

Important information about your credit card Agreement

It is important that you read with care the pre-contract credit information document which the Bank will provide to you.

It contains key details about the Agreement that you are considering entering into. You should make sure that you understand your rights and obligations before signing the Agreement. Where the pre-contract credit information document has been provided to you in person, you may, if you wish, take it away to consider it further before signing the Agreement.

1 Is the credit card suitable for what I want to use it for?

The credit card is suitable for short term borrowing. Credit can be used and (subject to your requirement to make monthly minimum payments) "paid off" at your discretion. However, paying off only a small amount (for example, the monthly minimum payment) each month means you would pay more overall in interest than would otherwise be the case. This is not encouraged and we may be required by FCA rules to take steps to encourage you out of this pattern of repayments which could, in exceptional cases, include suspending or cancelling use of the card. Depending on the purpose for which you want credit, there may be cheaper ways to borrow. It is not suitable for maintaining large balances over a long period of time and would be expensive if used for long term borrowing.

You can only use the credit to make purchases. If you use the credit card to make cash withdrawals these will be debited from your bank account with us which you have nominated for this purpose (see below).

If you nominate persons to become additional cardholders you will be responsible for their use of the credit if they are added to the account.

2. How much will the credit cost me?

Your credit limit will be determined by the Bank from time to time and the Bank will give you notice of your credit limit.

Your monthly statements will show a minimum monthly payment amount. You must make a payment of at least that amount each month on or before the date specified for payment. The minimum payment is the greater of 5% of the amount shown as outstanding on your monthly statement or £5 (or the full amount if less than £5). You can repay more than the minimum or pay the full amount you owe.

The pre-contract credit information and the Agreement show the total amount payable. This is an illustrative figure only. The charges you pay in respect of the Nominated Account have not been taken into account to calculate the total amount payable. This is because you must hold the Nominated Account to obtain the credit under this Agreement. The illustration assumes: that you have a credit limit of £1,200 which you draw in full at the outset of the Agreement, that you do not use the card anymore; and that you take a year to repay the sum in equal monthly repayments. No account has been taken of any variation which may occur under the Agreement of the interest rate or charges.

3. Which other features of the Agreement should you be aware of?

There are different ways to use the credit card.

If you use the credit card to make purchases, the Bank will not charge interest on the purchases if the whole outstanding balance shown on your monthly statement is paid off by the payment due date shown on that statement.

If you use the credit card to withdraw cash, the Bank will debit the current account you hold with it and have nominated for such purpose. The Nominated Account will be debited on the same working day that the Bank receives the details of the cash withdrawal through the Visa payment system. Cash withdrawals will not, therefore, appear on your monthly statement. The amount of a withdrawal in a currency other than sterling will be converted at the rate of exchange determined by the Visa payment system for the relevant currency on the date that the cash withdrawal is settled to your Nominated Account.

The interest rate may be changed by the Bank from time to time. The Bank will give you written notice before any change. It will take you longer and cost you more if you only make the minimum payment each month.

If you make a part payment to your account, the Bank will apply that payment in the following order:

1. interest.
2. the balance owing on your Card Account (including any charges).

If the credit card is used to make a purchase or a cash withdrawal in a foreign currency, the Bank will apply an international handling charge equivalent to 2.5% of the cost of the purchase or the amount withdrawn.

4. What are the principal consequences of failing to make your repayments on time?

Missed or late payments could have a severe impact on your finances, including an impaired credit rating, potentially making obtaining credit in future more difficult or expensive.

Ultimately it may lead to the Bank bringing legal action against you to recover the debt.

The Bank may start bankruptcy proceedings, which could put your home at risk. You might also have to pay the Bank's legal costs.

If you live in England or Wales, the Bank may seek a charging order from the court, which means the Bank can be paid from the proceeds when you sell your home.

If you live in Scotland, the Bank may seek an inhibition from the court, which means you cannot sell or transfer ownership of your home or take out further loans secured on your home until the Bank's debt is repaid.

The Bank might use money you have in another account with it to pay arrears or anything you owe the Bank on the account.

Failing to pay your minimum payment on or by the relevant due date will be a breach of your Agreement. You will be charged interest on late payments at the applicable interest rate. Where you fail to pay your minimum payment the total of your debt will increase due to interest which will accrue.

5. Is there a right to withdraw from the Agreement?

You have the right to withdraw from your Agreement (without giving the Bank any reason). Your right of withdrawal will start on the day after you are informed in writing under section 61A of the Consumer Credit Act 1974 that the Agreement has been executed or you receive a written notification of your credit limit (whichever is later) and will end 13 days after that day.

If you wish to withdraw from the Agreement, you must notify the Bank by telephoning on 020 7353 4522 or by writing to the Bank at 37 Fleet Street, London, EC4P 4DQ before the end of the withdrawal period set out above. Once you have exercised your right to withdraw, you must repay the credit and any interest accrued on it as soon as possible and, in any event, no later than 30 days after you have told the Bank that you want to withdraw.

6. How do you ask for further explanation or information?

The Bank hopes that this and the other information provided contains everything you need to know about the Agreement to allow you to make an informed decision about taking the credit. It is important that you understand your obligations under the Agreement. If you have any questions regarding your Agreement or would like to ask for more information or explanation, please contact your relationship manager.

Only sign the Agreement when you are satisfied that the product and the terms are right for you.