



KENNINGTON CAR SALES LIMITED — VULNERABLE CUSTOMER POLICY

SECTION 1: CORPORATE SCOPE & OBJECTIVE

This policy applies directly to all employees, directors, and contracted staff members involved in any regulated activities, motor credit brokerage, or consumer-facing retail operations within Kennington Car Sales Limited ("the Company").

SECTION 2: INTRODUCTION & REGULATORY COMMITMENT

Ensuring that customers in vulnerable circumstances are treated not only fairly, but with genuine empathy, sensitivity, and tailored care to their specific circumstances is a core priority under the Financial Conduct Authority (FCA) Consumer Duty framework.

A vulnerable consumer is defined as an individual who, due to their personal circumstances, is at a higher risk of experiencing detriment (whether financial, physical, or psychological), particularly if a firm fails to act with the appropriate, elevated level of care.

Kennington Car Sales Limited is completely committed to ensuring that all staff members are fully trained, capable of identifying characteristics of vulnerability, and equipped to manage situations involving vulnerable patrons with the necessary levels of care, patience, attention, and absolute respect.

SECTION 3: UNDERSTANDING CHARACTERISTICS OF VULNERABILITY

A consumer may find it difficult to process complex financial technicalities or make a fully informed decision regarding their vehicle procurement or motor finance layout for a variety of overlapping reasons. The primary risk factors and drivers that contribute to consumer vulnerability within the automotive financial sector include:

- **Capability Barriers:** Low literacy, numeracy, or limited general financial capability and understanding of commercial terms.
- **Health & Physical Impairments:** Severe or long-term physical illnesses, life-limiting diagnoses, physical disabilities, or mobility limitations.

- **Mental Health Profiles:** Mental health conditions, severe stress, anxiety disorders, or common mental disorders (CMD).
- **Financial Resilience Metrics:** Low income, severe debt burdens, unstable employment, or sudden financial shocks.
- **Age-Related Factors:** Being a young buyer (associated with a lack of transactional experience) or being an "older old" consumer (for example, over 80, which may be associated with cognitive variations, dexterity impairments, sensory degradation such as hearing or sight loss, or discomfort using digital web technologies).
- **Life Events & Transitions:** Sudden changes in personal circumstances, including job loss, redundancy, bereavement, relationship breakdown, or divorce.
- **Language & Communication Obstacles:** A lack of English language skills or English operating as a second language.

Important Operational Distinction: Living with a disability, illness, or medical diagnosis does not in itself mean a consumer is unable to manage their affairs. In the context of motor finance brokerage, it is the individual's specific situation and the potential barriers to accessing clear information that may create vulnerability. Conversely, a customer may be highly vulnerable without any medical condition, such as during a period of acute personal bereavement.

SECTION 4: PROTOCOL FOR IDENTIFYING VULNERABILITY

For our showroom and aftersales staff to correctly address the unique needs of a vulnerable consumer, it is essential to remain alert to key indicators during direct interactions, telephone conversations, or written correspondence. Staff must actively evaluate the following communication benchmarks:

- **Comprehension & Auditory Feedback:** Can the customer clearly hear everything you are outlining, and do they fully comprehend the details? Do they ask you to slow down, repeat clauses, or speak louder? Are you certain they have processed the relevant transaction data, or do they repeatedly ask for basic automotive terminology to be clarified?
- **Coherence & Focus:** Does the customer remain firmly on-topic and hold a coherent conversation, or do they appear visibly distracted, overwhelmed, or confused? Are their responses logical, and are their questions typical for the specific retail discussion taking place?
- **Information Processing Speeds:** Does the customer require an unusually long time to answer straightforward questions, suggesting they are actively struggling to process the numerical or contractual data presented to them?

- **Physical & Verbal Signals:** Does the customer indicate an impairment or medical limitation based on their voice, pronunciation, breathing, hearing, or general communication patterns? Are they comfortable and fluent in the language being utilized for the transaction?

SECTION 5: OPERATIONAL RULES FOR ENGAGING WITH VULNERABLE CONSUMERS

Identifying a vulnerability does not mean a customer is unsuitable for our vehicles or finance products. Instead, it acts as an immediate trigger to adapt our communication style. Staff must strictly adhere to the following operational guidelines:

- **Patience & Empathy:** Remain entirely patient and empathetic. Never rush a customer, cut them off mid-sentence, or exhibit signs of impatience. Allow the consumer ample time to arrive at their own independent decisions.
- **Verification of Understanding:** Ensure the customer can hear and process the dialogue. Ask the customer to explain their own understanding of what has been discussed in their own words, incorporating clarifying questions throughout the meeting.
- **Active Listening:** Let the customer explain their requirements thoroughly. Never assume you know their needs, and never finish their sentences. Listen carefully for subtle hints of confusion, unawareness, or forgetfulness regarding terms already covered.
- **Alternative Documentation Formats:** Explicitly confirm that the consumer is completely comfortable with the standard method of communication. Offer to provide all quotations, invoices, and policy conditions in alternative formats, such as via print post or standalone digital emails, to allow for home review.
- **Trusted Third-Party Support:** Before finalizing any binding motor credit agreements or vehicle purchase orders, explicitly ask the vulnerable consumer if they would prefer a family member, trusted friend, or carer to join the discussion or review the documentation.

Administrative Record Keeping

When a vulnerable consumer is identified, a factual, objective, and strictly respectful notation must be appended to their secure customer record. This ensures that our high level of care extends across all staff members who may interact with the client. These notes must solely describe the required operational adjustments (e.g., "*Customer requests all text in large print via email*" or "*Customer prefers telephone communications to be spoken slowly*") and must comply fully with UK GDPR data minimisation rules.

SECTION 6: EVALUATING MENTAL CAPACITY LIMITATIONS

Mental capacity relates directly to an individual's specific ability to understand, retain, and evaluate relevant transactional information to make an informed, independent decision at the point of purchase.

If a member of staff holds a reasonable belief that a vulnerable consumer lacks the immediate mental capacity to make a binding financial decision regarding a motor credit agreement, the transaction must be paused. The team member should politely invite the customer to involve a legally authorised representative, next of kin, or carer who holds the formal legal authority (such as a Lasting Power of Attorney) to manage their financial affairs.

SECTION 7: TRANSPARENT PRODUCT LITERATURE & DISTRIBUTION

We recognise that there are practical limits to what our retail team can reasonably do to assess a customer's mental capacity or health profiles. However, as a matter of standard main-dealer best practice, prior to submitting any motor finance proposal to an underwriting panel, staff should invite customers to disclose (on a voluntary and confidential basis) whether there are any elements relating to their general well-being or health that we should take into account.

Any such invitation must make it completely transparent that the data will be used strictly to adapt our processes, ensuring that the financial options discussed are clear, fair, and in no way misleading or detrimental to the customer.

SECTION 8: PRODUCT GOVERNANCE & COMPLIANCE MONITORING

The design, onboarding, and distribution frameworks of our vehicle retail and brokerage lines actively consider the requirements of vulnerable consumers. Kennington Car Sales Limited regularly collects and monitors management information (MI), including customer feedback logs, dispute files, and audit reviews, to evaluate the dealership's performance against this policy and ensure that completely fair outcomes are consistently delivered.