

PERSONAL LOAN TERMS AND CONDITIONS

FIXED SUM LOAN AGREEMENT REGULATED BY THE CONSUMER CREDIT ACT 1974

Important - Please Read This Carefully

The Consumer Credit Act 1974 covers this Agreement and lays down certain requirements for your protection which must be satisfied when the Agreement is made. If they are not, we cannot enforce the Agreement against you without a court order. The Act also gives you a number of rights. You have a right to settle this Agreement at any time in part or in full by giving notice in writing to Wesleyan Bank Ltd, PO Box 3420, Colmore Circus, Birmingham B4 6AE or by telephoning us on 0800 358 1122 and paying the amounts you wish to pay. If you would like to know more about the protection and remedies provided under the Act, you should contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

Terms and Conditions

The Personal Loan is provided by Wesleyan Bank Limited. Written quotations are available on request from:

Wesleyan Bank Ltd
PO Box 3420, Colmore Circus
Birmingham B4 6AE.

Credit facilities are subject to status and not available to anyone under 18 years of age. Wesleyan Bank reserves the right to decline any application.

These Terms and Conditions explain our obligations to you and your obligations to us. Please take time to read them carefully. They are important because they are part of the legal agreement between you and us for your account.

If you find any of the terms or conditions unclear and would like us to clarify anything written here, please contact us. These terms and conditions are governed by the law of England and Wales. Any banking terms and conditions implied by law will also apply to this Agreement.

Wesleyan Bank Ltd
PO Box 3420, Colmore Circus,
Birmingham B4 6AE.
Telephone: 0800 358 1122
Fax: 0121 200 9345
Website: www.wesleyanbank.co.uk.

Wesleyan Bank Ltd (Registered in England and Wales No. 2839202) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No.165116). Please note all telephone calls to Wesleyan Bank may be recorded for training and monitoring purposes.

In these conditions:

Wesleyan Bank is referred to as "we" or "us". "you" or "your" refers to any customer operating an account with us and includes (where appropriate) any person you authorise to give instructions on your accounts. "account" refers to your Personal Loan with us. "working day" means Monday to Friday from 9am to 5pm, unless that day is a bank holiday in England. "Agreement" means the Personal Loan agreement.

Loan basics

To apply for a loan account you must be a UK resident and over 18. You must sign and return the Personal Loan agreement within 10 days of receiving it. This Agreement takes effect only when it has been signed by both of us.

You have the right to withdraw from this agreement within a period of 14 days commencing the day after we tell you that your loan agreement has been executed. You do not have to give any reason why you wish to withdraw from your loan agreement but you must notify us of your intention to do so by writing to us at Wesleyan Bank Ltd, PO Box 3420, Colmore Circus, Birmingham B4 6AE or by telephoning us on 0800 358 1122.

Once you have notified us of your intention to withdraw you will be required to repay the loan if it has been drawn without delay and in any event no later than 30 days after the day you notified us of your intention to withdraw. Interest at the rate applicable under the loan agreement will accrue on the loan balance from the date the money was paid to you until it is repaid notwithstanding the fact that you have given us notice to withdraw. The amount of interest payable per day is shown on the first page of your loan agreement.

You may repay the loan money by any of the payment methods described below. However, a payment will not be treated as made until it has been received by us. The time it takes for a payment to reach us will vary according to which payment method you choose. You will need to take account of the different timescales below when calculating how many days interest you must pay on the loan amount.

You may repay the loan money by:

- ▶ sending us a cheque through the post to Wesleyan Bank Ltd, PO Box 3420, Colmore Circus, Birmingham B4 6AE, but your payment will not be treated as having been received by us until the cheque has cleared. This will take 4 working days from the day the cheque is received by us in the post. Interest will continue to accrue on the loan for 2 working days after we receive the cheque.

- ▶ arranging a transfer from another bank or building society, the time it takes for payments to reach us from another bank or building society will vary. If you arrange a BACS transfer the payment will take 3 working days from the date the payment was sent to reach us. A CHAPS transfer or faster payment should reach us within 24 hours, interest will continue to accrue on the loan balance until we receive the transfer payment and you should ask the paying bank how long it will take when calculating the amount of interest you are required to pay.
- ▶ telephoning us on 0800 072 3749 and giving us instructions to transfer funds from another Wesleyan Bank account in your name (subject to the terms and conditions applicable to that account). Your payment will be treated as having been received the day you telephone us with your instructions to transfer funds.

We agree to lend and you agree to repay the amount of the loan together with interest on the terms of this Agreement and as set out on the loan Agreement form. Interest rates and APRs on loans are fixed for the term of the loan.

We will pay you the loan amount by transferring it by BACS to a current account you hold with a bank or building society. We will do this upon receipt of the completed and signed loan agreement and you should receive the money in your account within 3 working days. If you require the money sooner we can arrange to transfer the loan amount by CHAPS payment in which case the money should reach your account within 24 hours. There is a charge for this service as set out in our account tariff and in your loan agreement form. Unless you write and tell us otherwise, we will pay the loan into the current account set out in your Direct Debit instructions as long as that account is in your name, or one you own jointly with others.

We can transfer our rights and obligations under this Agreement.

Contacting each other

We may contact you by post, telephone and computer (which in this Agreement includes the internet, and any form of electronic message made by any type of electronic device) using the latest address, telephone number or electronic mail address you have given us. It is your responsibility to ensure that we have your current contact details.

Where the account is a joint account, joint account holders are both individually and jointly liable for any amounts owing to us under this Agreement. We may act on the instructions of one account holder even if the other disagrees. We will normally contact only the joint account holder named first in our records subject to any legal requirements or unless you request otherwise.

The first named account holder is responsible for passing information we send to the other account holder. The other joint account holder will be bound by the contents of such communication. If you are opening a joint account, we will provide you with the BBA leaflet "you and your joint account" to give you more information about your rights and obligations.

Any demand or notice under this Agreement can be given to you either personally or sent by pre-paid post to or left at your address stated in the Agreement, your address at the time of posting or last known address. If sent by pre-paid first class post, any notice will be conclusively deemed to have been received by you 48 hours after posting. You can contact us at the appropriate address and telephone number we give you.

We will record telephone calls between you and us, in order to keep a record of your instructions. If you disagree with us about any instructions you give over the phone we can use the recording to check what was said. Calls may also be monitored, to assist us in assessing the quality of our service. You agree to phone us straight away if you change your name or address, your bank or building society, or if you wish to change your chosen external account.

Interest and charges

Interest at the rate set out in the Agreement will accrue on the daily outstanding balance of the loan starting from the date the loan is drawn. You agree to pay any charges which we tell you about when you take out your Loan with us.

We can make charges, which may also be referred to as fees, for the services we make available to you. We set out details of our charges in our Account Tariff guide. You can also find out about them by contacting us on 0800 358 1122 and on our website www.wesleyanbank.co.uk.

If you use a special service, we will tell you the charge.

We may take money out of your account to meet any charges that are due to us.

We may change the amounts we charge you from time to time. For details of how charges can be changed please see section '*Changes to these conditions*'.

We may choose for any valid reason not to make a charge which you would otherwise have to pay.

We will charge you for any losses or costs we have to pay if you break this Agreement. If during the terms of this Agreement, we have to do anything or take any action, including legal action, to recover any amount which you owe us, you agree to pay any costs, charges or expenses we incur as a result.

Repayment

Normally you have to pay the first instalment one month from the date the loan is drawn. You will pay the other instalments on the same day of each calendar month. If a payment is due on a non working day, we will collect it on the next working day. If the loan is drawn on 29th, 30th or 31st day of the month and in any month there is no 29th, 30th or 31st, or your payment day does not fall on a working day, you have to pay us the monthly instalments on the last working day of that month. Payments to your loan account must be made by monthly Direct Debit from your chosen external account.

If you choose to reduce your loan (by an ad-hoc payment) you may pay money into your account by sending us a cheque through the post (using one of the pre-paid envelopes provided); giving us instructions to transfer funds from another Wesleyan Bank account in your name (subject to the terms and conditions applicable to that account); by transfers from other banks or building societies; by direct transfer from Wesleyan Assurance Society products.

You should not send cash to us through the post. If you do so and it is lost before we receive it, we will not be liable for the loss. Cheques paid into your account should be denominated in sterling and be made payable to you. (We will not accept a cheque payable to a third party for the credit of your account.)

You have the right to repay your loan in full or in part at any time throughout the duration of your agreement. If you do wish to repay early you must notify us in writing at Wesleyan Bank Ltd, PO Box 3420, Colmore Circus, Birmingham B4 6AE or by telephoning us on 0800 358 1122. You must then send your payment to us at Wesleyan Bank Ltd, PO Box 3420, Colmore Circus, Birmingham B4 6AE. We will provide you with a statement showing how your early payoff affects what you owe us if you ask us to. We will do this within 7 days of your request.

If you repay part of your loan by cheque, interest will continue to accrue on the balance of your loan until the cheque is cleared. A cheque paid into your account will not be cleared for this purpose until the second working day after we receive it. We may debit your account with the amount of the cheque and any charges due to us if it is returned to us unpaid.

You have the right to receive, on request and free of charge, throughout the duration of your agreement, a statement showing details of each monthly payment owing under the loan agreement, including payment due dates, the amount of each monthly payment, any conditions relating to payment and the balance owing. The statement will include a breakdown of each monthly payment showing how much comprises capital, interest and charges.

Defaults

You agree if you fail to make any of your monthly repayments on the date agreed, we will be entitled to charge you interest on the overdue amount on a daily basis from when we should have received the payment until we actually receive it. This interest will be charged at the rate which applies to this Agreement. We may also decide to end the Agreement and demand immediate payment of the whole amount of the Loan, together with interest, applicable charges and costs. This rate will continue to apply until payment, even if we enforce this Agreement and obtain a judgment against you.

We will charge you for any reasonable costs or losses if you break your loan agreement. This includes a charge if you fail to make, in full, any payment immediately it is due for payment. We set out details of our charges in our Account Tariff guide. You can also find out about them by contacting us on 0800 358 1122 and on our website www.wesleyanbank.co.uk

If you do any of the following then we may end this Agreement immediately by sending you, or, in the case of your death, your representatives, a notice saying so if you:

- ▶ Fail to make all or part of any instalment within seven days of its falling due;
- ▶ Fail to keep any other terms of the Agreement;
- ▶ Have given false information or fail to give all the information we have asked you for in connection with this Agreement when applying for this loan;
- ▶ Are made bankrupt;
- ▶ Become mentally ill or incapable of managing your affairs;
- ▶ Die;
- ▶ Cancel a Direct Debit or other payment instruction or fail to tell us of a change to your bank or building society details;
- ▶ Fail to pay the full outstanding amount due under the Agreement when we ask you to;
- ▶ Become unable to pay your debts, or enter into a voluntary arrangement with your creditors, or a judgment debt against you is unsatisfied for 14 days or in Scotland, if you are sequestrated or a trustee in bankruptcy is appointed over your assets.

If you break the Agreement, we will send you or your personal representatives notice that you have broken this Agreement (a default notice). The notice may ask you to bring your loan repayments up to date. If you do not take the steps set out in the notice, we can demand you immediately pay everything you owe us when the notice runs out. You also agree to pay us any charges and legal costs we incur in attempting to recover the monies due, less any rebate of interest due.

Using information about you

We will store and process your information on our computers and in any other way. By "your information" we mean personal and financial

information we obtain from you or from third parties, such as joint account holders, credit reference agencies (who may search the Electoral Register), fraud prevention agencies or other organisations when you apply for an account or any other product or service or which you or they give to us at any other time or; learn from the way you use and manage your account(s), from the transactions you make such as the date, amount, currency and the name and type of supplier (e.g. supermarket services, medical services, retail services) and from the payments which are made to your account.

Wesleyan Bank Limited is part of the Wesleyan Group. The Wesleyan Group is a group of companies wholly owned by Wesleyan Assurance Society. In order to ensure that we and any other companies you deal with within the Wesleyan Group can provide you with a fully integrated service we will need to disclose details about you and your accounts to other companies within the Wesleyan Group.

We may also need to disclose your information to other service providers or carefully selected third parties for these purposes. If you are a joint applicant, the Wesleyan may also disclose your information where necessary to other joint applicant(s).

We will use your information to open and administer your account and for other business purposes. This may include:

- ▶ To consider any applications made by you;
- ▶ Helping us to make credit decisions about you and anyone to whom you are linked financially;
- ▶ To deal with your account(s) or run any other services we provide to you;
- ▶ To consider and implement business, product and technology developments;
- ▶ To undertake statistical analysis, financial risk assessment, money laundering checks, compliance and regulatory reporting, fraud prevention and debt tracing;
- ▶ To help us or our insurance underwriters to make decisions on insurance proposals and claims, such as life and other insurance proposals and insurance claims for you and anyone else linked to your insurance proposal or claim;
- ▶ To help us identify products and services which may be of interest to you (unless you have asked us not to);

By submitting information to us, you consent to our processing sensitive personal information about you where this is necessary or appropriate. 'Sensitive' personal data may include, for example, information relating to medical health or criminal convictions, which we may use for assessment and servicing purposes.

We and the group may use, analyse and assess your information to maintain and develop our relationships with you. We may link your information between your account(s) and other products and services you have with us or the Wesleyan Group and with information about others with whom you have a financial link.

The information you provide will only be disclosed outside the Wesleyan Group and its associated subsidiaries in the following circumstances:

- ▶ For the purpose of fraud prevention or where there is a legal or regulatory obligation to do so;
- ▶ To carefully selected third parties for processing purposes, for example to our agents or subcontractors for operational reasons or to our affinity partners if you have an affinity product;
- ▶ To licensed credit reference agencies as set out below under the section '*Responsible lending*';
- ▶ At your request or with your consent where you have provided your agreement.

You agree that your information may be transmitted to, from and/or through any country as a result of your use of your account(s) and any services which form part of your account(s) irrespective of the levels of data protection provided in any particular country and at your own risk. If we transfer your information to an agent or subcontractor who provides a service to us in another country outside the European Economic Area we will ensure they agree to treat your information with the same level of protection as us.

Each employee is personally responsible for maintaining customer confidentiality. We provide training and education to all our staff to remind them about their obligations. Whilst we take all reasonable precautions and security measures to protect your personal data, we cannot be held responsible for, and therefore exclude any liability for, loss or misuse of personal data, which is intercepted or otherwise accessed by unauthorised persons.

We, other members of the Wesleyan Group and carefully selected third parties, may contact you

by letter or telephone to inform you about other products and services that may interest you. We try to limit our customer contact programme to acceptable levels, and there will be no contact without your express consent. You can exercise your right to opt out at any time; simply inform us by any means convenient for you. Remember, however, that opting out will stop us contacting you about any of our products or services that could benefit you.

If you e-mail us, or give us your e-mail address, we will keep a record of it for administrative purposes. We will not use it or pass it to any unauthorised third parties for research and marketing purposes, unless you have provided specific consent for us to use it in this manner.

Under the terms of the Data Protection Act 1998 you have the right to obtain from us a copy of the information held about you, upon payment of an appropriate fee. If you see inaccurate data, please let us know so that it can be corrected.

Money laundering

Like other financial organisations, we are legally obliged to collect and record information confirming customer identity and report details of suspicious transactions to the National Crime Agency (NCA).

Responsible lending

Wesleyan Bank is a responsible lender. We will check and appraise the financial circumstances of your application carefully and make any credit reference, fraud or other enquiries we consider appropriate. If you submit an application form you will be consenting to these responsible lending practices. We may need to talk to you about your requirements in more detail. It is important that you do not take on more borrowing than you can afford. If you should run into difficulties with your repayments, please contact us immediately.

We may use credit reference and fraud prevention agencies to help us make decisions. What we do and how both we, credit reference and fraud prevention agencies will use your information is detailed in the leaflet called *A Guide to the use of your personal data by Wesleyan Bank, Credit Reference and Fraud Prevention Agencies*.

This is available from our website www.wesleyanbank.co.uk, by contacting us on 0800 072 3749, or from Wesleyan Bank Ltd
FREEPOST BM 3420
Birmingham
B4 6AE.

When you apply to us for a credit-based product, the details you provide, the information we already have and information from credit reference agencies are used to assess credit risk using a technique called 'credit scoring'. Various factors in all these details help us to assess the risk. A score is given to each factor and a total credit score obtained. If your score is above a confidential pre-set pass score, the application is likely to succeed.

Credit reference and fraud prevention agencies will maintain a record of our search including whether you have given us false or inaccurate information or we suspect fraud. These enquiries depend on our submitting loan account information on a regular basis to licensed credit reference and fraud prevention agencies, to be shared with other lenders and insurers in assessing applications for credit, and all types of insurance from you and other members of your household, and to prevent fraud and money laundering.

If you borrow and do not repay in full and on time, we may tell credit reference agencies who will record the outstanding debt. A link between joint applicants and/or any individual identified as your financial partner will be created at credit reference agencies, which will link your financial records.

You and anyone else with whom you have a financial link understand that each other's information will be taken into account in all future applications by either or both of you. This linking will continue until one of you successfully files a disassociation at the credit reference agencies.

We will attempt to verify your identity using a process which involves checking the details you supply against those held on a number of specific databases. Experian – the credit reference agency – has access to, for example, information from the Electoral Register and fraud prevention agencies. Scoring methods will be used in the verification process as this gives a more thorough check of the available data.

A record of this process will be kept that may be used to help other companies to verify your identity. We may also pass information to organisations involved in fraud prevention to protect ourselves and our customers from theft and fraud. If you supply false or inaccurate information and we suspect fraud, we will record this and share this information with other organisations.

You have a right of access to your information held by credit reference agencies on payment of a fee.

We mainly use Experian Limited.

The agency's address is:

Experian Ltd
Customer Support Centre
PO Box 9000
Nottingham
NG80 7WF
www.experian.co.uk

If you have been refused credit you can get advice from your local Trading Standards Department, Citizens Advice Bureau or Consumer Advice Centre.

The Information Commissioner also produces a useful leaflet entitled Credit Explained, you can obtain a free copy on the Commissioner's website www.ico.gov.uk or by telephoning 01625 545745.

Changes to these conditions

We can change these Terms and Conditions as set out below.

We will not change a fixed rate on your account or any other condition, if we have agreed to fix it, for the time we have agreed to keep it fixed.

If we provide a new service or facility in connection with your account, we may introduce a new charge for providing you with that service or facility.

We may change our charges to respond proportionately to actual or reasonably expected changes in regulatory requirements affecting us, or the costs we incur in carrying out the activity for which the charge is or will be made. We may also change our charges for a valid reason not stated in this condition. Where we do make a change for any valid reason we will do so in a reasonable and proportionate manner.

We may upgrade your account or enhance the services we provide you if we reasonably consider this is to your advantage and there is no increased cost to you.

We may also change any of the other terms of this agreement for any of the following reasons: where we reasonably consider that the change would make the terms easier to understand or fairer to you; or the change would not be to your disadvantage; or to cover: the improvement of any service or facility we supply in connection with the account; the introduction of a new service or facility; the replacement of an existing service or facility with a new one; or the withdrawal of a service or facility which has become obsolete, or has ceased to be widely used, or has not been used by you at any time in the previous year; or to enable us to make reasonable changes to the way we look after your accounts as a result of changes in: the banking or financial system; technology; or the systems we use to run our banking business; or as a result of a regulatory requirement (or where we reasonably expect that there will be a change in a regulatory requirement).

As long as you are able to end the agreement without charge (or we agree to waive any charge that would otherwise apply), we may change any of the terms of this agreement for any valid reason not stated in this condition.

We will give you at least two months' personal notice of all changes. When we tell you about a change we will tell you the date it comes into effect. As long as the notice of a change is given to you at the most recent address we have for you, you will be treated as accepting the change on that date unless, before then, you tell us that you want to terminate your agreement with us and not accept the change. We will not make any termination charge if you terminate your agreement in this case.

If we need to make operational changes before we can fully comply with any new regulatory requirement, we will make those changes as soon as reasonably practicable. We will update our terms and conditions to reflect the new regulatory requirement when they are next reprinted.

Our liability

We will ensure that any person to whom we delegate any of the functions or responsibilities under these Terms and Conditions is competent to carry out those functions and responsibilities.

If we cannot provide any of our services or facilities, to you, or there is a delay in acting on your instructions, because of an event or circumstance beyond our reasonable control (for example, equipment, software or communication failure or a power cut or a delay in the supply of services to us by a third party), we will not be liable to you for any loss or expense which you may suffer as a consequence. We will do our best to provide the service or facility in question as soon as we can or suggest an alternative but equivalent service or facility.

Nothing in this agreement will exclude or limit any liability we have as a result of acting fraudulently or with extreme carelessness or any duty or liability we may have to you under applicable law or any liability that cannot lawfully be excluded.

Complaints

We undertake to provide the highest standard of service, whilst acting responsibly at all times. If, however, in the unlikely event that you do have a complaint regarding the service we provide on your account, please telephone our Customer Helpline on 0800 358 1122. Where possible we will resolve the issue on the same day.

Alternatively, you can write to us addressing your letter to:

Complaints
Wesleyan Bank Limited
PO Box 3420 Colmore Circus
Birmingham
B4 6AE.

If we cannot resolve your complaint within three business days, we will pass it to our Complaints department, who will write to you within five working days acknowledging receipt of your complaint. You will receive a letter within four weeks either resolving your complaint or explaining the progress made. If you believe the response to your problem is unsatisfactory, you may write to the Head of Retail Operations, Wesleyan Bank Limited at the above address.

If you are still not satisfied with our response you may wish to take your complaint to the Financial Ombudsman Service. In order to contact the Financial Ombudsman Service, you should write to them at:

Exchange Tower
London
E14 9SR
Telephone: 0800 023 4567 or 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk.

Alternatively you can submit your complaint via the Online Disputes Resolution at www.ec.europa.eu/consumers/odr/ who will forward your complaint onto the Financial Ombudsman Service.

The Financial Ombudsman Service is an organisation set up by law to give consumers a free and independent service for resolving disputes with financial firms. Details of those who are eligible complainants can be obtained from the Financial Ombudsman Service.

Head Office

Wesleyan Bank Ltd
PO Box 3420
Colmore Circus
Birmingham
B4 6AE

Telephone: 0800 358 1122

Fax: 0121 200 9345

www.wesleyanbank.co.uk

If you would like this document in Braille, large print or audio format please contact 0345 351 2352.

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