net based survey of sub prime lenders and products in each state

A net based survey was undertaken of sub prime lenders' products and pricing in each of the US states in order to establish both the full range of products available and the pricing, terms and conditions associated with each of the credit product types.

Products examined included:

- Payday loans
- Rent to own
- Pawnbroking
- Check-cashing
- Sub prime credit cards
- NSF fees on bank accounts
- Bounce protection products marketed by the banks.

Using telephone directories (the US equivalent of Yellow Pages), we established a count of high cost credit outlets in each of the states, with the numbers analysed with reference to the regulatory framework described in 2.1.

Pricing and terms and conditions were obtained for a wide range of sub prime products on a case study basis.

Interviews were conducted with the trade associations for various non standard lending types (payday lending, rent to own, check cashing and pawn-broking). Membership lists were analysed by post-code to establish geographic concentrations relative to the regulatory frameworks.

Trade Association membership and lending data broken down by state, were used to establish trend patterns of growth and decline and revenue sources in relation to the regulatory framework.

This view was supplemented by background contextual research using various industry and broker reports and published research.

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Appendix A: US regulatory geography summary

State	Usury rate	Main Exemptions	Classification/Level of Regulation
ALABAMA	General usury rate 15% on first \$750, 10% on next \$1,250	Pawnbroking 25% per month	High/Medium
	Small loan Act licensees 3% per month on first \$200, 2% per month on next \$800 + \$3 account maintenance fee if monthly repayment >\$30, minimum term 30 days	Payday - Deferred Presentment Services Act 2003 17.5% charge BUT NOT YET CODIFIED BY STATE LEGISLATURE	
		Credit cards - no limit	
ALASKA	5% above FRB inter-bank rate	>\$25k	High
ARIZONA	a) 36% if \$1,000 b) 36% on first \$500, 24% on rest if >\$1,000	>\$10k	Medium/Low
ARKANSAS	17%		High/Medium
CALIFORNIA	2.5% per month on first \$225, 2% p.m. on next \$675, 1.5% p.m. on next \$700, 1% p.m. on next \$900	>\$2.5k	Medium/High
COLORADO	a) Non supervised: 12% b) Supervised non revolving OR consumer credit sale: Stepped – 36% on first \$1,000, 21% on next \$2,000, 15% above \$3,000 c) Supervised revolving: 21% d) General usury (not consumer credit): 45%		Medium/Low
CONNECTICUT	12%	Pawnbrokers	High
DELAWARE	No limit		Low
DISTRICT OF COLUMBIA	24%	<\$200	Medium
FLORIDA	30% on first \$2,000, 24% on next \$1,000 and 18% on next \$22,000	>\$25k Pawnbrokers Title loans	Medium
GEORGIA	a) Banks/CU: 16% up to \$3,000 b) Instalment purchases: 13% c) Car loans less than \$5,000: schedule max 10-17% dep on age of car		Medium/High
HAWAII	12% General, 18% Credit cards, 24% Lenders regulated under chapter 412	>\$250k	Medium
IDAHO	No limit		Low
ILLINOIS	36% on short-term loans		Medium/Low
INDIANA	a) Stepped: 36% on first \$930, 21% on next \$2,170, 15% above \$3,100 b) OR 21% overall		Low
IOWA	21%	Open-ended credit: greater of 3 formulae based on proportion of unpaid balance	Medium
KANSAS	36% on first \$860, 21% above	Open-ended credit >\$25k	Medium/Low
KENTUCKY	Lesser of a) FRB+4% and b) 19%	>\$15k	High

State	Usury rate	Main Exemptions	Classification/Level of Regulation
LOUISIANA	a) 36% on first \$1,400, 27% on next \$2,600, 24% on next \$3,000, 21% above \$7,000		Low
	b) Cards: 24% on first \$1,750, 18% on next \$3,250, 12% above OR 18% overall.		
MAINE	Greater of: a) 30% on first \$1,000, 21% on next \$1,800, 15% above \$2,800 b) 18%	Open-ended credit: Standard unpaid balance calculations	Medium
MARYLAND	24%		Medium
MASSACHUSETTS	[Was 23%, now 20%]		Medium
MICHIGAN	25%	Credit cards offered by depository institutions	Medium/Low
MINNESOTA	Greater of: a) 33% on first \$750, 19% above \$750 b) 21.75%	Credit cards: 18% Purchases - Greater of: a) 36% on first \$300, 21% on next \$700, 15% above \$1,000 b) 19%	Medium
MISSISSIPPI	No limit	Title pledge limit 25% from Dec 2003	Low
MISSOURI	Higher of 10% and US Govt bonds + 3%		High
MONTANA	Greater of 15% and prime rate of NY banks + 6%	Regulated lenders	Medium/Low
NEBRASKA	General 16%, 19% for registered banks' personal loans	Registered bank credit or transaction cards (has to be commercially reasonable)	High
NEVADA	No usury rate		Low
NEW HAMPSHIRE	No usury rate		Low
NEW JERSEY	No usury rate		Low
NEW MEXICO	No usury rate		Low
NEW YORK	16% general but 25% for regulated lenders	>\$250k	Medium
NORTH CAROLINA	Higher of 16% and US T-bills +6%	>\$25k	High
NORTH DAKOTA	Higher of 7% and 6 month T-Bills + 5.5%	Regulated lenders Pawnbroking >\$35k	Medium/Low
OHIO	Either: a) 25% b) 28% on first \$1,000 and 22% above	Pawnbroking 5% per month	Medium
OKLAHOMA	Unsupervised: 10% Supervised - Either: a) 21% or b) 30% on first \$300, 21% on next \$700 and 15% above \$1,000		Medium
OREGON	No limit		Low
PENNSYLVANIA	6%	Pawnbrokers 3% per month	High
RHODE ISLAND	Greater of:		Medium

State	Usury rate	Main Exemptions	Classification/Level of Regulation
	a) 21% b) Domestic prime rate in Wall St Journal + 9%		
SOUTH CAROLINA	1. Under \$150: 2.5% per month 2. \$150-\$2,000: 25% under \$600, 18% on next \$400, 12% above \$1,000 3. \$2,000 - \$7,500: 9%		Medium
SOUTH DAKOTA	No limit		Low
TENNESSEE	FRB prime loan rate +4% = 8% in December 2003		High
TEXAS	10% General usury rate but for consumer loans less than \$2,500: 30% on first \$500, 24% on next \$1,050, 18% on next \$1,450		Medium
UTAH	No limit		Low
VERMONT	Retail instalment: 18% on first \$500, 15% above Secured loans: 18% new, 20% used Instalment loan non retail – Higher of: a) 18% b) 24% on first \$1,000, 12% above	Credit cards / revolving credit	Medium/High
VIRGINIA	General usury 12% but 36% for consumer loans up to \$2,500	>\$2.5k or >\$5k?	Medium/Low
WASHINGTON	No limit		Low
WEST VIRGINIA	1. <\$2,000: 31% (+2% if closed end) 2. \$2,000-\$10,000: 27% 3. >\$10,000: 18%		Medium
WISCONSIN	No limit		Low
WYOMING	Unsupervised 10% Supervised – Greater of: a) 21% b) 36% percent on first \$1,000, 21% above	>\$50k Pawnbrokers 20% per month Check cashers: Greater of \$30 or 20% per month	Medium/Low

Appendix B: Questionnaires for original consumer research

UK

Good morning/afternoon/evening, my name is I am an interviewer from TNS Field working on behalf of TNS Consumer, an independent market research company. We are conducting a survey about finance and credit. The laws governing credit in the UK and the rest of the EU are being reviewed, with the intention of increasing consumer protection. This survey is to help policy makers to understand the views and experience of the public. We're interested in people who have good and bad experiences with credit and the views of people who don't borrow or who only borrow from family and friends. Your name and individual details will remain confidential to the research company and will not be revealed to anyone else.

First of all, some background questions

SHOW SCREEN

Q1. Please could you tell me into which of the following ranges your household income falls? By household income we mean the combined pre tax income of yourself and your partner, if you have one. Please include income obtained from pensions and benefits.

- 01. Less than £450 per month
- 02. £450 – £650 per month (equivalent of bottom 5 – 10% of population)
- 03. £650 – £825 per month (equivalent of bottom 10 – 20% of population)
- 04. £825 – £1025 per month (more than the bottom 20% of population)
- 05. £1025 – £1200 per month
- 06. £1200 – £1400 per month
- 07. More than £1400 per month
- 08. Refused

IF CODE 04-08 AT Q1, CLOSE INTERVIEW.

ASK ALL. DO NOT SHOW SCREEN.

Q2. Could you tell me how old you are?

- 01. Less than 25 years
- 02. 25 – 34
- 03. 35 – 44

04. 45 – 54
05. 55 – 64
06. 65 – 74
07. 75 years plus

Q3. Sex of respondent

01. Male
02. Female

SHOW SCREEN

Q4. And which of the following applies to you?

01. Single, no children
02. Married or cohabiting with a partner, no children
03. Married or cohabiting with a partner, children at home
04. Single parent with children at home
05. Married or cohabiting with a partner, children left home
06. Single, children left home

SHOW SCREEN

Q5. And which of the following best describes your household?

01. No-one working in paid employment
02. One person working part-time or occasionally
03. Two or more persons working part-time or occasionally
04. One person working full-time, with no-one else working
05. One person working full-time, with at least one other person working part-time or occasionally
06. Two or more persons working full-time
07. Other (specify)

SHOW SCREEN

The next set of questions will be about financial matters and borrowing. I can assure you that your replies will be completely confidential. All the information we collect is added together and we only ever look at the results from everyone as a whole, rather than anyone's individual answers. The data collected from

this survey will be used to inform policy formulation and so your participation in this study is extremely valuable.

SHOW SCREEN. MULTI CHOICE.

Q6. First of all, which of the following banking facilities do you personally have?

01. Bank account
02. Cheque book
03. Cash card / ATM card without an overdraft facility
04. Cash card / ATM card with an overdraft facility
05. Overdraft facility
06. Bank card which can be used to pay from your bank account for goods in shops
07. Bank card which can be used to obtain cash from your bank account in shops
08. Bank card which can be used to pay from your bank account for goods and services over the phone or internet
09. Electronic payment card for purchasing goods over telephone or internet
10. Electronic payment facilities for making regular direct debit payments from my account
11. MasterCard / Visa card
12. Retailer payment / loyalty card without credit facility
13. Cheque guarantee card
14. Solo card
15. Switch card
16. None of these

IF CODE 16 (NONE OF THESE) OR CODE 01 OR 02 or 03 NOT CHOSEN AT Q6, ASK Q7 AND Q8, OTHERS GO TO Q9.

SHOW SCREEN.

Q7. Which of these statements describes why you do not have a bank account with full banking facilities?

MULTI CHOICE

01. I don't really see a need for a bank account
02. I wouldn't want any more complex banking facilities
03. I haven't applied for a bank account because I don't think I would be accepted

- 04. I have had trouble with a previous bank account
- 05. I have been refused a bank account / barred from opening a bank
- 06. I have been barred from using my bank account
- 07. Other (specify)
- 08. DK

SHOW SCREEN. MULTI CHOICE

Q8. And have you ever had difficulties with any of the following as a result of not having a bank account or full banking facilities?

- 01. Getting cash when you need it
- 02. Paying bills and making payments to other people
- 03. Getting paid your benefits
- 04. Getting paid by an employer
- 05. Buying goods and services
- 06. Entering into a contract for utilities or a telephone
- 07. Making a housing arrangement
- 08. None

ASK ALL

Q9. If you suddenly needed to find £200 – £300 cash for an unexpected bill or repair, how easy would you find it to raise this money without borrowing?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q10. And how easy would you find it to save £500 for a special purpose?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q11. And how easy would you find it to save £2,500 for a special purpose?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

ASK ALL. SHOW SCREEN. SINGLE RESPONSE.

Q12. Which of the following statements best describes your attitude to borrowing cash?

- 01. I never need to borrow money
- 02. I occasionally need to borrow but do not have anyone from whom I can borrow easily
- 03. I borrow only from family and friends because I prefer it that way
- 04. I borrow only from family and friends but would prefer to borrow from commercial sources like banks, retailers or other financial institutions
- 05. I borrow from a mix of family and friends and commercial sources like banks, retailers or other financial institutions
- 06. I only borrow from commercial sources like banks, retailers or other financial institutions

SHOW SCREEN. MULTI CHOICE

Q13. Have you had financial help or loans from any of the following sources within the last five years?

- 01. Personal loan from a family member or friend that you weren't expected to pay back
- 02. Personal loan from a family member or friend that you had to pay back
- 03. A loan from social security that you had to pay back
- 04. A grant or voucher from social security that you didn't have to pay back
- 05. A loan from a credit union
- 06. None of these

IF CODE 06 AT Q13 GO TO Q15, ALL OTHERS ANSWER Q14.

SHOW SCREEN. MULTI CHOICE.

Q14. And which, if any, have you had in the last twelve months?

01. Personal loan from a family member or friend that you weren't expected to pay back
02. Personal loan from a family member or friend that you had to pay back
03. A loan from social security that you had to pay back
04. A grant or voucher from social security that you didn't have to pay back
05. A loan from a credit union
06. None of these

SHOW SCREEN. MULTI CHOICE

Q15. Which, if any, of the following statements would describe how you feel about borrowing from friends and family? Choose as many as you believe to be true.

01. It is the best way to borrow
02. Don't like it but it is the cheapest way to borrow
03. You worry that family can't afford to lend
04. Borrowing damages relationships
05. Borrowing from family is embarrassing
06. Borrowing from family makes you feel like a child
07. You can only borrow for absolute emergencies
08. You can't borrow to spread the cost of things you want but don't really need
09. Other (specify)

IF CODE 03 AND 04 NOT CHOSEN AT Q13, ASK Q16. OTHERS GO TO Q17.

SHOW SCREEN SINGLE RESPONSE

Q16. Which of the following best describes why you have not had a loan or grant from social services?

01. Didn't have any need for extra funds or grant
02. Wasn't aware that such help was available from social services
03. Applied for loan / grant but was refused
04. Believe I am not entitled to any help
05. Social services funds are too difficult to access
06. Don't like asking social services
07. Find vouchers humiliating
08. Prefer commercial credit sources
09. Other (specify)

ASK ALL WHO HAD SOCIAL SERVICES LOAN OR GRANT (CODE 03 OR 04 AT Q13). OTHERS GO TO Q21.

Q17. And, excluding food vouchers and seasonal bonuses, what was the value of your most recent loan or grant from social services?

- 01. Less than £250
 - 02. £250 – 500
 - 03. £500 – 750
 - 04. £750 – 1000
 - 05. £1000 – 1500
 - 06. More than £1500
-

Q18. And, again excluding food vouchers and seasonal bonuses, how many separate loans or grants have you had from social services in the past 3 years?

- 01. None
 - 02. 1
 - 03. 2
 - 04. 3
 - 05. 4
 - 06. 5 or more
 - 07. DK/Can't remember
-

Q19. Thinking back to the most recent loan / grant you received from the social services, was it in the form of...?

- 01. Cash
- 02. Voucher
- 03. Goods
- 04. DK/Can't remember

IF CODE 02 or 03 AT Q19, ASK Q20. OTHERS GO TO Q21.

SHOW SCREEN. MULTI CHOICE.

Q20. Which of the following statements describes your attitudes to the vouchers / goods you receive from social services? Choose as many as you feel are applicable.

- 01. I don't care which I receive – vouchers, goods or cash

02. I like vouchers / goods because you can't spend it on something else
03. I dislike vouchers because you can get a better deal with cash
04. I dislike vouchers / goods because you can only shop in certain stores
05. I dislike vouchers because they are embarrassing to use in shops
06. I feel vouchers are humiliating
07. Other (specify)

IF CODE 05 (LOAN FROM CREDIT UNION) NOT CHOSEN AT Q13 GO TO Q21 AND HAVE AT LEAST OCCASIONAL NEED TO BORROW CODE 02 – 06 AT Q12. ALL OTHERS ASK Q22.

SHOW SCREEN. MULTIPLE CHOICE.

Q21. Which of the following describes why you have not had a credit union loan? Choose as many as apply

01. I wasn't aware that loans were available from credit unions
02. I wouldn't know how to go about arranging a credit union loan
03. I believe I'm not entitled to credit union loan
04. I prefer borrowing from commercial lenders
05. I prefer borrowing from family or friends
06. I prefer to go to social services
07. Other (specify)
08. DK

ASK ALL WHO HAVE HAD A LOAN / GRANT FROM INFORMAL SOURCES (CODE 01 – 05 AT Q13)

SHOW SCREEN. SINGLE RESPONSE

Q22. Thinking back now to the last time you had financial help from non commercial sources, such as family and friends, social services or a credit union, which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. Other (specify)

09. None of these

ASK ALL

SHOW SCREEN. MULTI CHOICE.

Q23. Which, if any, of the following types of commercial loan or credit arrangements have you had within the last five years?

01. Storecard / Retailer payment card with credit facility, such as Argos Card or House of Fraser
02. Card
03. Car loan Personal loan for any other purpose
04. HP finance Credit on a credit card such as Barclaycard
05. Mail order credit (goods from catalogue and paid for in instalments), such as Grattans or Littlewoods
06. Borrowed cash against goods deposited with Pawnbrokers or Cash Converters
07. Insurance against not being able to make repayments on a loan or credit agreement
08. Home credit loan (from an agent who collects payment at your home)
09. Shopping voucher from a home credit company
10. Specialist car finance for those with credit problems, like Yes Car Credit
11. Used a check-cashing service
12. Obtained goods from a rent to own retailer, such as BrightHouse (formerly Crazy George's)
13. Got a short term loan against pay day (from a commercial lender, not from your employer, friends or family)
14. None of these

IF CODE 15 AT Q23 GO TO Q27, ALL OTHERS ASK Q24.

SHOW SCREEN. MULTI CHOICE.

Q24. And which, if any, have you had in the last twelve months?

01. Storecard / Retailer payment card with credit facility, such as Argos Card or House of Fraser card
02. Car loan
03. Personal loan for any other purpose
04. HP finance
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as Grattans or Littlewoods

07. Borrowed cash against goods deposited with Pawnbrokers or Cash Converters
08. Insurance against not being able to make repayments on a loan or credit agreement
09. Home credit loan (from an agent who collects payment at your home)
10. Shopping voucher from a home credit company
11. Specialist car finance for those with credit problems, like Yes Car Credit
12. Used a check-cashing service
13. Obtained goods from a rent to own retailer, such as BrightHouse (formerly Crazy George's)
14. Got a short term loan against pay day (from a commercial lender, not from your employer, friends or family)
15. None of these

Q25. And which of these did you take out most recently?

01. Storecard / Retailer payment card with credit facility, such as Argos Card or House of Fraser
02. Card
03. Car loan
04. Personal loan for any other purpose
05. HP finance
06. Credit on a credit card such as Barclaycard
07. Mail order credit (goods from catalogue and paid for in instalments), such as Grattans or Littlewoods
08. Borrowed cash against goods deposited with Pawnbrokers or Cash Converters
09. Insurance against not being able to make repayments on a loan or credit agreement
10. Home credit loan (from an agent who collects payment at your home)
11. Shopping voucher from a home credit company
12. Specialist car finance for those with credit problems, like Yes Car Credit
13. Used a check-cashing service
14. Obtained goods from a rent to own retailer, such as BrightHouse (formerly Crazy George's)
15. Got a short term loan against pay day (from a commercial lender, not from your employer, friends or family)
16. None of these

Q26. Thinking back now to the last time you used a cash loan or credit from a financial institution or shop which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. None of these

ASK ALL

Q27. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of £500 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q28. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of £2,500 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q29. Many people have difficulties managing finances and credit repayments these days. Which of the following has ever happened to you?

READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: YES

02: NO

01. Got three or more payments behind on a loan or credit agreement
02. Got a bad credit rating with agencies such as Experian or Equifax
03. Been refused a loan or credit application
04. Had a county court judgement made against me
05. Had a bank close an account for account irregularities
06. Been subject to extra bank charges or penalties for account irregularities
07. Had a card company tell you to stop using a card
08. Had a card company demand return of their card
09. Been subject to charges or penalties for late payments on loans, cards or credit agreements
10. Had a credit or loan company demand immediate full repayment of the debt
11. Been threatened with legal action or bailiffs by lender
12. Been evicted from social housing for non payment of rent
13. Been given notice on private rentals for non-payment of rent
14. Had a property repossessed for mortgage arrears
15. Had utilities cut off for non-payment of bills
16. Been visited by a debt collector / bailiff
17. Had goods repossessed by a bailiff
18. Made an official voluntary arrangement with creditors (IVA)
19. Been made bankrupt

Q30. And which of the following types of lenders have you run into repayment problems with?

CHOOSE ALL THAT APPLY

01. Credit Union
02. Bank, such as Barclays, Abbey National
03. Credit card company, such as Barclaycard or Capital One
04. Retailer, such as Marks and Spencer or Tesco

05. Consumer finance company, such as HFC, Household Bank, Paragon or First National
06. Mail order credit company, such as Grattan or Littlewoods
07. Remote lender, such as Egg or Virgin
08. The Post Office
09. Pawnbrokers or Cash Converters
10. Rent to own outlet, such as BrightHouse / Crazy Georges
11. Home credit company, such as Provident or Shopacheck
12. Pay day loan lender, such as Albemarle & Bond, Harvey and Thomson or the Money Shop
13. Check-cashing outlet
14. Other (specify)

IF NO FORMAL CREDIT FACILITIES (CODE 15 AT Q23) OR ONLY HAVE MAIL ORDER CREDIT (CODE 06) OR ONLY MAIL ORDER AND PAWNBROKERS (06 AND 07) / OR ONLY PAWNBROKERS (CODE 07) AT Q23; OR IMPOSSIBLE / VERY DIFFICULT / QUITE DIFFICULT (CODE 01 OR 02 OR 03 AT Q27 AND/OR Q28) OR HAVE HAD CREDIT DIFFICULTIES (ANSWERED YES TO ANY STATEMENT AT Q29); ASK Q31. OTHERS GO TO Q32.

SHOW SCREEN. MULTI CHOICE.

Q31. Which of the following statements describes your feelings about not being able to get credit easily?

Choose as many as are applicable to you.

01. It doesn't worry me not being able to get credit
02. It makes me anxious knowing I can't get credit in a cash flow crisis
03. It is very difficult to buy major items which you really need but cannot afford
04. I'm frustrated because I cannot buy things for myself or my family which I could manage to pay for if I could pay in instalments
05. It makes me feel overly dependent on my family
06. I feel ashamed and different from other people because I can't get credit

ASK ALL WHO HAVE BANK ACCOUNTS (CODE 01 AT Q6) AND THOSE WHO HAVE PREVIOUSLY HAD ACCOUNTS AND LOST THEM (04, 05 OR 06 AT Q7). IF NEVER HAD AN ACCOUNT GO TO Q35.

Q32. Many people have problems with managing cash flow these days. Thinking back over the last twelve months, how many times in the year did the bank make charges for unauthorised overdrafts, cheques or bill payments that were not paid because of insufficient funds?

INTERVIEWER INSTRUCTION: IF THE RESPONDENT NO LONGER HAS OR CAN USE THEIR BANK ACCOUNT, THEY SHOULD ANSWER FOR THE LAST TWELVE MONTHS THEY HAD THE ACCOUNT. COUNT EACH CHARGE AS ONE TIME

01. Never
02. 1 – 3 times
03. 4 – 60 times
04. 7 – 10 times
05. More than 10 times

SHOW SCREEN.

Q33. And how often would you say you overdraw?

01. I never overdraw
02. I only overdraw in emergencies
03. I tend to be overdrawn at Christmas or holidays but not at other times
04. I'm usually overdrawn by the end of the month but not at the top of my limit
05. I'm usually at the top of my limit before new funds come in
06. I sometimes exceed my overdraft limit

IF CODE 02-06 AT Q33 ASK Q34. OTHERS GO TO Q35.

Q34. How much would you say you are typically overdrawn at the end of each month?

01. Not overdrawn
02. Less than £50
03. 03. £50 – 100
04. 04 £100 – 250
05. 05 £250 – 500
06. £500 – 1000
07. More than £1000

I'm now going to ask you a few more questions about the loans you have. The reason I am asking you these questions is to understand your experience with the companies who give out loans

ASK ALL THOSE WITH CREDIT PRODUCTS IN THE LAST FIVE YEARS (CODE 01-14 AT Q23. ALL OTHERS GO TO Q37.

Q35. Thinking now of all your personal borrowing excluding mortgages and borrowing from employers, friends and family, but including all other commercial borrowing on personal loans, credit agreements and cards, what is the total value of all your outstanding personal debt?

- 01. Less than £500
- 02. £500 – £1,000
- 03. £1,000 – £2,500
- 04. £2,500 – £5,000
- 05. £5,000 – £10,000
- 06. More than £10,000

Q36. And still thinking of all your personal borrowing, excluding mortgages, borrowing from employers, friends and family, how much do you spend each month in total on servicing debt to commercial lenders i.e. making repayments on loans, credit agreements and cards?

- 01. Less than £10
- 02. £10 – 20
- 03. £20 – 30
- 04. £30 – 50
- 05. £50 – 75
- 06. £75 – 100
- 07. £100 – 150
- 08. £150 – 200
- 09. £200 – 250
- 10. More than £250

ASK ALL THOSE WHO HAVE MAIL ORDER (CODE 06 at Q23 OR Q24). ALL OTHERS GO TO Q39.

Q37. And how many mail order purchases have you made in the last twelve months where you paid for the goods in instalments? Do not include goods which you paid for in one go as you got the order. Count each order as a single purchase.

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

Q38. And what was the value of your most recent order which you paid for in instalments?

- 01. Less than £50
- 02. £50 – 100
- 03. £100 – £250
- 04. £250 – 500
- 05. £500 – £1000
- 06. £1000 – £1500
- 07. More than £1500

ASK ALL WITH CASH LOANS (CODE 02, 03, 09 OR 14 AT Q23 OR Q24).

DO NOT SHOW SCREEN.

Q39. Thinking now of cash loans, and by cash loans we mean home credit loans as well as cash loans from banks, finance companies and retailers. How many personal cash loans do you currently have? Please don't count credit cards, mortgages or borrowing from employers, friends and family.

ALL OTHERS GO TO Q54.

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

SHOW SCREEN. SINGLE CHOICE.

Q40. Which type of company is your most recent cash loan with?

INTERVIEWER: USE LENDER CODE LIST IF NECESSARY.

- 01. My bank
- 02. Another bank
- 03. Remote only telephone or internet based lender, such as Egg, Intelligent Finance or Marks & Spencer Money
- 04. A home credit company such as Provident or Shopacheck
- 05. A specialist consumer finance company such as HFC Bank, Paragon or CitiFinancial
- 06. A credit card company such a MBNA, Barclaycard or Capital One
- 07. A payday loan company such as The Money Shop or Harvey & Thompson The Post Office

08. A pawn broker, such as Albemarle & Bond
09. The finance company associated with a car dealer, like Lombard
10. Specialist car finance for those with credit problems, like Yes Car Credit
11. Other (Specify or see lender code list)

SHOW SCREEN.

Q41. And thinking now of personal cash loans, not credit card debt, mortgages or overdrafts, what is the total outstanding on all your personal cash loans?

01. Less than £250
02. £250 – £500
03. £500 – £1,000
04. £1,000 – £1,500
05. £1,500 – £2,500
06. £2,500 – £5,000
07. £5,000 plus
08. No personal loans outstanding

SHOW SCREEN.

Please answer the next series of questions for your last loan if you no longer have a personal loan outstanding.

Q42. Still thinking now of personal loans, what was the value of your most recent personal loan when you took it out?

01. Less than £250
02. £250 – £500
03. £500 – £1,000
04. £1,000 – £1,500
05. £1,500 – £2,500
06. £2,500 – £5,000
07. £5,000 plus

SHOW SCREEN.

Q43. And what is the term of your most recent personal loan?

01. Less than 6 months
02. 6 – 12 months
03. 12 – 24 months
04. 24 – 36 months
05. 36 – 48 months
06. 48 months – 60 months
07. Longer
08. DK

SHOW SCREEN. READ OUT.

Q44. And how do you repay your most recent cash loan?

01. Direct debit
02. By cheque
03. Payment slip over counter
04. Electronically via internet
05. By card over the phone
06. Agent who calls at my home
07. Other (specify)

SHOW SCREEN.

Q45. Which, if any, of the following fees or conditions applied either when you arranged your personal loan or apply on an ongoing basis during the term of the loan?

01. Introduction or information fees
02. Consultancy fees payable even if you didn't get the loan
03. Needed a guarantor to get the loan
04. Needed a life insurance policy to get the loan
05. Arrangement or set up fees at the beginning of the loan
06. Compulsory repayment insurance
07. Monthly standing charges for membership or similar
08. Annual fee for having loan ./ credit facility
09. Other (specify)
10. Paid / paying fees but not sure what for
11. DK/Can't remember

Q46. And what is the value of the monthly repayment on your most recent personal cash loan?

01. Less than £10
02. £10 – 20
03. £20 – 30
04. £30 – 50
05. £50 – 75
06. £75 – 100
07. £100 – 150
08. £150 – 200
09. £200 – 250
10. More than £250

Q47. It can be difficult to keep on top of credit repayments. Have you ever made late payments or missed payments on your personal loans?

01. Yes
02. No

IF YES (CODE 01 at Q47) ASK Q48, OTHERS GO TO Q54.

Q48. And thinking back over the last twelve months, how many times have you missed or made late payments on any of your personal loans? If you no longer have any loans is no longer outstanding, answer for the last twelve months that you had any loans outstanding.

01. Once
02. Twice
03. Three times
04. 4 – 6 times
05. More than 6 times

Q49. And thinking back over the last twelve months, how many times have you missed or made late payments on your most recent personal loan? If the loan is no longer outstanding, answer for the last twelve months that you had the loan.

01. Once
02. Twice
03. Three times
04. 4 – 6 times

05. More than 6 times

QUESTIONS 50 – 53 ASKED ONLY OF THOSE WHO STILL HAVE BALANCE OUTSTANDING (IE NOT CODE 08 AT Q41). IF NO BALANCE OUTSTANDING (CODE 08 AT Q41) GO TO Q54.

Q50. And have you been able to make good the payments which you missed?

- 01. Made good all of them
- 02. Made good some of them
- 03. Not made good any payments
- 04. Only late payments, none actually missed

ASK ALL THOSE WHO HAVE MISSED PAYMENTS 3 TIMES OR MORE (CODE 03, 04 OR 05 AT Q48 AND NOT CODE 04 AT Q50), OTHERS GO TO Q52.

Q51. And did the lender issue a demand for repayment of the full outstanding balance?

- 01. Yes
- 02. No

ASK ALL WHO STILL HAVE MISSED PAYMENTS OUTSTANDING (CODE 02 OR 03 AT Q52). OTHERS GO TO Q54.

Q52. And are you still making payments on the loan on which there are still missed payments outstanding?

- 01. Yes
- 02. No

Q53. And for how long has there been a balance of missed payments outstanding?

- 01. Less than 1 month
- 02. 02 1 to 3 months
- 03. 03 3 to 6 months
- 04. 6 to 12 months
- 05. 12 to 24 months
- 06. 24 – 36 months
- 07. Longer than 36 months

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q29, OR CODE 01 AT Q47). OTHERS GO TO Q55.

SHOW SCREEN. MULTI CHOICE.

Q54. Thinking of the time when you were experiencing financial difficulties, which of any of the following applied in your case at this time?

Choose as many as you feel are applicable.

- 01. I just never seem to be able to manage my money
- 02. There is never enough money to go around
- 03. I had marital problems / going through divorce / separation
- 04. I or my partner were too sick to work
- 05. I or my partner had lost their job or were working fewer hours
- 06. I had to care for a sick child or elderly relative who was ill
- 07. There was a death in the family
- 08. My proper benefits had not been received
- 09. I hadn't received my salary/my salary was delayed
- 10. None of the above

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 14 BUT NOT 06 (MAIL ORDER) ONLY AT Q22 AND Q24). OTHERS GO TO Q67.

Q55. Thinking back to when you signed your most recent credit agreement ... *INSERT RESPONSE AT Q25* ... were the main terms and conditions attached to your product clearly communicated to you?

- 01. Yes
- 02. No

THOSE FOR WHOM HOME CREDIT MOST RECENT PRODUCT (09 OR 10 AT Q25) GO TO Q57.

Q56. At the time that you took out your most recent credit product ... *INSERT RESPONSE AT Q25* ... did you understand that the cost of your credit would increase if you missed or made late payments?

- 01. Yes
 - 02. No
-

Q57. At the time that you took out your home credit loan, what was your understanding of the impact on the cost of your credit if you missed or made late payments?

- 01. Cost of the credit would stay the same
- 02. Cost of the credit would increase

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q29, CODE 01 AT Q47). OTHERS GO TO Q59.

Q58. At the time that you took out the credit product(s) with which you experienced repayment problems, did you understand that the cost of your credit would increase if you missed or made late payments?

- 01. Yes
- 02. No
- 03. Understood would increase but not by how much

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 14 BUT NOT 06 (MAIL ORDER) ONLY AT Q23 AND Q24). OTHERS GO TO Q67.

SHOW SCREEN. READ OUT OPTIONS.

Q59. And, taking into account all the costs associated with the credit you have taken on, including any membership charges, penalty charges, arrangements fees and any other costs and fees, if any, is the total amount that you have paid for your credit?

- 01. Less than what you expected to pay
- 02. What you expected to pay
- 03. A little more than I expected to pay
- 04. Much more than I expected to pay

IF CODE 01 OR 02 AT Q59 GO TO Q61.

SHOW SCREEN.

Q60. Which of these statements explain why the total amount you have paid for your credit is more than you expected?

Choose as many as apply

- 01. I didn't expect to pay for charges other than interest
- 02. I didn't anticipate having payment difficulties
- 03. I didn't expect to use my full credit limit
- 04. I didn't understand that payment irregularities increase the amount you pay
- 05. I didn't expect to go on paying for the credit for so long
- 06. I didn't expect charges for using my card / withdrawing cash
- 07. I'm just never able to reduce the outstanding balance
- 08. Other

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 14 BUT NOT 06 (MAIL ORDER) ONLY AT Q23 AND Q24). OTHERS GO TO Q67.

SHOW SCREEN. SINGLE RESPONSE.

Q61. Which of the following best describes how you feel about the situation with your current borrowing?

01. I don't have a problem with my level of debt and can see how I will pay it off
02. I am uncomfortable with my debt and will have to budget carefully to pay it off
03. My debt is a constant source of worry and I will really struggle to pay it off
04. I feel trapped by my debt and cannot see how I will ever pay it off

SHOW SCREEN. SINGLE RESPONSE.

Q62. Thinking now of your most recent loan, how would you best describe how your lender would react to payment difficulties?

01. Sympathetic and flexible even if I have prolonged difficulties with repayments
02. Sympathetic but only if arrears are made up quickly
03. Unsympathetic and focused only on collecting what is owed
04. Aggressive in pursuing me for the debt, regardless of the circumstances
05. Other (specify)

Q63. We are interested in understanding more about how lenders respond when their customers have difficulties. Which of the following statements would you agree with?

READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: AGREE

02: DISAGREE

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q29, OR CODE 01 AT Q47).

01. My lender is supportive and understanding in the event of financial problems
02. My lender is aggressive and inflexible in collecting arrears
03. My lender is realistic about what I can afford to pay when I run into financial difficulties

04. I understood how much in total I would end up paying the lender when I took out my credit

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q29, OR CODE 01 AT Q47 AND ALL WHO STRUGGLING TO COPE 03 OR 04 AT Q61). OTHERS GO TO Q67.

Q64. Which of the following effects have you or your family suffered as a result of problems or stress associated with debt? Choose as many as are applicable.

- 01. Physical health problems in adults
- 02. Physical health problems in children
- 03. Mental health problems in adults
- 04. Mental health problems in children
- 05. Tension and arguments with partners
- 06. Difficulties in relationships between parents and children
- 07. Breakdown of relationships with partners
- 08. Breakdown of relationships with family and friends
- 09. Problems with employment
- 10. Difficulties with fuel and heating
- 11. Difficulties in providing food for the family
- 12. Difficulties in buying adequate shoes or clothing
- 13. Difficulties with rent or housing
- 14. Other social problems
- 15. None of these

Just to remind you once again that this survey is completely anonymous and confidential and that some of the questions we are asking are to help policy makers understand how not being able to get credit may affect people who need to borrow money.

Q65. And has anyone within your own circle of acquaintance, friends or family ever borrowed from unofficial lenders or unlicensed loan-sharks?

- 01. Yes
- 02. No

Q66. And have you or someone in your household every borrowed from unofficial lenders or unlicensed loan sharks?

01. Yes

02. No

THANK AND CLOSE

France

Good morning/afternoon/evening, my name is I am an interviewer from TNS Field working on behalf of TNS Consumer, an independent market research company. We are conducting a survey about finance and credit. The laws governing credit in France and the rest of the EU are being reviewed, with the intention of increasing consumer protection. This survey is to help policy makers to understand the views and experience of the public. We're interested in people who have good and bad experiences with credit and the views of people who don't borrow or who only borrow from family and friends. Your name and individual details will remain confidential to the research company and will not be revealed to anyone else.

First of all, some background questions

SHOW SCREEN

Q1. Please could you tell me into which of the following ranges your household income falls? By household income we mean the combined income of yourself and your partner, if you have one. Please include income obtained from pensions and benefits.

- 01. Less than €700 per month (equivalent of minimum wage / RMI)
- 02. €700 – €975 per month (equivalent of bottom 5 –10% of population)
- 03. €975 – €1250 per month (equivalent of bottom 10– 20% of population)
- 04. €1250 – €1525 per month (more than the bottom 20% of population)
- 05. €1525 – €1800 per month
- 06. €1800 – €2075 per month
- 07. More than €2075 per month
- 08. Refused

IF CODE 04-08 AT Q1, CLOSE INTERVIEW.

ASK ALL. DO NOT SHOW SCREEN.

Q2. Could you tell me how old you are?

- 01. Less than 25 years
- 02. 25 – 34

03. 35 – 44
04. 45 – 54
05. 55 – 64
06. 65 – 74
07. 75 years plus

Q3. Sex of respondent

01. Male
02. Female

SHOW SCREEN

Q4. And which of the following applies to you?

01. Single, no children
02. Married or cohabiting with a partner, no children
03. Married or cohabiting with a partner, children at home
04. Single parent with children at home
05. Married or cohabiting with a partner, children left home
06. Single, children left home

SHOW SCREEN

Q5. And which of the following best describes your household?

01. No-one working in paid employment
02. One person working part-time or occasionally
03. Two or more persons working part-time or occasionally
04. One person working full-time, with no-one else working
05. One person working full-time, with at least one other person working part-time or occasionally
06. Two or more persons working full-time
07. Other (specify)

SHOW SCREEN

The next set of questions will be about financial matters and borrowing. I can assure you that your replies will be completely confidential. All the information we collect is added together and we only ever look at the results from everyone

as a whole, rather than anyone's individual answers. The data collected from this survey will be used to inform policy formulation and so your participation in this study is extremely valuable.

SHOW SCREEN. MULTI CHOICE.

Q6. First of all, which of the following banking facilities do you personally have?

01. Bank account
02. Cheque book
03. Cash card / ATM card without an overdraft facility
04. Cash card / ATM card with an overdraft facility
05. Overdraft facility
06. Bank card which can be used to pay from your bank account for goods in shops
07. Bank card which can be used to obtain cash from your bank account in shops
08. Bank card which can be used to pay from your bank account for goods and services over the phone or internet
09. Electronic payment card for purchasing goods over telephone or internet
10. Electronic payment facilities for making regular direct debit payments from my account
11. MasterCard / Visa card
12. Retailer payment / loyalty card without credit facility
13. EC card
14. None of these

IF CODE 14 (NONE OF THESE) OR CODE 01, 02 OR 03 NOT CHOSEN AT Q6, ASK Q7 AND Q8, OTHERS GO TO Q9.

SHOW SCREEN.

Q7. Which of these statements describes why you do not have a bank account with full banking facilities?

MULTI CHOICE

01. I don't really see a need for a bank account
02. I wouldn't want any more complex banking facilities
03. I haven't applied for a bank account because I don't think I would be accepted
04. I have had trouble with a previous bank account
05. I have been refused a bank account / barred from opening a bank

- 06. I have been barred from using my bank account
- 07. Other (specify)
- 08. DK

SHOW SCREEN

Q8. And have you ever had difficulties with any of the following as a result of not having a bank account or full banking facilities?

- 01. Getting cash when you need it
- 02. Paying bills and making payments to other people
- 03. Getting paid your benefits
- 04. Getting paid by an employer
- 05. Buying goods and services
- 06. Entering into a contract for utilities or a telephone
- 07. Making a housing arrangement
- 08. None

ASK ALL

Q9. If you suddenly needed to find €300 – €450 cash for an unexpected bill or repair, how easy would you find it to raise this money without borrowing?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q10. And how easy would you find it to save €750 for a special purpose?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q11. And how easy would you find it to save €3750 for a special purpose?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

ASK ALL. SHOW SCREEN. SINGLE RESPONSE.

Q12. Which of the following statements best describes your attitude to borrowing cash?

- 01. I never need to borrow money
- 02. I occasionally need to borrow but do not have anyone from whom I can borrow easily
- 03. I borrow only from family and friends because I prefer it that way
- 04. I borrow only from family and friends but would prefer to borrow from commercial sources like banks, retailers or other financial institutions
- 05. I borrow from a mix of family and friends and commercial sources like banks, retailers or other financial institutions
- 06. I only borrow from commercial sources like banks, retailers or other financial institutions

SHOW SCREEN. MULTI CHOICE

Q13. Have you had financial help or loans from any of the following sources within the last five years?

- 01. Personal loan from a family member or friend that you weren't expected to pay back
- 02. Personal loan from a family member or friend that you had to pay back
- 03. A loan from social security that you had to pay back
- 04. A grant or voucher from social security that you didn't have to pay back
- 05. A loan from your local Credit Municipal
- 06. Cash loan from the state pawnbroker, Mont de Piété
- 07. None of these

IF CODE 07 AT Q13 GO TO Q15, ALL OTHERS ANSWER Q 14.

SHOW SCREEN. MULTI CHOICE.

Q14. And which, if any, have you had in the last twelve months?

01. Personal loan from a family member or friend that you weren't expected to pay back
02. Personal loan from a family member or friend that you had to pay back
03. A loan from social security that you had to pay back
04. A grant or voucher from social security that you didn't have to pay back
05. A loan from your local Credit Municipal
06. Cash loan from the state pawnbroker, Mont de Piété
07. None of these

SHOW SCREEN. MULTI CHOICE

Q15. Which, if any, of the following statements would describe how you feel about borrowing from friends and family? Choose as many as you believe to be true.

01. It is the best way to borrow
02. Don't like it but it is the cheapest way to borrow
03. You worry that family can't afford to lend
04. Borrowing damages relationships
05. Borrowing from family is embarrassing
06. Borrowing from family makes you feel like a child
07. You can only borrow for absolute emergencies
08. You can't borrow to buy things you want
09. Other (specify)

IF CODE 03 AND 04 NOT CHOSEN AT Q13 ASK Q16. OTHERS GO TO Q17.

SHOW SCREEN SINGLE RESPONSE

Q16. Which of the following best describes why you have not had a grant or voucher from social services?

01. Didn't have any need for extra funds or grant
02. Wasn't aware that such help was available from social services
03. Applied for loan / grant but was refused
04. Believe I am not entitled to any help
05. Social services funds are too difficult to access
06. Don't like asking social services
07. Find vouchers humiliating
08. Prefer commercial credit sources

09. Other (specify)

ASK ALL WHO HAD SOCIAL SERVICES GRANT OR VOUCHERS (CODE 03 OR 04 AT Q13). OTHERS GO TO Q21.

Q17. And, excluding food vouchers and seasonal bonuses, what was the value of your most recent grant or voucher from social services?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1125
- 04. €1125 – €1500
- 05. €1500 – €2250
- 06. More than €2250

Q18. And, again excluding food vouchers and seasonal bonuses, how many separate loans or grants have you had from social services in the past 3 years?

- 01. None
- 02. 1
- 03. 2
- 04. 3
- 05. 4
- 06. 5 or more
- 07. DK/Can't remember

Q19. Thinking back to the most recent loan / grant you received from the social services, was it in the form of...?

- 01. Cash
- 02. Voucher
- 03. Goods
- 04. DK/Can't remember

IF CODE 02 OR 03 IN Q19, ASK Q20. OTHERS GO TO Q21.

SHOW SCREEN. MULTI CHOICE.

Q20. Which of the following statements describes your attitudes to the vouchers / goods you receive from social services? Choose as many as you feel are applicable.

01. I don't care which I receive – vouchers, goods or cash
02. I like vouchers / goods because you can't spend it on something else
03. I dislike vouchers because you can get a better deal with cash
04. I dislike vouchers / goods because you can only shop in certain stores
05. I dislike vouchers because they are embarrassing to use in shops
06. I feel vouchers are humiliating Other (specify)

IF CODE 05 (LOAN FROM CREDIT MUNICIPAL) AT Q13) NOT CHOSEN ASK Q21. AND HAVE A NEED FOR OCCASIONAL BORROWING (CODE 02 – 06 AT Q12)

SHOW SCREEN. MULTIPLE CHOICE

Q21. Which of the following describes why you have not had a loan from Credit Municipal Choose as many as apply

01. I wasn't aware that loans were available from Credit Municipal
02. I wouldn't know how to go about arranging a loan from Credit Municipal
03. I don't think I could get a loan from Credit Municipal
04. I've been refused a loan from Credit Municipal
05. I prefer borrowing from other sources
06. I prefer to go to social services

IF CODE 06 (LOAN FROM MONT DE PIETE NOT CHOSEN AT Q13, ASK Q22 ALL OTHERS ASK Q23.

Q22. Which of the following best describes why you have not had a loan from Mont de Piété

01. I wasn't aware you could get cash from Mont de Piété
02. I wouldn't know how to go about getting cash from Mont de Piété I don't like the idea of pawning goods
03. I prefer borrowing from other sources
04. I prefer to go to social services
05. Other (specify)
06. DK

ASK ALL WHO HAVE HAD A LOAN / GRANT FROM INFORMAL SOURCES (CODE 01 – 0-6 AT Q13 OR Q14)

SHOW SCREEN. SINGLE RESPONSE

Q23. Thinking back now to the last time you had financial help from non commercial sources, such as family and friends, social services, Credit Municipal or Mont de Piété which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. Other (specify)
09. None of these

ASK ALL

SHOW SCREEN. MULTI CHOICE.

Q24. Which, if any, of the following types of commercial loan or credit arrangements have you had within the last five years?

01. Retailer payment card with credit facility, such as, FNAC
02. Revolving credit card (i.e. a card where you pay a set amount each month and can make purchases in store or borrow cash up to a pre-set limit). The product is known as Réserve d'argent or Réserve de crédit eg. Cetelem Carte Aurore, Finaref Carte Kangourou)
03. Car loan
04. Personal loan (other than car loan) not taken out as cash on a revolving credit card, revolving credit agreement or credit card Credit agreement arranged in store to enable purchase of goods by instalments
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as La Redoute or 3 Suisses
07. Insurance against not being able to make repayments on a loan or credit agreement
08. None of these

FOR CLARIFICATION: IF BORROWER HAS ENTERED INTO AN AGREEMENT WHERE THEY AGREED TO PAY SET MONTHLY AMOUNT FOR AN INDEFINITE TERM AND COULD THEN A) BUY GOODS / WITHDRAW CASH UP TO A LIMIT USING A REVOLVING CREDIT CARD OR B) WITHDRAW CASH AGAINST AN AGREED RESERVE FACILITY THIS SHOULD BE TREATED AS A REVOLVING CREDIT AGREEMENT(I.E. CODE 02).

IF THE BORROWER BORROWED A CASH SUM TO BE REPAYED IN A SET NUMBER OF INSTALLMENTS OVER A FIXED PERIOD, THIS SHOULD BE TREATED AS A PERSONAL LOAN (04) EVEN IF THE LOAN WAS TAKEN OUT WITH ONE OF THE CONSUMER FINANCE COMPANIES (CETELEM, COFIDIS, FINAREF ETC) WHICH ALSO OFFER REVOLVING CREDIT AGREEMENTS.

IF CODE 09 AT Q24 GO TO Q28, ALL OTHERS ASK Q25.

SHOW SCREEN. MULTI CHOICE.

Q25. And which, if any, have you had in the last twelve months?

01. Retailer payment card with credit facility, such as FNAC
02. Revolving credit card (i.e a card where you pay a set amount each month and can make purchases in store or borrow cash up to a pre-set limit). The product is known as Réserve d'argent or Réserve de crédit eg. Cetelem Carte Aurore, Finaref Carte Kangourou)
03. Car loan
04. Personal loan (other than car loan) and not taken out as cash on a revolving credit card, revolving credit agreement or credit card Credit agreement arranged in store to enable purchase of goods by instalments
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as La Redoute or 3 Suisses
07. Insurance against not being able to make repayments on a loan or credit agreement None of these

SHOW SCREEN. SINGLE RESPONSE.

Q26. And which of these did you take out most recently?

01. Retailer payment card with credit facility, such as, FNAC
02. Revolving credit card (i.e. a card where you pay a set amount each month and can make purchases in store or borrow cash up to a pre-set limit). The product is known as Réserve d'argent or Réserve de crédit eg. Cetelem Carte Aurore, Finaref Carte Kangourou
03. Car loan
04. Personal loan other than car loan) and not taken out as cash on a revolving credit card, revolving credit agreement or credit card
05. Credit agreement arranged in store to enable purchase of goods by instalments
06. Credit on a credit card such as Barclaycard
07. Mail order credit (goods from catalogue and paid for in instalments), such as La Redoute or 3 Suisses
08. Insurance against not being able to make repayments on a loan or credit agreement

09. DK

Q27. Thinking back now to the last time you used a cash loan or credit from a financial institution or shop, which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. None of these

ASK ALL

Q28. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of €750 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q29. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of €3750 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q30. Many people have difficulties managing finances and credit repayments these days. Which of the following has ever happened to you? READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: YES

02: NO

01. Got three or more payments behind on a loan or credit agreement
02. Got a bad credit rating with the Banque de France (FICP)
03. Been refused a loan or credit application
04. Been forbidden to open or use a bank account by the Banque de France (Interdit Bancaire)
05. Been forbidden to write cheques by your bank (Interdit Chequier)
06. Had a bank close an account for account irregularities
07. Been subject to extra bank charges or penalties for account irregularities
08. Had a card company tell you to stop using a card...Had a card company demand return of their card
09. Been subject to charges or penalties for late payments on loans, cards or credit agreements
10. Had a credit or loan company demand immediate full repayment of the debt
11. Been threatened with legal action or bailiffs by lender
12. Been evicted from social housing for non payment of rent
13. Been given notice on private rentals for non-payment of rent
14. Had a property repossessed for mortgage arrears
15. Had utilities cut off for non-payment of bills
16. Been visited by a debt collector / bailiff
17. Had goods repossessed by a bailiff
18. Made an arrangement with my creditors through the Over-indebtedness Committee of the Banque de France
19. Had funds taken directly from my bank account by a court or creditor
20. Had a moratorium (*suspension de paiement*) declared by the Banque de France
21. Declared personal insolvency (*France*)

Q31. And which of the following types of lenders have you run into problems with? CHOOSE ALL THAT APPLY

01. Crédit Municipal
02. Bank, such as Crédit Agricole, Crédit Lyonnais

03. Credit card company, such as Barclaycard or Citibank
04. Retailer, such as Printemps or FNAC
05. Consumer finance company, such as Cofidis, Cetelem or Finaref
06. Mail order credit company, such as La Redoute or 3 Suisses
07. Remote lender, such as Pretweb or Creditcliq
08. Post bank
09. Pawnbroker, such as Mont de Piété
10. Other (specify)

ASK ALL THOSE WHO HAVE BEEN INTERDIT BANCAIRE / CHEQUIER AT Q30.

Q32. And are you currently officially Interdit Bancaire or Interdit Chequier?

01. Yes, Interdit Bancaire
02. Yes, Interdit Chequier
03. No

Q33. And for how long have you been / were you Interdit Bancaire or Interdit Chequier?

01. Less than six months
02. Six months to 1 year
03. 1 year to 2 years
04. 2 – 4 years
05. 5 years
06. Longer

IF NO FORMAL CREDIT FACILITIES (CODE 09 AT Q23) OR ONLY HAVE MAIL ORDER CREDIT (CODE 07) AT Q23; OR IMPOSSIBLE / VERY DIFFICULT / QUITE DIFFICULT (CODE 01 OR 02 OR 03 AT Q27 AND/OR Q28) OR CODE 11 AT Q29 OR HAVE HAD CREDIT DIFFICULTIES (ANSWERED YES TO ANY STATEMENT AT Q30); ASK Q34. OTHERS GO TO Q35.

SHOW SCREEN. MULTI CHOICE.

Q34. Which of the following statements describes your feelings about not being able to get credit easily? Choose as many as are applicable to you.

01. It doesn't worry me not being able to get credit
02. It makes me anxious knowing I can't get credit in a cash flow crisis
03. It is very difficult to buy major items which you really need but cannot afford
04. I'm frustrated because I cannot buy things for myself or my family which I could manage to pay for if I could pay in instalments

- 05. It makes me feel overly dependent on my family
- 06. I feel ashamed and different from other people because I can't get credit

ASK ALL WHO HAVE BANK ACCOUNTS (CODE 01 AT Q5) AND THOSE WHO HAVE PREVIOUSLY HAD ACCOUNTS AND LOST THEM (05 OR 06 AT Q7 OR 01 OR 02 AT Q32) IF NEVER HAD AN ACCOUNT GO TO Q38.

Q35. Many people have problems with managing cash flow these days. Thinking back over the last twelve months, how many times in the year did the bank make charges for unauthorised overdrafts, cheques or bill payments that were not paid because of insufficient funds?

INTERVIEWER INSTRUCTION: IF RESPONDENT NO LONGER HAS THEIR BANK ACCOUNT, OR CAN'T USE IT, THEY SHOULD ANSWER FOR THE LAST TWELVE MONTHS THEY HAD THE ACCOUNT. COUNT EACH CHARGE AS ONE TIME

- 01. Never
- 02. 1 – 3 times
- 03. 4 – 60 times
- 04. 7 – 10 times
- 05. More than 10 times

SHOW SCREEN.

Q36. And how often would you say you overdraw?

- 01. I never overdraw
- 02. I only overdraw in emergencies
- 03. I tend to be overdrawn at Christmas or holidays but not at other times
- 04. I'm usually overdrawn by the end of the month but not at the top of my limit
- 05. I'm usually at the top of my limit before new funds come in
- 06. I sometimes exceed my overdraft limit

IF CODE 02-06 AT Q36 ASK Q 37. OTHERS GO TO Q38.

Q37. How much would you say you are typically overdrawn at the end of each month?

- 01. Not overdrawn
- 02. Less than €70
- 03. €70 – €150
- 04. €150 – €350
- 05. €350 – €700
- 06. €700 – €1500

07. More than €1500

I'm now going to ask you a few more questions about the loans you have. The reason I am asking you these questions is to understand your experience with the companies who give out loans

ASK ALL THOSE WITH CREDIT PRODUCTS IN THE LAST FIVE YEARS (CODE 01-07 AT Q24 OR Q25, EXCEPT IF ONLY CODE 07 (MAIL ORDER) AT Q24 AND Q25. OTHERS GO TO Q40.

Q38. Thinking now of all your personal borrowing excluding mortgages and borrowing from employers, friends and family, but including all other commercial borrowing on personal loans, credit agreements and cards, what is the total value of all your outstanding personal debt?

- 01. Less than €750
- 02. €750 – €1,500
- 03. €1,500 – €3,750
- 04. €3,750 – €7,500
- 05. €7,500 – €15,000
- 06. More than €15,000

Q39. And still thinking of all your personal borrowing, excluding mortgages, borrowing from employers, friends and family, how much do you spend each month in total on servicing debt to commercial lenders i.e. making repayments on loans, credit agreements and cards?

- 01. Less than €15
- 02. €15 – €30
- 03. €30 – €45
- 04. €45 – €70
- 05. €70 – €100
- 06. €100 – €150
- 07. €150 – €200
- 08. €200 – €275
- 09. €275 – €350
- 10. More than €350

ASK ALL THOSE WHO HAVE MAIL ORDER (CODE 07 at Q23 OR Q24)

Q40. And how many mail order purchases have you made in the last twelve months where you paid for the goods in instalments? Do not include goods which you paid for in one go as you got the order. Count each order as a single purchase.

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

Q41. And what was the value of your most recent order which you paid for in instalments?

- 01. Less than €375
- 02. €375 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. More than €2,250

ASK ALL WITH CASH LOANS (CODE 03 OR 04 AT Q24 OR Q25)

DO NOT SHOW SCREEN.

Q42. Thinking now of cash loans, and by cash loans we mean cash loans from banks, finance companies and retailers How many personal cash loans do you currently have? Please don't count credit cards or revolving credit cards, mortgages or borrowing from employers, friends and family.

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

SHOW SCREEN. SINGLE RESPONSE.

Q43. Which type of company is your most recent cash loan with?

INTERVIEWER: USE LENDER CODE LIST IF NECESSARY.

- 01. My bank
- 02. Another bank
- 03. Remote only internet-based lender such as 123credit or pretweb

- 04. A consumer finance company such as Cofidis or Cetelem
- 05. A foreign bank such as Citibank Crédit Municipal
- 06. Other (Specify or see lender code list)

SHOW SCREEN.

Q44. And thinking now of personal cash loans, not credit card debt, overdrafts or cash taken out on revolving credit cards or revolving credit agreements, what is the total outstanding on all your personal cash loans? Do not include borrowing from employers, family and friends.

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus
- 08. No personal loans outstanding

SHOW SCREEN.

Please answer the next series of questions for your last loan if you no longer have a personal loan outstanding.

Q45. Still thinking now of personal loans, what was the value of your most recent personal loan when you took it out?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus

SHOW SCREEN.

Q46. And what is the term of your most recent personal loan?

01. Less than 6 months
02. 6 – 12 months
03. 12 – 24 months
04. 24 – 36 months
05. 36 – 48 months
06. 48 months – 60 months
07. Longer
08. DK

SHOW SCREEN. READ OUT

Q47. And how do you repay your most recent cash loan?

01. Direct debit
02. By cheque
03. Payment slip over counter
04. Electronically via internet
05. By card over the phone
06. Other (specify)

SHOW SCREEN.

Q48. Which, if any, of the following fees or conditions applied either when you arranged your personal loan or apply on an ongoing basis during the term of the loan?

01. Introduction or information fees
02. Consultancy fees payable even if you didn't get the loan
03. Needed a guarantor to get the loan
04. Needed a life insurance policy to get the loan
05. Arrangement or set up fees at the beginning of the loan
06. Compulsory repayment insurance
07. Monthly standing charges for membership or similar
08. Annual fee for having loan ./ credit facility
09. Other (specify)
10. Paid / paying fees but not sure what for
11. DK/Can't remember

Q49. And what is the value of the monthly repayment on your most recent personal cash loan?

01. Less than €15
02. €15 – €30
03. €30 – €45
04. €45 – €75
05. €75 – €115
06. €115 – €150
07. €150 – €225
08. €225 – €300
09. €300 – €375
10. More than €375

Q50. It can be difficult to keep on top of credit repayments. Have you ever made late payments or missed payments on your personal loans?

01. Yes
02. No

IF YES (CODE 01 at Q50) ASK Q51, OTHERS GO TO Q57.

Q51. And thinking back over the last twelve months, how many times have you missed or made late payments on any of your personal loans? If you no longer have any loans outstanding, answer for the last twelve months that you had any loan outstanding.

01. Once
02. Twice
03. Three times
04. 4 – 6 times
05. More than 6 times

Q52. And thinking back over the last twelve months, how many times have you missed or made late payments on your most recent personal loan? If the loan is no longer outstanding, answer for the last twelve months that you had the loan.

01. Once
02. Twice
03. Three times
04. 4 – 6 times

05. More than 6 times

QUESTIONS 53 – 56 ASKED ONLY OF THOSE WHO STILL HAVE BALANCE OUTSTANDING. IF NO BALANCE OUTSTANDING (CODE 08 AT Q44) GO TO Q57.

Q53. And have you been able to make good the payments which you missed?

- 01. Made good all of them
- 02. Made good some of them
- 03. Not made good any payments
- 04. Only late payments, none actually missed

ASK ALL THOSE WHO HAVE MISSED PAYMENTS 3 TIMES OR MORE (CODE 03, 04 OR 05 AT Q51 AND NOT CODE 04 AT Q53), OTHERS GO TO Q57.

Q54. And did the lender issue a demand for repayment of the full outstanding balance?

- 01. Yes
- 02. No

ASK ALL WHO STILL HAVE MISSED PAYMENTS OUTSTANDING (02 OR 03 AT Q53)

Q55. And are you still making payments on the loan on which there are missed payments outstanding?

- 01. Yes
- 02. No

Q56. And for how long has there been a balance of missed payments outstanding?

- 01. Less than 1 month
- 02. 1 to 3 months
- 03. 3 to 6 months
- 04. 6 to 12 months
- 05. 12 to 24months
- 06. 24 – 36 months
- 07. Longer than 36 months

ASK ALL WHO HAVE HAD REVOLVING CREDIT CARDS (CODE 02 or 05 AT Q24 OR Q25). OTHERS GO TO Q82.

Q57. How many revolving credit cards do you have?

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

Q58. Which type of company is your MAIN revolving credit card with? i.e. the one with the largest outstanding balance, NOT the largest credit limit.

SINGLE RESPONSE

- 01. A consumer finance house such as Carte Aurore from Cetelem or Cofidis or, Carte Kangaroo from Finaref
- 02. A retailer card, such as Carte Auchan, or Carte Pass from Carrefour
- 03. Other (Specify or see lender code list)

Q59. Thinking now of revolving credit cards, what is the value of your total outstanding borrowing on all your revolving credit cards?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus

Q60. Thinking now of all your revolving credit cards, what is the value of your total monthly repayments on all your revolving credit cards?

- 01. Less than €15
- 02. €15 – €30
- 03. €30 – €45
- 04. €45 – €75
- 05. €75 – €115
- 06. €115 – €150
- 07. €150 – €225
- 08. €225 – €300
- 09. €300 – €375

10. More than €375

SHOW SCREEN.

Q61. And what is / was the value of your outstanding borrowing on your MAIN revolving credit card? By main credit card we mean the one with the largest outstanding balance, not the one with the largest credit limit.

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus
- 08. No outstanding balance

Q62. What was the credit limit on your MAIN card when you first got it?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus

Q63. And what is the credit limit on your MAIN card now?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus

Q64. Have you requested a credit limit increase?

- 01. Yes

02. No

SHOW SCREEN.

Q65. And what is the monthly sum which you pay on your MAIN revolving credit card?

01. Less than €15

02. €15 – €30

03. €30 – €45

04. €45 – €75

05. €75 – €115

06. €115 – €150

07. €150 – €225

08. €225 – €300

09. €300 – €375

10. More than €375

SHOW SCREEN. READ OUT

Q66. And how do you repay your MAIN revolving credit card...?

01. Direct debit

02. By cheque

03. Payment slip over counter

04. Electronically via internet

05. By card over the phone

06. Other (specify)

SHOW SCREEN. MULTI CHOICE.

Q67. Still thinking about your MAIN revolving credit card, which of the following statements best describes the balance on this card?

01. The balance owed is reducing

02. The balance owed stays pretty much the same

03. The balance owed is rising

Q68. And are you currently able to get credit on your MAIN card?

01. Not allowed to use card

02. No, card over limit

- 03. Yes, use all available credit each month
- 04. Yes, don't use all available credit
- 05. Not sure

IF CODE 02 AT Q67 ASK Q69. OTHERS GO TO Q70.

Q69. And how long has the outstanding balance on your MAIN card stayed pretty much the same?

- 01. Less than 6 months
- 02. 6 to 12 months
- 03. 12 to 24 months
- 04. 24 to 36 months
- 05. 36 to 48 months
- 06. More than 48 months

ASK ALL WITH REVOLVING CREDIT CARD (CODE 02 AT Q24 or Q25)

Q70. And how long have you had your MAIN card?

- 01. Less than 6 months
- 02. 6 to 12 months
- 03. 12 to 24 months
- 04. 24 to 36 months
- 05. 36 to 48 months
- 06. More than 48 months

Q71. Do you make any cash withdrawals with your MAIN revolving credit card?

- 01. Yes
- 02. No

IF YES (CODE 01 AT Q71) ASK Q72. OTHERS GO TO Q73.

Q72. On average, how many cash withdrawals do you make each month on your MAIN revolving credit card?

- 01. Fewer than 3
- 02. 3 – 5
- 03. 5 – 10
- 04. More than 10

Q73. Do you make purchases with your MAIN revolving credit card?

- 01. Yes
- 02. No

IF YES (CODE 01 AT Q73) ASK Q74. OTHERS GO TO Q75.

Q74. And, on average, how many purchases would you say that you make each month with your MAIN card?

- 01. Fewer than 3
- 02. 3 – 5
- 03. 5 – 10
- 04. More than 10

Q75. It can be difficult to keep on top of credit repayments. Have you ever made late payments or missed payments on your revolving credit card?

- 01. Yes
- 02. No

IF YES (CODE 01 AT Q75) ASK Q76. OTHERS GO TO Q82.

Q76. And thinking back over the last twelve months how many times have you missed or made late payments on ANY of your revolving credit cards? If you no longer have any outstanding credit balances, answer for the last twelve months that you had an outstanding balance on any revolving credit card.

- 01. Once
- 02. Twice
- 03. Three times
- 04. 4 – 6 times
- 05. More than 6 times

Q77. And thinking back over the last twelve months how many times have you missed or made late payments on your MAIN revolving credit card? If you no longer have an outstanding credit balance, answer for the last twelve months that you had an outstanding balance on your main revolving credit card.

- 01. Once
- 02. Twice
- 03. Three times

- 04. 4 – 6 times
- 05. More than 6 times

Q78. And have you been able to make good the payments which you missed?

- 01. Made good all of them
- 02. Made good some of them
- 03. Not made good any payments
- 04. Only late payments, none actually missed

ASK ALL THOSE WHO HAVE MISSED 3 TIMES OR MORE (CODE 03-05 AT Q76 AND NOT CODE 04 AT Q78), OTHERS GO TO Q82.

Q79. And did the lender issue a demand for repayment of the full outstanding balance?

- 01. Yes
- 02. No

ASK ALL WHO STILL HAVE MISSED PAYMENTS OUTSTANDING (CODE 02 OR 03 AT Q78)

Q80. And are you still making payments on the loan on which there are missed payments outstanding?

- 01. Yes
- 02. No

ASK ALL WHO HAVE MISSED PAYMENTS OUTSTANDING (CODE 02 OR 03 AT Q78)

Q81. And for how long has there been a balance of missed payments outstanding?

- 01. Less than 1 month
- 02. 1 to 3 months
- 03. 3 to 6 months
- 04. 6 to 12 months
- 05. 12 to 24 months
- 06. 24 to 36 months
- 07. Longer than 36 months

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR REVOLVING CREDIT CARD OR LOANS (YES TO ANY STATEMENT IN Q30, CODE 01 AT Q50 OR CODE 01 AT Q75). OTHERS GO TO Q92.

SHOW SCREEN. MULTI CHOICE.

Q82. Thinking of the time when you were experiencing financial difficulties, which of any of the following applied in your case at this time? Choose as many as you feel are applicable.

01. I just never seem to be able to manage my money
02. There is never enough money to go around
03. I had marital problems / going through divorce / separation
04. I or my partner were too sick to work
05. I or my partner had lost their job or were working fewer hours
06. I had to care for a sick child or elderly relative who was ill
07. There was a death in the family
08. My proper benefits had not been received
09. I hadn't received my salary/my salary was delayed
10. None of the above

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 08 BUT NOT CODE 07 (MAIL ORDER) ONLY AT Q24 AND Q25)

Q83. Thinking back to when you signed your most recent credit agreement ... *INSERT RESPONSE AT Q26* ... were the main terms and conditions attached to your product clearly communicated to you?

01. YES
02. NO

Q84. At the time that you took out your most recent credit product ... *INSERT RESPONSE AT Q26* ... did you understand that the cost of your credit would increase if you missed or made late payments?

01. YES
02. NO

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR REVOLVING CREDIT CARD OR LOANS (YES TO ANY STATEMENT IN Q30, CODE 01 AT Q50 OR CODE 01 AT Q75). OTHERS GO TO Q92.

Q85. At the time that you took out the credit product(s) with which you experienced repayment problems, did you understand that the cost of your credit would increase if you missed or made late payments?

01. Yes
02. No

03. Understood would increase but not by how much

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 08 BUT NOT CODE 07 (MAIL ORDER) ONLY AT Q24 AND Q25)

SHOW SCREEN. READ OUT OPTIONS.

Q86. And, taking into account all the costs associated with the credit you have taken on, including any membership charges, penalty charges, arrangements fees and any other costs and fees, if any, is the total amount that you have paid for your credit...?

- 01. Less than what you expected to pay
- 02. What you expected to pay
- 03. A little more than I expected to pay
- 04. Much more than I expected to pay

IF CODE 01 OR 02 AT Q86 GO TO Q88.

SHOW SCREEN.

Q87. Which of these statements explain why the total amount you have paid for your credit is more than you expected? Choose as many as apply.

- 01. I didn't expect to pay for charges other than interest
- 02. I didn't anticipate having payment difficulties
- 03. I didn't expect to use my full credit limit
- 04. I didn't understand that payment irregularities increase the amount you pay
- 05. I didn't expect to go on paying for the credit for so long
- 06. I didn't expect charges for using my card / withdrawing cash
- 07. I'm just never able to reduce the outstanding balance
- 08. Other

SHOW SCREEN. SINGLE RESPONSE.

Q88. Which of the following best describes how you feel about the situation with your current borrowing?

- 01. I don't have a problem with my level of debt and can see how I will pay it off
- 02. I am uncomfortable with my debt and will have to budget carefully to pay it off
- 03. My debt is a constant source of worry and I will really struggle to pay it off
- 04. I feel trapped by my debt and cannot see how I will ever pay it off

SHOW SCREEN. SINGLE RESPONSE.

Q89. Thinking now of your most recent loan, how would you best describe how your lender would react to payment difficulties?

01. Sympathetic and flexible even if I have prolonged difficulties with repayments
02. Sympathetic but only if arrears are made up quickly
03. Unsympathetic and focused only on collecting what is owed
04. Aggressive in pursuing me for the debt, regardless of the circumstances
05. Other (specify)

Q90. We are interested in understanding more about how lenders respond when their customers have difficulties. Which of the following statements would you agree with?

READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: AGREE

02: DISAGREE

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR REVOLVING CREDIT CARD OR LOANS (YES TO ANY STATEMENT IN Q30, CODE 01 AT Q50 OR CODE 01 AT Q75).

01. My lender is supportive and understanding in the event of financial problems
02. My lender is aggressive and inflexible in collecting arrears
03. My lender is realistic about what I can afford to pay when I run into financial difficulties
04. I understood how much in total I would end up paying the lender when I took out my credit

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR REVOLVING CREDIT CARD OR LOANS (YES TO ANY STATEMENT IN Q30, CODE 01 AT Q50 OR CODE 01 AT Q75) AND ALL WHO STRUGGLING TO COPE 03 OR 04 AT Q88. OTHERS GO TO Q92.

Q91. Which of the following effects have you or your family suffered as a result of problems or stress associated with debt? Choose as many as are applicable

01. Physical health problems in adults
02. Physical health problems in children
03. Mental health problems in adults
04. Mental health problems in children

05. Tension and arguments with partners
06. Difficulties in relationships between parents and children
07. Breakdown of relationships with partners
08. Breakdown of relationships with family and friends
09. Problems with employment
10. Difficulties with fuel and heating
11. Difficulties in providing food for the family
12. Difficulties in buying adequate shoes or clothing
13. Difficulties with rent or housing
14. Other social problems
15. None of these

Just to remind you once again that this survey is completely anonymous and confidential and that some of the questions we are asking are to help policy makers understand how not being able to get credit may affect people who need to borrow money.

Q92. And has anyone within your own circle of acquaintance, friends or family ever borrowed from unofficial lenders or unlicensed loan-sharks?

01. Yes
02. No

Q93. And have you or someone in your household every borrowed from unofficial lenders or unlicensed loan sharks?

01. Yes
02. No

THANK AND CLOSE

Germany

Good morning/afternoon/evening, my name is I am an interviewer from TNS Field working on behalf of TNS Consumer, an independent market research company. We are conducting a survey about finance and credit. The laws governing credit in Germany and the rest of the EU are being reviewed, with the intention of increasing consumer protection. This survey is to help policy makers to understand the views and experience of the public. We're interested in people who have good and bad experiences with credit and the views of people who don't borrow or who only borrow from family and friends. Your name and individual details will remain confidential to the research company and will not be revealed to anyone else.

First of all, some background questions

SHOW SCREEN

Q1. Please could you tell me into which of the following ranges your household income falls? By household income we mean the combined income of yourself and your partner, if you have one. Please include income obtained from pensions and benefits.

01. Less than €700 per month (*equivalent of lebens minimum / existenz minimum*)
02. €700 – €975 per month (equivalent of bottom 5 –10% of population)
03. €975 – €1250 per month (equivalent of bottom 10– 20% of population)
04. €1250 – €1525 per month (more than the bottom 20% of population)
05. €1525 – €1800 per month
06. €1800 – €2075 per month
07. More than €2075 per month
08. Refused

IF CODE 04-08 AT Q1, CLOSE INTERVIEW.

ASK ALL. DO NOT SHOW SCREEN.

Q2. Could you tell me how old you are?

01. Less than 25 years

02. 25 – 34
03. 35 – 44
04. 45 – 54
05. 55 – 64
06. 65 – 74
07. 75 years plus

Q3. Sex of respondent

01. Male
02. Female

SHOW SCREEN

Q4. And which of the following applies to you?

01. Single, no children
02. Married or cohabiting with a partner, no children
03. Married or cohabiting with a partner, children at home
04. Single parent with children at home
05. Married or cohabiting with a partner, children left home
06. Single, children left home

SHOW SCREEN

Q5. And which of the following best describes your household?

01. No-one working in paid employment
02. One person working part-time or occasionally
03. Two or more persons working part-time or occasionally
04. One person working full-time, with no-one else working
05. One person working full-time, with at least one other person working part-time or occasionally
06. Two or more persons working full-time
07. Other (specify)

SHOW SCREEN

The next set of questions will be about financial matters and borrowing. I can assure you that your replies will be completely confidential. All the information we collect is added together and we only ever look at the results from everyone as a whole, rather than anyone's individual answers. The data collected from this survey will be used to inform policy formulation and so your participation in this study is extremely valuable.

SHOW SCREEN. MULTI CHOICE.

Q6. First of all, which of the following banking facilities do you personally have?

01. Bank account
02. Cheque book
03. Cash card / ATM card without an overdraft facility
04. Cash card / ATM card with an overdraft facility
05. Overdraft facility
06. Bank card which can be used to pay from your bank account for goods in shops
07. Bank card which can be used to obtain cash from your bank account in shops
08. Bank card which can be used to pay from your bank account for goods and services over the phone or internet
09. Electronic payment card for purchasing goods over telephone or internet
10. Electronic payment facilities for making regular direct debit payments from my account
11. MasterCard / Visa card
12. 12: Retailer payment / loyalty card without credit facility
13. 13: EC card
14. 14: None of these

IF CODE 14 (NONE OF THESE) OR CODE 01 OR 02 OR 03 NOT CHOSEN AT Q6, ASK Q7 AND Q8, OTHERS GO TO Q9.

SHOW SCREEN.

Q7. Which of these statements describes why you do not have a bank account with full banking facilities?

MULTI CHOICE

01. I don't really see a need for a bank account
02. I wouldn't want any more complex banking facilities
03. I haven't applied for a bank account because I don't think I would be accepted

- 04. I have had trouble with a previous bank account
- 05. I have been refused a bank account / barred from opening a bank account
- 06. I have been barred from using my bank account
- 07. Other (specify)
- 08. DK

SHOW SCREEN. MULTI CHOICE

Q8. And have you ever had difficulties with any of the following as a result of not having a bank account or full banking facilities?

- 01. Getting cash when you need it
- 02. Paying bills and making payments to other people
- 03. Getting paid your benefits
- 04. Getting paid by an employer
- 05. Buying goods and services
- 06. Entering into a contract for utilities or a telephone
- 07. Making a housing arrangement
- 08. None

ASK ALL

Q9. If you suddenly needed to find €300 – €450 cash for an unexpected bill or repair, how easy would you find it to raise this money without borrowing?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q10. And how easy would you find it to save €750 for a special purpose?

- 01. Impossible
- 02. Very difficult
- 03. Quite difficult
- 04. Quite easy
- 05. Very easy
- 06. DK

Q11. And how easy would you find it to save €3750 for a special purpose?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. DK

ASK ALL. SHOW SCREEN. SINGLE RESPONSE.

Q12. Which of the following statements best describes your attitude to borrowing?

01. I never need to borrow money
02. I occasionally need to borrow but do not have anyone from whom I can borrow easily
03. I borrow only from family and friends because I prefer it that way
04. I borrow only from family and friends but would prefer to borrow from commercial sources like banks, retailers or other financial institutions
05. I borrow from a mix of family and friends and commercial sources like banks, retailers or other financial institutions
06. I only borrow from commercial sources like banks, retailers or other financial institutions

SHOW SCREEN. MULTI CHOICE

Q13. Have you had financial help or loans from any of the following sources within the last five years?

01. Personal loan from a family member or friend that you weren't expected to pay back
02. Personal loan from a family member or friend that you had to pay back
03. A loan from social security that you had to pay back
04. A grant or voucher from social security that you didn't have to pay back
05. A loan from your local savings bank (Sparkassen *INSERT NAME OF APROPRIATE LOCAL MUNICIPAL AUTHORITY AS IN* "Hamburger Sparkasse aka Haspa)
06. None of these

IF CODE 06 AT Q13 GO TO Q15, ALL OTHERS ANSWER Q14.

SHOW SCREEN. MULTI CHOICE.

Q14. And which, if any, have you had in the last twelve months?

01. Personal loan from a family member or friend that you weren't expected to pay back
02. Personal loan from a family member or friend that you had to pay back
03. A loan from social security that you had to pay back
04. A grant or voucher from social security that you didn't have to pay back
05. A loan from your local savings bank (Sparkassen *INSERT NAME OF APPROPRIATE LOCAL MUNICIPAL AUTHORITY AS IN* "Hamburger Sparkasse aka Haspa)
06. None of these

SHOW SCREEN. MULTI CHOICE

Q15. Which, if any, of the following statements would describe how you feel about borrowing from friends and family? Choose as many as you believe to be true.

01. It is the best way to borrow
02. Don't like it but it is the cheapest way to borrow
03. You worry that family can't afford to lend
04. Borrowing damages relationships
05. Borrowing from family is embarrassing
06. Borrowing from family makes you feel like a child
07. You can only borrow for absolute emergencies
08. You can't borrow to buy things you want
09. Other (specify)

IF CODE 03 OR 04 NOT CHOSEN AT Q13, ASK Q16. OTHERS GO TO Q17.

SHOW SCREEN SINGLE RESPONSE

Q16. Which of the following best describes why you have not had a grant or voucher from social services?

01. Didn't have any need for extra funds or grant
02. Wasn't aware that such help was available from social services
03. Applied for loan / grant but was refused
04. Believe I am not entitled to any help
05. Social services funds are too difficult to access
06. Don't like asking social services
07. Find vouchers humiliating
08. Prefer commercial credit sources

09. Other (specify)

ASK ALL WHO HAD SOCIAL SERVICES GRANT OR VOUCHERS (CODE 03 OR 04 AT Q13). OTHERS GO TO Q21.

Q17. Q16 And, excluding food vouchers and seasonal bonuses, what was the value of your most recent grant or voucher from social services?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1125
- 04. €1125 – €1500
- 05. €1500 – €2250
- 06. More than €2250

Q18. And, again excluding food vouchers and seasonal bonuses, how many separate loans or grants have you had from social services in the past 3 years?

- 01. None
- 02. 1
- 03. 2
- 04. 3
- 05. 4
- 06. 5 or more
- 07. DK/Can't remember

Q19. Thinking back to the most recent loan / grant you received from the social services, was it in the form of...?

- 01. Cash
- 02. Voucher
- 03. Goods
- 04. DK/Can't remember

IF CODE 02 or 03 AT Q18, ASK Q20. OTHERS GO TO Q21.

SHOW SCREEN. MULTI CHOICE.

Q20. Which of the following statements describes your attitudes to the vouchers / goods you receive from social services? Choose as many as you feel are applicable.

01. I don't care which I receive – vouchers, goods or cash
02. I like vouchers / goods because you can't spend it on something else
03. I dislike vouchers because you can get a better deal with cash
04. I dislike vouchers / goods because you can only shop in certain stores
05. I dislike vouchers because they are embarrassing to use in shops
06. I feel vouchers are humiliating
07. Other (specify)

ASK ALL WHO HAVE HAD A LOAN / GRANT FROM INFORMAL SOURCES (CODE 01 – 05 AT Q13)

SHOW SCREEN. SINGLE RESPONSE

Q21. Thinking back now to the last time you had financial help from non commercial sources, such as family and friends, social services or a credit union, which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. Other (specify)
09. None of these

ASK ALL

SHOW SCREEN. MULTI CHOICE.

Q22. Which, if any, of the following types of commercial loan or credit arrangements have you had within the last five years?

01. Retailer payment card with credit facility, such as Karstadt or Vobis
02. Car loan
03. Personal loan for any other purpose

04. Credit agreement arranged in store to enable purchase of goods by instalments
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as Otto or Baur
07. Borrowed cash against goods deposited with Pawnbrokers
08. Credit insurance
09. None of these

IF CODE 09 AT Q22 GO TO Q26, ALL OTHERS ASK Q23.

SHOW SCREEN. MULTI CHOICE.

Q23. And which, if any, have you had in the last twelve months?

01. Retailer payment card with credit facility, such as Karstadt or Vobis
02. Car loan
03. Personal loan for any other purpose
04. Credit agreement arranged in store to enable purchase of goods by instalments
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as Otto or Baur
07. Borrowed cash against goods deposited with Pawnbrokers
08. Credit insurance
09. None of these

SHOW SCREEN. SINGLE RESPONSE.

Q24. And which of these did you take out most recently?

01. Retailer payment card with credit facility, such as Karstadt or Vobis
02. Car loan
03. Personal loan for any other purpose
04. Credit agreement arranged in store to enable purchase of goods by instalments
05. Credit on a credit card such as Barclaycard
06. Mail order credit (goods from catalogue and paid for in instalments), such as Otto or Baur
07. Borrowed cash against goods deposited with Pawnbrokers
08. Credit insurance
09. DK

Q25. Thinking back now to the last time you used a cash loan or credit from a financial institution, shop or mail order catalogue, which of these best describes what it was for?

01. Making ends meet when I ran out of cash
02. A cash emergency such as an urgent bill or unexpected expense
03. Buying something for the home or family that I had to buy but couldn't afford
04. Housing related expenses such as a rent deposit or essential repairs
05. Buying something for myself, the family or my home which I / they wanted, but didn't strictly really need
06. Investing in something which would help me with work or studies, such as a computer or car / car repairs
07. Christmas or holidays
08. None of these

ASK ALL

Q26. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of €750 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q27. If you weren't able to borrow money from your employer, friends and family, how easy do you believe it would be for you personally to get a loan of €3,750 from a financial institution?

01. Impossible
02. Very difficult
03. Quite difficult
04. Quite easy
05. Very easy
06. Don't know

Q28. Many people have difficulties managing finances and credit repayments these days. Which of the following has ever happened to you?

READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: YES

02: NO

01. Got three or more payments behind on a loan or credit agreement
02. Got a bad credit rating with agencies such as SCHUFA
03. Been refused a loan or credit application
04. Had my salary garnished (*Gehaltspfändung*)
05. Had my bank account garnished (*Pfändung*)
06. Had a bank close an account for account irregularities
07. Been subject to extra bank charges or penalties for account irregularities
08. Had a card company demand return of their card
09. Had a card company tell you to stop using a card
10. Been subject to charges or penalties for late payments on loans, cards or credit agreements
11. Had a credit or loan company demand immediate full repayment of the debt
12. Been threatened with legal action or bailiffs by lender
13. Been evicted from social housing for non payment of rent
14. Been given notice on private rentals for non-payment of rent
15. Had a property repossessed for mortgage arrears
16. Had utilities cut off for non-payment of bills
17. Been visited by a debt collector / bailiff
18. Had goods repossessed by a bailiff
19. Made an official arrangement with my creditors (*Verbraucherinsolvenzverfahren*)
20. Made a statutory declaration to my creditors (*Eidesstattliche Versicherung*)
21. Declared personal insolvency (*Insolvenzordnung*)

Q29. And which of the following types of lenders have you run into repayment problems with?

CHOOSE ALL THAT APPLY

01. Your local savings bank (Sparkassen *INSERT NAME OF APPROPRIATE LOCAL MUNICIPAL AUTHORITY AS IN* "Hamburger Sparkasse aka Haspa)

02. Bank, such as Deutsche Bank, Commerzbank
03. Credit card company, such as Barclaycard or Citibank
04. Retailer, such as Karstadt or Vobis
05. Consumer finance company, such as Cetelem
06. Mail order credit company, such as Otto or Baur
07. Remote lender, such as kredit-ohne-auskunft
08. Post bank
09. Pawnbroker
10. Credit broker, the kind usually found advertising quick credit in the small ads
11. None of these

IF NO FORMAL CREDIT FACILITIES (CODE 09 AT Q22 or Q23) OR ONLY HAVE MAIL ORDER CREDIT (CODE 06) OR PAWNBROKERS (CODE 07) AT Q22 OR 23; OR IMPOSSIBLE / VERY DIFFICULT / QUITE DIFFICULT (CODE 01 OR 02 OR 03 AT Q26 AND/OR Q27); OR HAVE HAD CREDIT DIFFICULTIES (ANSWERED YES TO ANY STATEMENT AT Q28); ASK Q30. OTHERS GO TO Q31.

SHOW SCREEN. MULTI CHOICE.

Q30. Which of the following statements describes your feelings about not being able to get credit easily? Choose as many as are applicable to you.

01. It doesn't worry me not being able to get credit
02. It makes me anxious knowing I can't get credit in a cash flow crisis
03. It is very difficult to buy major items which you really need but cannot afford
04. I'm frustrated because I cannot buy things for myself or my family which I could manage to pay for if I could pay in instalments
05. It makes me feel overly dependent on my family
06. I feel ashamed and different from other people because I can't get credit

ASK ALL WHO HAVE BANK ACCOUNTS (CODE 01 AT Q6) AND THOSE WHO HAVE PREVIOUSLY HAD ACCOUNTS AND LOST THEM (04 OR 05 OR 06 AT Q7). IF NEVER HAD AN ACCOUNT GO TO Q34.

Q31. Many people have problems with managing cash flow these days. Thinking back over the last twelve months, how many times in the year did the bank make charges for unauthorised overdrafts, cheques or bill payments that were not paid because of insufficient funds?

INTERVIEWER INSTRUCTION: IF THE RESPONDENT NO LONGER HAS, OR NOW CANNOT USE, THEIR BANK ACCOUNT, THEY SHOULD ANSWER FOR THE LAST TWELVE MONTHS THEY HAD THE ACCOUNT. COUNT EACH CHARGE AS ONE TIME

01. Never
02. 1 – 3 times

- 03. 4 – 60 times
- 04. 7 – 10 times
- 05. More than 10 times

SHOW SCREEN.

Q32. And how often would you say you overdraw?

- 01. I never overdraw
- 02. I only overdraw in emergencies
- 03. I tend to be overdrawn at Christmas or holidays but not at other times
- 04. I'm usually overdrawn but not at the top of my limit
- 05. I'm usually at the top of my limit before new funds come in
- 06. I sometimes exceed my overdraft limit

IF CODE 02-06 AT Q32 ASK Q33. OTHERS GO TO Q34.

Q33. How much would you say you are typically overdrawn at the end of each month?

- 01. Not overdrawn
- 02. Less than €70
- 03. €70 – €150
- 04. €150 – €350
- 05. €350 – €700
- 06. €700 – €1500
- 07. More than €1500

I'm now going to ask you a few more questions about the loans you have. The reason I am asking you these questions is to understand your experience with the companies who give out loans

ASK ALL THOSE WITH CREDIT PRODUCTS IN THE LAST FIVE YEARS (CODE 01-07 AT Q22, OTHERS GO TO Q35.

Q34. Thinking now of all your personal borrowing excluding mortgages and borrowing from employers, friends and family, but including all other commercial borrowing on personal loans, credit agreements and cards, what is the total value of all your outstanding personal debt?

- 01. Less than €750

02. €750 – €1,500
03. €1,500 – €3,750
04. €3,750 – €7,500
05. €7,500 – €15,000
06. More than €15,000

Q35. And still thinking of all your personal borrowing, excluding mortgages, borrowing from employers, friends and family, how much do you spend each month in total on servicing debt to commercial lenders i.e. making repayments on loans, credit agreements and cards?

01. Less than €15
02. €15 – €30
03. €30 – €45
04. €45 – €70
05. €70 – €100
06. €100 – €150
07. €150 – €200
08. €200 – €275
09. €275 – €350
10. More than €350

ASK ALL THOSE WHO HAVE MAIL ORDER (CODE 06 at Q22 R Q23, OTHERS GO TO Q38.

Q36. And how many mail order purchases have you made in the last twelve months where you paid for the goods in instalments? Do not include goods which you paid for in one go as you got the order. Count each order as a single purchase.

01. 1
02. 2
03. 3
04. 4
05. 5 or more

Q37. And what was the value of your most recent order which you paid for in instalments?

01. Less than €375
02. €375 – €750
03. €750 – €1,500

- 04. €1,500 – €2,250
- 05. More than €2,250

ASK ALL WITH CASH LOANS (CODE 02 OR 03 AT Q22 OR Q23, OR 05 AT Q13 OR Q14). OTHERS GO TO Q57.

DO NOT SHOW SCREEN.

Q38. Thinking now of cash loans, and by cash loans we mean cash loans from banks, finance companies and retailers. How many personal cash loans do you currently have? Please don't count credit cards, mortgages or borrowing from employers, friends and family.

- 01. 1
- 02. 2
- 03. 3
- 04. 4
- 05. 5 or more

SHOW SCREEN. MULTI CHOICE.

Q39. Which type of company is your most recent cash loan with?

INTERVIEWER: USE LENDER CODE LIST IF NECESSARY.

- 01. My bank, but not a local savings bank
- 02. Another bank
- 03. A telephone or internet finance company such as CetelemPostbank
- 04. Local savings bank (*INSERT NAME OF APPROPRIATE LOCAL MUNICIPAL AUTHORITY Sparkasse*)
- 05. Other (*Specify or see lender code list*)

SHOW SCREEN.

Q40. And thinking now of personal cash loans, not credit card debt or overdrafts, what is the total outstanding on all your personal cash loans?

- 01. Less than €350 – €750
- 02. €750 – €1,500
- 03. €1,500 – €2,250
- 04. €2,250 – €3,750
- 05. €3,750 – €7,500
- 06. €7,500 plus
- 07. No personal loans outstanding

SHOW SCREEN.

Please answer the next series of questions for your last loan if you no longer have a personal loan outstanding.

Q41. Still thinking now of personal loans, what was the value of your most recent personal loan when you took it out?

- 01. Less than €350
- 02. €350 – €750
- 03. €750 – €1,500
- 04. €1,500 – €2,250
- 05. €2,250 – €3,750
- 06. €3,750 – €7,500
- 07. €7,500 plus

SHOW SCREEN.

Q42. And what is the term of your most recent personal loan?

- 01. 12 months or less
- 02. 12 – 24 months
- 03. 24 – 36 months
- 04. 36 – 48 months
- 05. 48 months – 60 months
- 06. Longer
- 07. DK

SHOW SCREEN. READ OUT

Q43. And how do you repay your most recent cash loan?

- 01. Direct debit
- 02. By cheque
- 03. Payment slip over counter
- 04. Electronically via internet
- 05. By card over the phone
- 06. Agent who calls at my home
- 07. Other (specify)

SHOW SCREEN.

Q44. Which, if any, of the following fees or conditions applied either when you arranged your personal loan or apply on an ongoing basis during the term of the loan?

01. Introduction or information fees
02. Consultancy fees payable even if you didn't get the loan
03. Needed a guarantor to get the loan
04. Needed a life insurance policy to get the loan
05. Arrangement or set up fees at the beginning of the loan
06. Compulsory repayment insurance
07. Monthly standing charges for membership or similar
08. Annual fee for having loan / credit facility
09. Other (specify)
10. Paid / paying fees but not sure what for
11. DK/Can't remember

Q45. And what is the value of the monthly repayment on your most recent personal cash loan?

01. Less than €15
02. €15 – €30
03. €30 – €45
04. €45 – €75
05. €75 – €115
06. €115 – €150
07. €150 – €225
08. €225 – €300
09. €300 – €375
10. More than €375

Q46. It can be difficult to keep on top of credit repayments. Have you ever made late payments or missed payments on your personal loans?

01. Yes
02. No

IF YES (CODE 01 at Q46) ASK Q47, OTHERS GO TO Q53.

Q47. And thinking back over the last twelve months, how many times have you missed or made late payments on any of your personal loans? If the loan is no longer outstanding, answer for the last twelve months that you had the loan.

- 01. Once
- 02. Twice
- 03. Three times
- 04. 4 – 6 times
- 05. More than 6 times

Q48. And thinking back over the last twelve months, how many times have you missed or made late payments on your most recent personal loan? If the loan is no longer outstanding, answer for the last twelve months that you had the loan.

- 01. Once
- 02. Twice
- 03. Three times
- 04. 4 – 6 times
- 05. More than 6 times

QUESTIONS 49 – 52 ASKED ONLY OF THOSE WHO STILL HAVE BALANCE OUTSTANDING. IF NO BALANCE OUTSTANDING (CODE 08 AT Q40) GO TO Q53.

Q49. And have you been able to make good the payments which you missed?

- 01. Yes
- 02. No
- 03. Only late payments, none actually missed

ASK ALL THOSE WHO HAVE MISSED PAYMENTS 3 TIMES OR MORE (CODE 03, 04 OR 05 AT Q47 AND NOT CODE 03 AT Q49), OTHERS GO TO Q51.

Q50. And did the lender issue a demand for repayment of the full outstanding balance?

- 01. Yes
- 02. No

ASK ALL WHO HAVE MISSED ANY PAYMENTS (CODE 01 TO 05 AT Q47 BUT NOT CODE 03 AT Q5)

Q51. And did you continue to make further payments on the loan on which you missed payments?

- 01. Yes
- 02. No

ASK ALL WHO HAVE MISSED ANY PAYMENTS (01 TO 05 AT Q47 BUT NOT CODE 03 AT Q49) AND BEEN UNABLE TO MAKE THEM UP (CODE 02 AT Q49) OR WHO STOPPED MAKING PAYMENTS (CODE 02 AT Q51).

Q52. And for how long has there been a balance of missed payments outstanding?

- 01. Less than 1 month
- 02. 1 to 3 months
- 03. 3 to 6 months
- 04. 6 to 12 months
- 05. 12 to 24 months
- 06. 24 – 36 months
- 07. Longer than 36 months

Q53. Thinking of the time when you were experiencing financial difficulties, which of any of the following applied in your case at this time? Choose as many as you feel are applicable.

- 01. I just never seem to be able to manage my money
- 02. There is never enough money to go around
- 03. I had marital problems / going through divorce / separation
- 04. I or my partner were too sick to work
- 05. I or my partner had lost their job or were working fewer hours
- 06. I had to care for a sick child or elderly relative who was ill
- 07. There was a death in the family
- 08. My proper benefits had not been received
- 09. I hadn't received my salary/my salary was delayed
- 10. None of the above

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 07 BUT NOT CODE 06 (MAIL ORDER) ONLY AT Q22 AND Q23)

Q54. Thinking back to when you signed your most recent credit agreement ... *INSERT RESPONSE AT Q24* ... were the main terms and conditions attached to your product clearly communicated to you?

- 01. Yes
- 02. No

Q55. At the time that you took out your most recent credit product ... *INSERT RESPONSE AT Q24* ... did you understand that the cost of your credit would increase if you missed or made late payments?

- 01. Yes
- 02. No

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q28, CODE 01 AT Q44 OTHERS GO TO Q63.

Q56. At the time that you took out the credit product(s) with which you experienced repayment problems, did you understand did you that the cost of your credit would increase if you missed or made late payments?

- 01. Yes
- 02. No
- 03. Understood would increase but not by how much

ASK ALL WITH ALL KINDS OF CREDIT (YES TO CODE 01 – 07 BUT NOT 06 (MAIL ORDER) ONLY AT Q22 AND Q23).

SHOW SCREEN. READ OUT OPTIONS.

Q57. And, taking into account all the costs associated with the credit you have taken on, including any membership charges, penalty charges, arrangements fees and any other costs and fees, if any, is the total amount that you have paid for your credit...?

- 01. Less than what you expected to pay
- 02. What you expected to pay
- 03. A little more than I expected to pay
- 04. Much more than I expected to pay

IF CODE 01 OR 02 AT Q57 GO TO Q59.

SHOW SCREEN.

Q58. Which of these statements explain why the total amount you have paid for your credit is more than you expected? Choose as many as apply.

01. I didn't expect to pay for charges other than interest
02. I didn't anticipate having payment difficulties
03. I didn't expect to use my full credit limit
04. I didn't understand that payment irregularities increase the amount you pay
05. I didn't expect to go on paying for the credit for so long
06. I didn't expect charges for using my card / withdrawing cash
07. I'm just never able to reduce the outstanding balance
08. Other (specify)

SHOW SCREEN. SINGLE RESPONSE.

Q59. Which of the following best describes how you feel about the situation with your current borrowing?

01. I don't have a problem with my level of debt and can see how I will pay it off
02. I am uncomfortable with my debt and will have to budget carefully to pay it off
03. My debt is a constant source of worry and I will really struggle to pay it off
04. I feel trapped by my debt and cannot see how I will ever pay it off

SHOW SCREEN. SINGLE RESPONSE.

Q60. Thinking now of your most recent loan, how would you best describe how your lender would react to payment difficulties?

01. Sympathetic and flexible even if I have prolonged difficulties with repayments
02. Sympathetic but only if arrears are made up quickly
03. Unsympathetic and focused only on collecting what is owed
04. Aggressive in pursuing me for the debt, regardless of the circumstances
05. Other (specify)

Q61. We are interested in understanding more about how lenders respond when their customers have difficulties. Which of the following statements would you agree with?

READ OUT EACH STATEMENT AND OBTAIN AN ANSWER FOR EACH. ROTATE ORDER OF ASKING STATEMENTS.

Scale:

01: **AGREE**

02: **DISAGREE**

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (YES TO ANY STATEMENT IN Q28, OR CODE 01 AT Q46).

01. My lender is supportive and understanding in the event of financial problems
02. My lender is aggressive and inflexible in collecting arrears
03. My lender is realistic about what I can afford to pay when I run into financial difficulties
04. I understood how much in total I would end up paying the lender when I took out my credit

ASK ALL THOSE WITH CREDIT PRODUCTS IN THE LAST FIVE YEARS (CODE 01-07 AT Q22, EXCEPT IF ONLY CODE 06 (MAIL ORDER) AND/OR CODE 07 (PAWNBROKING) AT Q22.

05. My lender would understand if other urgent bills had to come before a loan repayment
06. Paying direct from your bank account makes it difficult to juggle your finances when money is tight

ASK ALL WHO HAVE HAD PROBLEMS WITH BANK ACCOUNTS, CREDIT OR LOANS (CODE 01 AT Q46), ALL THOSE STRUGGLING TO COPE WITH CREDIT 03 OR 04 AT Q59. OTHERS GO TO Q63.

Q62. Which of the following effects have you or your family suffered as a result of problems or stress associated with debt? Choose as many as are applicable:

01. Physical health problems in adults
02. Physical health problems in children
03. Mental health problems in adults
04. Mental health problems in children
05. Tension and arguments with partners
06. Difficulties in relationships between parents and children
07. Breakdown of relationships with partners
08. Breakdown of relationships with family and friends
09. Problems with employment
10. Difficulties with fuel and heating
11. Difficulties in providing food for the family
12. Difficulties in buying adequate shoes or clothing
13. Difficulties with rent or housing
14. Other social problems
15. None of these

Just to remind you once again that this survey is completely anonymous and confidential and that some of the questions we are asking are to help policy makers understand how not being able to get credit may affect people who need to borrow money.

Q63. And has anyone within your own circle of acquaintance, friends or family ever borrowed from unofficial lenders or unlicensed loan-sharks?

01. Yes

02. No

Q64. And have you or someone in your household every borrowed from unofficial lenders or unlicensed loan sharks?

01. Yes

02. No

THANK AND CLOSE