

Specification of Competency Standards for the Retail Banking

Unit of Competency

Credit Management > 3.4 Debt Collections

Title	Implement legal actions on unpaid debt customers
Code	107375L5
Range	Undertake legal actions on borrowers who fail to meet the payment schedule. This applies to all kinds of delinquent accounts which agreement with borrowers cannot be reached
Level	5
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Have specialized legal knowledge <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Assess the laws and regulations related to money disputes to evaluate whether the bank should take any legal actions • Evaluate similar precedent cases to judge whether the bank should take any legal actions 2. Appraise repayment capability of customers <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Appraise repayment capability of customers by collecting and analyzing relevant information such as their income, property, and value of collateral, etc. • Classify the unpaid debt customers who are warranted claims 3. Initiate legal actions professionally when necessary <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Make decision on issuing solicitor's letters to unpaid debt customers for giving a chance of settling payment prior to legal actions • Initiate legal actions against unpaid debt customers if claims are warranted; take steps to ensure all actions are professionally conducted • Undertake legal actions on defaulting loan properly to protect the bank's interest (e.g. taking possession of the properties in mortgage, imposing charges or bankruptcy action) while customers are well informed and equitably treated
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • All legal actions taking on unpaid debt customers are warranty claimed. The decision is based on analysis on precedent cases and repayment capability of customers, etc.
Remark	