

# Sample Credit Card Agreement

regulated by the Consumer Credit Act 1974

**In condition 10 of the General Credit Card Terms and Conditions, we set out special meanings we have given to some words in this agreement.**

The parties to this Agreement are Sainsbury's Bank plc, 33 Holborn, London, EC1N 2HT and The Customer.

The Credit Intermediary was **sample** at **sample**.

## 1. Credit Limit

- 1.1 Your credit limit is £**sample**. We may change your credit limit at any time in accordance with the terms of this Agreement and we'll let you know what your new limit is by writing to you. You can request a credit limit increase at any time. We will tell you at least 30 days before we increase your credit limit. You can tell us if you do not want any proposed increase in your credit limit. You can tell us if you want a lower credit limit on your account at any time. You can also tell us if you do not wish to receive any credit limit increases in the future.
- 1.2 We will only lower your credit limit if we have a valid reason to do so, and the amount of notice we give you will depend on the reason for lowering it. If the reason for lowering your credit limit is that our assessment of the risk of lending to customers generally has changed, we will tell you at least 7 days in advance. If we lower your credit limit for any other valid reason, for example, there is a change in your circumstances or a change in our assessment of the risks of lending to you, we have the right not to tell you in advance of lowering your limit. We will not reduce your credit limit below your total outstanding balance (including any pending transactions).

## 2. Your monthly repayments

- 2.1 We will provide you with a statement each month, unless there hasn't been any activity on your account during that period, and the balance is nil. Each month where you have a balance outstanding on your account you must repay the greater of:
  - a) an amount equal to the total of any fees or charges due, interest, default sums, plus 1% of the balance shown on your statement;
  - b) **sample**% of the balance shown on your statement; or
  - c) £5, or the full balance if less than £5, plus any amount that's more than your credit limit.
- 2.2 Each statement will show the date by which you must make that month's payment. You may want to set a more convenient monthly payment date. If you would like to do this please call us. You can always pay more than your minimum payment. You have the right to repay all or part of the credit early at any time. Your statement shows the ways that you can make payments to us.
- 2.3 If you do not pay off the full outstanding balance each month, we will use any payments that you make to us to pay off the transactions that appear on your statements starting with those transactions on which we charge the highest rate of interest. We'll then pay off transactions charged at the next highest rate and so on down to the lowest rate of interest. If the payment you make is not enough to pay off all of the transactions at a particular interest rate then we'll pay off the transactions in the following order:
  - a. cash advances;
  - b. purchases;
  - c. money transfers;
  - d. balance transfers; and
  - e. default sums.

- 2.4 If you pay more than the amount shown on your statement then we'll use any remaining amount(s) to pay off transactions that haven't yet appeared on your statement in the same order as those that do appear on your statement. In this condition, 'transaction' includes the amount of the purchase, cash advance, default sum, money transfer or balance transfer plus any interest, or fees charged as a result of that transaction. For example, a cash advance fee is included as part of a cash transaction.

## 3. APR and interest rates

- 3.1 The APR for the Agreement is **sample**% APR (variable).
- 3.2 We've used the following assumptions to calculate the APR
  - We both keep to the terms of this agreement.
  - The interest rate (and, where applicable, any charges) don't change.
  - Interest is charged at the standard rate for purchases. We've not used any special promotional rates for the purposes of the calculation.
  - You make one purchase of £**sample** immediately and you repay this amount over one year by 12 equal monthly payments.
  - You pay interest accrued with each monthly payment.
- 3.3 Our interest rates are as follows:

### Standard Rates

	On balance transfers, related interest and charges	On money transfers, related interest and charges	On cash advances, related interest and charges	On purchases and all other amounts, except default sums
Standard rate a year (variable)	<b>sample</b> %	<b>sample</b> %	<b>sample</b> %	<b>sample</b> %

- 3.4 We calculate interest on your average daily balance since the date of your last statement and charge it to your account on each statement date. The interest rates shown above are calculated by compounding the interest we charge each month over one year. This means that if you do not pay your outstanding balance in full each month, we charge interest on the interest accrued in the last month as well as on the amount you have borrowed. The simple interest rates (not including interest being charged on interest) are:
  - Balance transfers **sample**% per annum
  - Money transfers **sample**% per annum
  - Cash advances **sample**% per annum
  - Purchases **sample**% per annum
- 3.5 You won't be charged interest on purchases or cash advances shown on your statement provided that you pay the total balance shown on that statement by the payment date (and have also paid the total balance on the previous statement by the payment date). When we do charge interest on a transaction we do so from the date that the amount was first charged to your account.
- 3.6 If you don't pay the total balance shown on your statement, at your next statement date we may add the interest we have charged on the unpaid amount to the balance we charge interest on. We may continue to charge interest, at our usual rates, on any unpaid balance after this agreement has ended and both before and after we have received a court judgment. If we allow you to miss or reduce one or more monthly payments, we may continue to charge interest on the full amount you owe on your statement (including on the interest for that month).

3.7 We may change the interest rates applicable to your account for any valid reason listed below. This includes changing the rate of interest applicable to the types of transaction listed above or introducing new interest charges.

Valid reasons for varying your interest rate are:

- to reflect a change in the Bank of England base rate;
- to reflect changes to the law, regulations, codes of practice or the way we are regulated;
- to reflect changes in the costs to us of providing your account and the services and facilities available on it (including changes in technology we use);
- to reflect our assessment of the risk associated with your borrowing based upon behaviour or information obtained from Credit Reference Agencies;
- to ensure we continue to operate our business in a financially prudent manner and remain competitive in the market.

3.8 If we lower your interest rates, we may let you know before the change takes effect. If we increase any of the interest rates we charge under this agreement we'll tell you at least two months' before making the change. The new rates will apply to transactions and to your outstanding balance from the date the rate changes (which will be stated in our notice to you). You may notify us before the change takes effect that you want to close your account and repay your balance at the existing interest rate. If you do this, you must stop making any transactions, cancel recurring transactions and destroy all cards.

#### 4. Total Amount Payable

4.1 The total amount payable would be £sample based on the following assumptions:

1. You and we keep to the terms of the agreement;
2. You use your card to make a purchase of £sample at the start of the agreement;
3. You repay that amount over the course of 1 year from the date of the transaction starting the month after you have made the purchase and you repay that amount, together with the interest charges accrued each month, by 12 equal monthly payments at the standard rate for purchases set out above;
4. The interest rate (and, where applicable, any charges) don't change; and
5. Your final payment clears all capital, interest and other charges outstanding.

#### 5. Charges

5.1 We may charge a fee on the amount of a balance transfer or money transfer. This will vary dependent on your current offer. You can find out what this is by calling us. We charge a cash fee of sample% (at least £sample) for cash advances made in the UK or abroad. We may also limit the amount of your overall balance that can be made up of cash advances to a percentage of your overall credit limit. This is known as a cash limit.

5.2 If we apply this cash limit we'll tell you what that limit is and if it changes at any time. We may apply a limit to the amount you may draw from your account as cash advances within any one day or any other period we tell you. If we increase your cash limit, we will tell you at least 30 days before we do so. If we lower your cash limit because our assessment of the risk of lending to customers generally has changed, we will give you 7 days' notice. If we lower your cash limit because there is a change in your circumstances or a change in our assessment of the risks of lending to you, we have the right not to tell you in advance of lowering your limit.

5.3 We'll charge:

- £12 each month in which a minimum payment amount that should have been paid remains outstanding.
- £12 each month where you are over your credit limit when your statement is produced;
- £12 each time a direct debit, cheque or other item is not paid, including a cheque which you write.

5.4 If you make transactions in a foreign currency, we'll change the amount of the transaction to pounds sterling at the payment scheme exchange rate used by the payment system (e.g. Mastercard, or Visa, depending on your card type) on the date the transaction is passed to us by them. You can find out the indicative payment scheme exchange rate by visiting [www.mastercard.co.uk/en-gb/consumers/get-support/convert-currency.html](http://www.mastercard.co.uk/en-gb/consumers/get-support/convert-currency.html) or [www.visaeurope.com/making-payments/exchange-rates](http://www.visaeurope.com/making-payments/exchange-rates). We'll charge a non-sterling transaction fee of sample% of the value of each foreign-currency transaction. We may also charge you £5 for changing your statement date if you have already asked us to change the date twice in the last six months.

5.5 We may change any fee or charge, or introduce new charges under this agreement to:

- reflect changes to the law, codes of practice or the way we are regulated;
- reflect changes in the costs to us of providing your account and the services and facilities available on it (including changes in technology we use);
- reflect our assessment of the risk associated with your borrowing based upon behaviour or information obtained from Credit Reference Agencies;
- ensure we continue to operate our business in a financially prudent manner and remain competitive in the market.

If we do this, we will give you at least 30 calendar days' notice, unless the change is to your benefit, in which case we may make the change immediately.

#### 6. Right of Withdrawal

6.1 You have the right under section 66A of the Consumer Credit Act 1974 to withdraw from this agreement within a period of 14 calendar days, starting the day after the day you receive a copy of your agreement with your credit card. You don't need to give us any reason. In order to exercise this right you must write to us at Sainsbury's Bank Credit Cards, PO Box 10592, Wigston, LE18 9GZ or call 08085 40 50 60. If you exercise your right to withdraw and you have used your card or card details for transactions during the withdrawal period, you must repay any outstanding balance, including any interest due, without delay and no later than 30 calendar days after you have given us notice of withdrawal. You can contact us to find out the amount of interest payable for each day and we will tell you without delay. You can make a payment through online banking, by telephone banking (if registered) or by post.

#### 7. Missing Payments

7.1 Missing payments could have severe consequences and make obtaining credit more difficult in the future. We may report any missed payments to a credit reference agency.

7.2 We may also take legal action against you if you do not make payments when they are due. If that action is successful, we may apply to enforce that judgment in a number of ways including getting a charging order against your home or an inhibition if your home is in Scotland. This means that, if your house is sold, the amount you owe us can be paid out of the proceeds of sale.

## 8. How you can end this agreement

8.1 This agreement has no fixed or minimum duration. You may end this agreement at any time by telling us. Once you have told us you want to end the agreement, you must stop using the card and pay off any amounts you owe. This will take effect when the notice is received by us.

## 9. Other key information

9.1 If you receive unsatisfactory goods or services costing over £100, but not more than £30,000 for a single item and you paid for them directly using credit provided under this agreement, you may have the right to make a claim against the supplier, us, or both. This protection will not apply for cash withdrawals, money transfers or if you use your card to fund an account with a third party provider (like PayPal) and then pay for goods or services with that account.

9.2 We will open your account a few days before you and any additional cardholders get your credit card(s). You can use your card or card details (including your card number) to make purchases and cash withdrawals or ask us to make balance transfers or money transfers.

9.3 We do everything we can to provide you with the service you want and expect, but we know sometimes things go wrong. If you have a complaint, please call us on 08085 40 50 60. Alternatively you can complete the online form available in the Contact Us section of our website ([sainsburysbank.co.uk](http://sainsburysbank.co.uk)) or write to us at;

Customer Relations, Sainsbury's Bank, PO Box 4952, Worthing, BN11 9YW

A copy of our complaints handling procedure is available on request and by visiting our website.

If you're unhappy with our final response to your complaint, you can ask the Financial Ombudsman Service for an independent review. The Ombudsman offers a free independent service, but before they look at your complaint, they'll ask you to give us the opportunity to put things right for you. Details of how to contact the Financial Ombudsman are below:

Post - Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone - 0800 023 4567 or 0300 123 9123

Email - [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Website - [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)

You may also use the Online Dispute Resolution (ODR) platform if you are an EU resident and you purchased this product or service online or by telephone. You can access and submit your complaint online through the ODR platform at this address: <http://ec.europa.eu/odr>. You will need our name (Sainsbury's Bank), our email address ([SBCustomer.Relations@sainsburysbank.co.uk](mailto:SBCustomer.Relations@sainsburysbank.co.uk)), our website address ([sainsburysbank.co.uk](http://sainsburysbank.co.uk)) and our geographic location (United Kingdom). The platform will then send your complaint to the Financial Ombudsman Service for independent review, so it may be quicker to contact the Financial Ombudsman Service directly.

9.4 The Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS is the supervisory authority under the Consumer Credit Act 1974.

## Contact Us

If you have any questions you can visit the FAQ section (Frequently Asked Questions) of our website where you will find answers to most of your queries. If you would like more information or have any other questions, please contact us using the details in the Contact Us section.