

CREDIT CARD AGREEMENT REGULATED BY THE CONSUMER CREDIT ACT 1974

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

1. **Credit limit**

We will decide your credit limit and tell you what it is. We may change it at any time and will let you know about any change. Details of when your credit limit can be changed are shown in conditions 18.2 and 18.3.

2. **Your payments**

2.1 We will send you a monthly statement, unless there have been no payments into or out of the account during that period and the balance is nil. Each month in which you have a balance outstanding on your account you must repay the greater of:-

- a) an amount equal to the total of any Credit Card Repayments Cover premiums, interest, default sums, plus 1% of the balance shown on your statement;
- b) 2.25% of the balance shown on your statement; or
- c) £5, or the full balance if less than £5,

plus any amount you owe that is more than your credit limit.

Your statement will show the date by which you must make this month's payment. You can always pay more, and have the right to repay all or part of the credit early at any time. Your monthly statement will show the methods by which you can make any payment to us including at a branch, by telephone banking (if registered) or by post.

2.2 We use any payments you make to pay off transactions that appear on your statements starting with those on which we charge interest at the highest rate. We will then pay off transactions on which we charge interest at the next highest rate and so on down to the lowest rate of interest. If the payment is not enough to pay off all transactions at a particular interest rate, we will pay off transactions charged at that interest rate in the order:- cash advances, cheques, purchases, balance transfers and default sums. If you pay more than the amount due shown on your statement, we will use any remaining payment to pay off transactions that have not 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, cheque, default sum or balance transfer plus any interest, fees or insurance payment 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 18.9% APR (variable).

3.2 For the purposes of calculating the APR we have used the following assumptions:

- We both keep to the terms of this agreement.
- The interest rate (and, where applicable, any charges) do not change.
- Interest is charged at the standard rate. We have not used any special promotional rates for the purposes of the calculation.
- You make one purchase of £1200 immediately and you repay this amount over one year by 12 equal monthly payments.
- You pay interest accrued with each monthly payment.

We may change these and also introduce new charges and fees which may affect the APR at any time by giving you notice under condition 18.4.

3.3 Our interest rates are as follows.

	On balance transfers, related interest and charges	On cheques, related interest and charges	On cash advances, related interest and charges	On purchases and all other amounts, except default sums
Special promotion rate per annum (fixed)	0%	N/A	N/A	0%
Special promotion period	30 months from account opening	N/A	N/A	6 months from account opening
Standard rate (variable) per annum (compounded)	18.95%	18.95%	25.95%	18.95%

We may apply the standard interest rate to transactions before the end of the special promotion period if in any month you do not make at least your minimum payment by the payment date or if you exceed your credit limit at any time. We will not charge interest on default sums until the 29th day after you have received a notice telling you of the charge. We will then charge interest on these amounts at the simple interest rate for purchases shown in condition 3.4.

3.4 We calculate interest on your average daily balance 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. The simple interest rates (not including interest being charged on interest) are:-

Balance transfers	17.47% per annum
Cheques	17.47% per annum
Cash advances	23.29% per annum
Purchases	17.47% per annum

3.5 We will not charge interest on purchases shown on your current statement, if 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). On all transactions where we do charge interest, we charge it from the date we first charge the amount to your account.

3.6 If you do not pay the total balance shown on your statement, at the date of the next statement we will add the interest we have charged on the unpaid amount to the balance we charge interest on. We will continue to charge interest, at our usual rates, on any unpaid balance after this agreement has ended and both before and after we have got a court judgment. If we allow you to miss or reduce one or more monthly payments, we will 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 variable interest rates for any good reason. This includes introducing different rates for different types of transaction or different types of rate. The new rates apply to transactions and to your outstanding balance from the date the rate changes.

3.8 If we decrease your interest rates we will let you know before the change takes effect. If we increase any of the interest rates we charge under this agreement:

- we will give you at least 60 days notice before making such a change; and
- 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 so, you must stop making any transactions, return all cards and cheques (cut in half) and cancel recurring transactions.

4. **Total amount payable**

If you used your card to make a purchase of £1,200 at the start of the agreement and you repaid that amount by 12 equal monthly payments together with interest charges accrued for each month at the standard interest rate for purchases set out in condition 3.3, the total amount payable would be £1313.57.

5. **Charges**

5.1 We charge a cash fee of 3% (at least £3) for cash advances made in the UK or abroad. We also make a handling charge of 3% (at least £3) for balance transfers. This is reduced to 1.5% (min £3) for the first three months. 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. If we apply this cash limit we will tell you what that limit is and we will tell you if it changes at any time as detailed in condition 18.2. We may limit the amount you may draw from your account as cash advances within any one day or other period notified to you by us.

5.2 We will charge:-

- £12 each month in which a minimum payment amount that should have been paid remains outstanding.
- £12 each month if, at any time during that month, you go over your credit limit.
- £12 each time a direct debit, cheque or other item is not paid, including a cheque which you write.

5.3 If you make transactions in a foreign currency, we will change the amount to sterling at the payment scheme exchange rate used by the payment system on the date the transaction is passed to us by them. You can find out this payment scheme exchange rate by calling us on the Customer Services number shown on your monthly statement, however if you call before the transaction is added to your account, the rate we provide will only be indicative. We will charge a non-sterling transaction fee of 2.75% of the value of each foreign-currency transaction.

5.4 We may also charge you for the following special services.

- Sending you a copy statement £5
- Changing your statement date (if you have already asked us to change the date twice in the last six months) £5
- Processing any foreign currency payment you send us £10

5.5 We may change any of the charges listed here and in condition 12.1 and introduce new charges at any time by giving you notice under condition 18.4.

6. **Right of withdrawal**

You have the right to withdraw from this agreement within a period of 14 calendar days starting the day after the day on which you receive a copy of your agreement with your credit card. You do not need to give us any reason. In order to exercise this right you must write to us at Sainsbury's Bank Card Services, Pitreavie Business Park, Dunfermline, Fife KY99 4BS or call 08085 40 50 60. You must repay the outstanding balance including any interest due without delay and no later than 30 calendar days of giving notice of withdrawal. You can contact us to find out the amount of interest payable per day. You can make a payment at a branch, by telephone banking (if registered) or by post.

7. **Missing payments**

Missing payments could have severe consequences including making credit more difficult to obtain. We may take legal action against you if payments are not made. 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 which 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

This agreement has no fixed or minimum duration. You may end this agreement by giving us notice. This will take effect when the notice is received by us.

9. Other key information

9.1 You may have a right to sue the supplier, us, or both of us, if you receive unsatisfactory goods or services costing more than £100 and less than £30,000 and you paid for them using credit provided under this agreement.

9.2 We will open a credit card account for you and give you and any additional cardholder a card each, which will arrive a few days later. The credit is available by using your card and PIN or signature, or other details including your card number. You may also ask us to provide cheques as part of your account.

9.3 If you have a complaint about anything to do with this agreement, please write to, Sainsbury's Bank, Customer Relations, Dundas House, Viking Way, Rosyth Europarc, Rosyth, KY11 2UU or call us on 08085 40 50 60. If you are unable to resolve any complaint you may have against us after taking the above steps you may apply to have your complaint resolved by the Financial Ombudsman Service.

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.

This is a Credit Agreement regulated by the Consumer Credit Act 1974.
Sign it only if you want to be legally bound by its terms.

Signature of Customer

Date of Signature

Signed on behalf of Sainsbury's Bank plc

Date of Signature

The general credit card conditions also form part of this Agreement. By signing above you agree:-

- a) that the details provided by you in your application are correct;
- b) that your data may be used as set out in the Data Protection Declaration on the application form; and
- c) to be bound by the General Credit Card Conditions.

GENERAL CREDIT CARD CONDITIONS

10 Words with special meanings

We', 'us' and 'our' mean Sainsbury's Bank plc and any organisation that takes over the benefits of this agreement. The words 'you', 'your' and 'yours' refer to the person who entered into this agreement with us.

The following words have a special meaning.

Balance transfer - any amount we allow you to transfer to or from another UK account. Card - any credit card that we give you or any additional cardholder to use with your account. Cash advance – cash obtained by using the card or money transfers, finance payments or gambling transactions made with the card (including all ATM withdrawals, but excluding the purchase of traveller's cheques and/or foreign currency). Cheque - a cheque which we send you to draw money from your account. Default sum - an amount (other than interest) payable by you under this agreement because you have broken the agreement. Finance payment – using your card to repay finance such as a loan agreement or hire purchase. Gambling transaction – using your card to purchase lottery tickets or take part in any form of gambling such as betting, gaming or wagering. Online service – our service allowing you to access information and services. Payment date - the date by which you must make your minimum monthly payment. Payment system - the payment system under which we issue the card and any of the people or organisations who own and operate the system. Pin - your personal identification number for you or any additional cardholder to use with the card. Purchases - goods and services bought using the card or card account number. Recurring transaction - your instruction for us to make regular payments to someone. We will pay them when the person you have authorised to receive the payment asks us to. Security details – the security details we give you, or which you choose, which allow you to access information and services and make payments on your account and include: the passwords and/or username used to confirm your identity when using the telephone service or the online service and the additional security details we set for you when using the online service; Telephone service – our service which allows some customers to access certain information and services and make payments by telephone; Transaction – a purchase, balance transfer or cash advance made or cheque drawn by you or any additional cardholder.

- 11 Using your account
- 11.1 You authorise us to issue cards and a pin to you and any additional cardholders. You authorise each additional cardholder to use the card and to authorise transactions on your behalf. As long as this agreement covers it, we may send you a different type of credit card from the one you asked for, and replace it with a different type of credit card. You must not let your account go over your credit limit or use your account if it is already over your credit limit. Your account must not be used for illegal transactions. We will charge to your account any amounts arising under transactions, which you or any additional cardholder make, and any other amounts you have to pay us under this agreement.
- 11.2 You cannot use our credit card cheques to pay off any amounts you owe us or to make payments in foreign currencies. Our credit card cheques are valid until the expiry date printed on the cheque, and cannot be used after that date.
- 11.3 Cards and unused cheques belong to us. If we ask you to, you must not use them and must return them to us. We may at any time suspend, restrict or cancel your or an additional cardholder's use of a card and/or cheques, refuse to issue or replace a card and/or cheques or stop the use of the telephone or online service for reasons relating to any of the following:
 - 11.3.1 we are concerned about the security of your account or any cards/cheques we have issued to you or an additional cardholder;
 - 11.3.2 we suspect your account is being used in an unauthorised or fraudulent manner; or
 - 11.3.3 there is a change in your circumstances which gives us reasonable grounds to believe there is a significantly increased risk that you may have difficulty in repaying the sums you owe under this agreement.
- 11.4 We may change the account number or pin at any time if we have a good reason. You or any additional cardholders must only use the cards between the 'valid from' and 'end dates' printed on them.
- 11.5 We will only accept that you have paid any money you owe us when we receive your payment at our processing centre.

- 11.6 Where interest is payable, the earlier you make a payment, the less interest you have to pay. We do not recommend that you only pay the minimum payment for prolonged periods.
- 11.7 You must not make payments or transfer funds from another credit or store card to your account that would leave a credit balance on your account. We may return any funds that exceed the balance owing on your account to the account from which the money has been sent.
- 11.8 If you use the telephone service or the online service, we will let you know what you can use the service for. When you use these services, we may ask you to provide some of your security details.

- 12 Making and stopping payments
- 12.1 You can stop a cheque if you tell us before we pay it. We may charge a fee of £10, unless the cheque was lost or stolen. You cannot stop other transactions other than as set out in condition 12.3.
- 12.2 The authorisation of a transaction can include authorising any single transaction, a series of recurring transactions (including transactions for an indefinite period) or pre-authorising a future transaction of a certain or uncertain amount. A transaction will be regarded as authorised by you or an additional cardholder where you or an additional cardholder:
 - 12.2.1 authorise the transaction at the point of sale by following whatever instructions are provided by the merchant to authorise the transaction, which may include:
 - a. entering a pin or providing any other security code; or
 - b. signing a sales voucher;
 - 12.2.2 insert a card and provide your or their pin and make a request for a cash advance at an ATM;
 - 12.2.3 make a request for a cash advance at any bank counter;
 - 12.2.4 orally or in writing provide the card details to us or our representative and request a balance transfer, cash advance or money transfer from the account; or
 - 12.2.5 present (including sending) a completed credit card cheque to any person.
 - 12.2.6 provide us with your security details and instruct us to carry out the transaction.
- 12.3 Authorisation for a transaction may not be withdrawn (or revoked) by you or an additional cardholder after the time it is received. However, if you wish to cancel payments made on a regular basis using your card, such as magazine subscriptions, you can ask us to stop the payment no later than the close of business on the business day before the payment was due to take place. We also advise you to contact the person you make the payment to so that they do not keep trying to take the payment. You will need to contact them if you want to cancel your agreement with them in any case, as we cannot do that for you. You will also need to tell anyone you make regular payments to if your account is closed or your Card number changes otherwise they may not be able to collect your payments. If you do miss a payment for this reason, we will not be liable to you for any loss you suffer as a result.
- 12.4 A transaction will be received as follows:
 - 12.4.1 For purchases and ATM transactions, at the time we receive the transaction instruction from the payment scheme;
 - 12.4.2 For balance transfers, we need to approve your request. Once your request is approved we will transfer the agreed amount from your account the same day and use the Faster Payment scheme if it is available and the lender you are making the transfer to is a member of the scheme. The payment will normally reach the other lender by the next business day.
 - 12.4.3 For other transactions communicated directly to us, at the time you or an additional cardholder asks us to complete the transaction.
 - 12.4.4 If a transaction is received after 5pm, the transaction instruction or request will be deemed to have been received by us on the following business day.
- 12.5 We may refuse to pay a transaction:
 - 12.5.1 for any of the reasons set out in 11.3 above;

- 12.5.2 if you do not have enough credit available on your account to cover the amount of the transaction;
- 12.5.3 if we have reasonable grounds to believe that you are (or an additional cardholder is) acting in breach of this agreement;
- 12.5.4 if we believe that a transaction is potentially suspicious or illegal (for example, if we believe that a transaction is being made fraudulently); or
- 12.5.5 because of errors, failures (whether technical or otherwise) or refusals by merchants, payment processors or payment schemes processing transactions.
- 12.6 We may also refuse to pay a transaction or refuse to allow you to make a payment into your account if we reasonably believe that doing so might cause us to breach a legal requirement or might expose us to action from any government or regulator. In addition, we may decide not to process payments to or from a limited number of countries or allow you to make card payments there. We will tell you which countries if you ask us or if you try to make a payment there.
- 12.7 We may not be able to carry out your request for a balance transfer if the lender you are making the transfer to is not a member of the Faster Payment scheme.
- 12.8 If we refuse to authorise a transaction under 12.5 or 12.6 or are unable to make a transfer under 12.7 above, provided it would not be unlawful for us to tell you why we refused to authorise the transaction or are unable to make the transfer, we will do so at the point of the transaction either orally or in writing depending on the nature of the transaction being made. You may also contact us to find out why we have refused or to correct any information we hold and which may have caused us to refuse to authorise a transaction, on the Customer Services number shown on your monthly statement.
- 12.9 We are not liable for failing to make a transfer if the lender you are making the transfer to is not a member of the Faster Payment scheme.
- 12.10 If we cannot make the transfer using the Faster Payment scheme then you can contact us to see if there is any other method available to make the transfer.

13 Refunds

- 13.1 You may be entitled to claim a refund in relation to transactions where:
- 13.1.1 the transactions were not authorised under this agreement;
- 13.1.2 we are responsible for a transaction which was incorrectly executed and you or an additional cardholder notified us in accordance with condition 16 below; or
- 13.1.3 a pre-authorised transaction did not specify the exact amount at the time of its authorisation and the amount charged by a supplier is more than you or an additional cardholder could reasonably have expected taking into account normal spending patterns on the card or the circumstances of the transaction.
- 13.2 A claim for a refund in the circumstances set out in 13.1 above will not be accepted if:
- 13.2.1 the amount of the transaction was made available to you or an additional cardholder at least 4 weeks before the transaction date;
- 13.2.2 it is made more than 8 weeks after being debited to your account.

14 Security

You must sign your card and make sure that any additional cardholders sign their cards as soon as you get them. You must make sure that you and any additional cardholders:

- keep the card and cheques safe and keep the pin and other security information secret;
- do not allow anyone else to use your card, pin or other security information;
- always learn your pin and other security information and destroy any notice of the pin straightaway; and
- do not write down or record your pin or other security information without disguising it.

15 Online service security

Our online service is secure. You must always use the sign off facility when you are finished and never leave your machine unattended while you are signed in. As a security

measure, if you have not used the site for more than a specified period of time we will ask you to sign in again.

- 16 Lost and stolen cards and unauthorised or incorrectly executed payments
- 16.1 You must call us immediately on 0845 300 0344 if the card or cheques are lost or stolen or could be misused, or someone other than you or any additional cardholder knows the pin or if you think a transaction has been improperly executed. You need to give us the card number. If we ask, you must write to us within seven days to confirm your call. The address is Sainsbury's Bank Card Services, Pitreavie Business Park, Dunfermline, Fife KY99 4BS.
- 16.2 Generally, you will not be liable for misuse of a card, cheque, pin or security details (other than by you or an additional cardholder), including where the card is used before you receive it. You will be liable for misuse by a person who got the card, pin or security details with your permission until you tell us about the possibility of misuse. However, you will not have to pay us any money for any loss we suffer because of the use of a card, cheque, pin or security details where they have been used without your authority in connection with a distance contract as defined by the Consumer Protection (Distance Selling) Regulations 2000 or the Financial Services (Distance Marketing) Regulations 2004. We may give the appropriate authorities any information we consider relevant about the loss, theft or misuse of a card, card account number, cheque, or pin.
- 16.3 In addition, in relation to our online service:
- If you are a victim of fraud through our online service we guarantee that you will not lose any money on your accounts and will always be reimbursed in full.
 - Unless you are a victim of fraud or the payment transaction is incorrectly executed, you are responsible for all instructions and other information sent using your security details.
 - We do not accept responsibility for any loss you or anybody else may suffer because any instructions or information you send us are sent in error, fail to reach us or are distorted unless you have been the victim of fraud.
- 16.4 If you find any card or cheque after you report it under condition 16.1, you must cut it in half and, if we ask, return it to us.
- 16.5 Telephone service – if you think that someone else knows any of your security details, you must tell us as soon as you can by phoning the Customer Services number shown on your monthly statement. You must give us any help we think is necessary to try to find out who might have used your security details.
- 16.6 Online service – if you think that someone else knows your security details, you must do the following:
- For your password, change it online as soon as possible. If you have difficulty changing your password, you must phone the Helpdesk number shown on the online service web site immediately. You can give the Helpdesk your username if you phone them to change your password.
 - To change your additional security details, you will need to phone the Helpdesk immediately.
- 17 Breaking the agreement and if you die
- If the agreement is broken, we will charge you for any loss, costs or expense we have to reasonably pay as a result. We may ask for immediate payment of the full amount you owe if:
- you break this agreement repeatedly or in any significant way;
 - you die;
 - you have told us something misleading or false; or
 - you are in financial difficulties (for example, you are likely to be made bankrupt).
- We will follow the correct legal requirements when we do this including the requirements made under the Consumer Credit Act to serve notices before certain action is taken.

18 Changes

- 18.1 You must let us know if your circumstances change in a way which we might not otherwise know about and which is likely to change our assessment of your financial standing. Examples of such changes in your circumstances include if you lose your job, your income significantly reduces for whatever reason or if you are off work due to long term sickness.
- 18.2 We can change your credit limit or cash limit under conditions 1 and 5.1. We will give you at least 30 days' notice if we increase your credit limit or cash limit. We will only decrease your credit limit or cash limit if we have a good reason to, and the amount of notice we give you will depend on the reason for the decrease. If the reason for the decrease of your credit limit or cash limit is that our assessment of the risk of lending to customers generally has changed, we will give you 7 days' notice. If we decrease your credit limit or cash limit for any other good reason, for example, there is a change in your circumstances or a change in our assessment of the risks of lending to you, we may only give you one day's notice.
- 18.3 You can tell us if you want a lower credit limit on your account at any time including the right to refuse a credit limit increase we have proposed to make under condition 18.2. You can also tell us if you do not wish to receive any credit limit increases in the future.
- 18.4 For any other changes, we can change this agreement, including charges, for any good reason. We will give you at least 30 days' notice in writing of any change to your disadvantage, other than a change to your interest rates. We will let you know before any change to these conditions that is not to your disadvantage takes effect.
- 18.5 We may offer you benefits along with your account and we will tell you what benefits we offer. We may change, withdraw or suspend these benefits at any time by giving you reasonable notice.

19 How we limit our liability

We always try to provide a high level of service, but we will not be liable for any loss, costs, claims or expenses arising from any abnormal and unforeseeable circumstances beyond our control, including but not limited to:

- any consequences which would have been unavoidable despite all efforts to the contrary; or
- our compliance with legal and regulatory requirements.

20 Additional cardholders

You must pay for all transactions made by any additional cardholder. This applies even if the additional cardholder makes you break this agreement. We may give any additional cardholder information about your account. You may only cancel any additional card by cutting it in half and, if we ask you to, by returning it to us.

21 How we can end this agreement

We may end this agreement by giving you written notice. Normally our notice will be at least two months, but, if there are exceptional circumstances for doing so, we can end this agreement immediately. If we do this, we will send you notice immediately after the agreement has been ended, unless by law we must tell you first. If your agreement is ended, you must pay us everything you owe (including amounts we have not yet put on the account). You must also destroy all cards, by cutting them in half, and destroy all unused cheques, or return them to us if we ask.

22 Transferring rights under this agreement

22.1 You may not transfer any of your rights or duties under this agreement.

22.2 We may transfer any or all of our rights or duties under this agreement to another organisation (including organisations outside the European Economic Area). If we do this, we may let them have any information about you or an additional cardholder. We may also arrange for any other person to carry out our rights or duties under this

agreement. Your rights under this agreement and your legal rights (including under the Consumer Credit Act 1974) will not be affected.

23 General

23.1 We may send any notices, statements or other information to the last address you gave us. We will treat them as arriving two days after we posted them.

23.2 We can monitor and record phone calls to or from us. We do this to check what was said and also to help us train our staff.

23.3 We can delay in enforcing, or fail to enforce, our rights under the agreement without losing them. We may also accept part-payments marked as 'payment in full' or with similar wording without losing our right to claim full payment.

23.4 Each paragraph and subparagraph in these conditions is separate from the others. This means that, if we cannot enforce any one paragraph or subparagraph, it will not affect our right to enforce any of the others.

23.5 Nobody other than we or you can enforce any part of this agreement, under the Contracts (Rights of Third Parties) Act 1999.

23.6 English law governs this agreement and any pre-contractual negotiations, unless your address on the application is in Scotland, when Scots law applies.

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