



Clarity - Halifax Draft Credit Card Terms and Conditions

Please refer to the summary box for product specific information displayed as 'X's in this document, for the card(s) you're considering.

Credit Card Agreement regulated by the Consumer Credit Act 1974

These are the terms and conditions of your credit card account. They'll help you understand your credit card and how you can use it. If there's anything in it that you don't understand, please contact us. See 'Our contact details' below for the ways you can contact us.

This agreement is made up of two parts – Part A and Part B. You need to read both parts carefully. The key terms of the agreement are in Part A. Part B has other important terms that are also part of your agreement.

Part A – Credit Card Agreement

A1. The credit card agreement

The credit card agreement is between us: Bank of Scotland plc of The Mound, Edinburgh, EH1 1YZ and you: borrower name of borrower address.

The credit intermediary was XXXXXX. The credit intermediary receives commission from us.

A2. How you can use your credit card

You can use your credit card for these types of transaction:

| | |
|--------------------------|---|
| Purchases | Paying for goods and services in store or online, or making recurring transactions, for example to pay for subscription services. |
| Balance transfers | Moving what you owe from one UK credit card to another. Find out more in Part B4.3. |
| Money transfers | Transferring money from your credit card to your UK current account. Find out more in Part B4.3. |
| Cash transactions | Using your credit card to withdraw cash, buy foreign currency and other cash-like transactions. Find out more in Part B1.4. |

You may be able to set up instalment plans if we offer them to you. Find out more in Part B4.4.

Any part of your balance that is not covered by an instalment plan is your **main balance**. Balances covered by any instalment plans you have set up form your **instalment plan balance**. Together they make up your **overall balance**.

A3. Your credit limit

Your credit limit is £XX,XXX. This is the maximum you can borrow under this agreement.

Your credit limit is based on your financial circumstances, such as your income, and information we get from credit reference agencies. We may sometimes change your credit limit. We'll tell you in writing if we do this. Find out more in Part B1.2 and B14.

A4. How much does it cost to use a credit card?

The cost to use your credit card depends on the interest rates and any introductory or promotional offers or instalment plans you have.

A4.1 What is the interest rate?

We use both simple and effective rates when we explain the interest rates we charge you.

We use the **simple rate** to work out how much interest we charge. Simple annual rates are based on a 365-day year.

The **effective rate** shows the impact of paying interest on the interest we add to your balance over one year. We add interest to your balance and then charge interest on that balance.

A4.2 Introductory and promotional rates and fees

This table shows the interest rates and fees we charge on transactions during any introductory periods if you have any. We'll tell you before any offers expire.

| Transaction type | Effective rate annual (fixed) | Offer period | Introductory fee |
|--|-------------------------------|--------------|------------------|
| Purchases | N/A | N/A | N/A |
| Balance transfers made in the first 90 days of account opening | N/A | N/A | N/A |
| Money transfers made in the first 90 days of account opening | N/A | N/A | N/A |

We may make promotional offers available to you in the future.

You need to make at least your minimum payment on time each month to keep your introductory or promotional rates. Find out what happens if you miss payments in Part A8.

A4.3 Instalment plan rates and fees

We'll tell you the terms that apply to an individual instalment plan at the time we offer it to you. An instalment plan allows you to repay a monthly fixed amount in return for a lower interest rate or a monthly fee, or both.

The instalment plan payment due each month will include the instalment amount and any monthly fee or interest that applies. Whilst you can choose whether or not to make your instalment plan payments, if you don't keep up with them we may end your plan. You will still need to make the minimum payment (see Part A7) so you don't break the terms of this agreement. Find out more in Part B4.4.

A4.4 Standard rates

This table shows the standard interest rates we charge on transactions in your main balance. These rates apply to transactions you make outside introductory or promotional offers and on any remaining balance after any offers end.

| Transaction type | Simple rate – annual (variable) | Effective rate – annual (variable) |
|-------------------|---------------------------------|------------------------------------|
| Purchases | XX.XXXX% | XX.XX% |
| Balance transfers | XX.XXXX% | XX.XX% |
| Money transfers | XX.XXXX% | XX.XX% |
| Cash transactions | XX.XXXX% | XX.XX% |

A4.5 What kinds of interest rate does my account have?

Your standard simple interest rates are linked to and will change in line with the Bank of England Base Rate. You can find the current Base Rate on www.bankofengland.co.uk Effective rates change by more than changes in Base Rate because they include interest on interest. In the future, we may change whether your standard simple interest rates are linked to Base Rate. For information on when we can do this, see Part B3.

We may change your standard interest rates for other reasons, whether or not they are linked to Base Rate. If we make changes, we'll tell you in writing. For more information, see Part A9.

How do changes in Base Rate affect my standard interest rates?

If your rate is Base Rate linked, and Base Rate goes up, your standard simple rate will go up by the same amount, but will never go over a limit called the cap. The cap for all transaction types is currently XX.XXXX% simple (XX.XX% effective) annual (variable).

Your interest rates won't track movements if Base Rate goes below 0%. If Base Rate is below 0%, we'll treat it as if it is 0%.

For more information on how changes in Base Rate and the interest rate cap affect your interest rates, when changes take effect and how we tell you about them, see Part B3.

A4.6 How we charge interest

We work out interest on your total overall balance each day. We add up the daily interest amounts in each statement period and add the total to your balance on your statement date each month. This interest forms part of your outstanding balance, and you'll have to pay interest on it. This is called compound interest.

We charge interest from the date each transaction or any fee is added to your overall balance.

We won't charge interest on purchases added to your main balance during your latest statement period if, by the payment due date:

- you pay off your main balance in full (excluding any balance or money transfers on introductory or promotional rates), plus any instalment plan payments, or
- if your minimum payment is higher, you pay at least the minimum payment required, and you met the same payment requirement for the previous statement period.

We also won't charge interest on:

- default fees for the first 28 days after we tell you about it. For more about this see Part A5.
- account fees. For more about this see Part A5.

A5. Credit card fees and charges

This table shows when different fees may apply to your account and what interest we may charge on them outside any promotional offers and on any remaining balance when they end.

We add fees and charges to the most relevant type of balance. For example, if they apply to your account, we'd add a cash transaction fee and any interest on that fee to your cash transaction balance.

| Type of fee | Amount | When does the fee apply? | Interest charged on the fee |
|---------------------------|--|--|---|
| Account fee | N/A | N/A | N/A |
| Non-sterling purchase fee | N/A | N/A | N/A |
| Cash transaction fee | N/A | N/A | N/A |
| Balance transfer fee | X% of the balance transferred | When you make a balance transfer and don't have an introductory or promotional offer. | We charge interest on the fee at the same rate as the balance transfer. |
| Money transfer fee | X% of the amount transferred | When you make a money transfer and don't have an introductory or promotional offer. | We charge interest on the fee at the same rate as the money transfer. |
| Default fees | £12 | If your minimum payment is late or we don't receive it in cleared funds in full by your payment due date. | We don't charge interest for the first 28 days after we tell you about it. After that, we charge interest at the purchase rate as simple interest only. We don't charge interest on top of any interest we charge on a default fee. |
| Instalment plan fee | Will be specific to each instalment plan | If you set up an instalment plan with a monthly fee, we'll charge the fee on your statement date each month. | As long as you pay your instalment plan payment on time, we charge interest on the fee at the same rate as the instalment plan (unless the instalment plan is interest-free). |

A6. APR and Total Amount Payable

APR stands for annual percentage rate. Your APR and Total Amount Payable are worked out at the time the agreement is made. We don't include any introductory or promotional offers, instalment plans or any cashback you could earn. We also assume:

- you make a single purchase for the full amount of your credit limit straight away
- you repay this in 12 equal monthly payments over one year, including interest charges starting one month after the date of the purchase
- we and you both keep to the terms of this agreement
- the interest rates in Part A4.4 and the fees and charges in Part A5 don't change.

Your APR at account opening is XX.X% (variable).

Your Total Amount Payable, including any account fee is £X,XXX.XX.

A7. How much you have to pay and when

We'll tell you the minimum amount you need to pay, the total of your instalment plan payments (if you have any instalment plans) and the payment due date in your monthly statement. See Part B4.4 for details of instalment plan payments.

If you've missed any minimum payments or owe anything over your credit limit, you'll also need to pay this straight away. Find out about payments and how to make them in Part B8.

The minimum payment will be the higher of £5, or the total of the following amounts as shown on your statement:

- Interest charged.
- Any default fees you owe.
- Any account fee.
- Any payment protection insurance, and
- X.XX% of the overall balance you owe, including interest, fees and charges.

If you owe less than £5, you must pay the amount you owe in full.

You can choose to pay more than the minimum payment, and you can pay off your overall balance in full at any time.

If you only make the minimum payment each month, it'll take you longer and cost you more to pay off your balance. We recommend that you avoid paying only the minimum payment for long periods.

A8. What happens if you miss minimum payments?

If you miss minimum payments, you could find it harder to get credit in the future.

A8.1 If you're late with minimum payments, miss them or don't pay them in full

- We'll continue to charge interest at the same rates that apply to each transaction or fee on your account. So you'll pay more interest overall.
- We'll remove any promotional or introductory offers you have and we may end any instalment plans. If we do this, the standard rates would apply instead.
- We'll charge a default fee and interest on it. For more about this, see Part A5.

A8.2 If you keep missing minimum payments

- We can require you to pay back your overall balance in full if you don't pay missed minimum payments when we ask.
- We'll report missed minimum payments to credit reference agencies. This can make it harder or more expensive for you to get credit, such as a mortgage or car loan.
- We may take you to court. The court could order you to pay back what you owe.
- We might apply for a court order that secures the debt against your home or other property you own. This is called a charging order. After we get a charging order, we can apply for another court order to force you to sell your home or property.
- We might sell your debt to another business.
- We may charge you reasonable costs for enforcing this agreement, such as court costs, tracing costs and third-party collection costs. If we do, these costs won't be added to your balance, and we won't charge interest on them. We'll tell you if we charge them and when you need to pay them.

A9. When can we make changes to interest rates?

We may make changes to the interest rates we charge, including the Base Rate cap. Part B14 explains the reasons when we can do this. This may include changes to your interest rates if our view of your ability to repay us changes. For example, this could be based on the way you manage your account or information we get from credit reference agencies.

We'll give you at least 60 days' notice before we increase the interest rates we charge you, except where they change in line with changes to Base Rate. If we reduce interest rates, we'll give you at least 7 days' notice, except where they change in line with changes to Base Rate.

Before any interest rate increase takes effect (other than changes in line with Base Rate), if you don't accept the change, you have 60 days to tell us that you want to close your account, and you can repay what you owe at the existing interest rates. This agreement will continue until you repay what you owe us.

Part B14 also explains when we can make changes to fees and charges and other terms of the agreement.

| Our contact details | |
|---------------------|--|
| Online | You can contact us through our app or online banking |
| Phone | Reporting a lost or stolen card From the UK: 0800 015 1515 From abroad: +44 113 242 8196 Customer services From the UK: 0345 944 4555 From abroad: +44 1733 573 189 |
| Address | Halifax, Credit Cards, The Green Building, Leeds LS78 1LB |

Some services for managing your account might not be available through all of these channels. You can find out more about how to service your account on our website.

How Lloyds Banking Group Companies use your personal information

The information on personal information below does not form part of the credit agreement.

It is important that you understand how we use the personal information you give us. We strongly advise you to read our Privacy Statement. You can ask us for a copy or find it at halifax.co.uk/securityandprivacy/privacy. You must also provide additional cardholders with our Privacy Statement and share details of how we'll use their personal information.

By signing this agreement, you agree to both Parts A and B.

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Part B – Additional important terms

Contents

- B1. Using your card**
- B2. Keeping your account safe**
- B3. How do changes in Base Rate affect my standard interest rates?**
- B4. Making transactions using your credit card**
- B5. Using an authorised Third-Party Provider**
- B6. Using your credit card for transactions in foreign currency**
- B7. When can we stop you using your account or refuse to authorise a transaction?**
- B8. Paying off your credit card balance**
- B9. How we apply your payments**
- B10. Persistent debt**
- B11. Statements**
- B12. What to do if something goes wrong**
- B13. How we'll get in touch with you**
- B14. Changes we may make to your account**
- B15. How can this agreement end?**
- B16. Other important terms**

B1. Using your card

B1.1 Your credit card is for personal use

Your account is for personal use only. You mustn't use it for any business purpose.

You must live in the UK to be eligible for the credit card.

B1.2 Your credit limit

You can only borrow up to your credit limit at any time. If you go over it, you'll need to repay the amount above it straight away.

When we assess if a transaction is within your credit limit, we include pending transactions. These are transactions we've authorised but haven't charged to your account yet.

We may set limits on how much of your credit limit you can use for certain transaction types, such as cash withdrawals. We may also set spending limits, such as a daily limit on the amount you can withdraw in cash. You can ask us what these limits are.

We can change your credit limit at any time, and we'll tell you when you're eligible for an increase. We'll always give you 30 days' notice of any approved increase, unless:

- we've offered you an increase and you accept it at the time and want it to apply in less than 30 days
- you've asked us for the increase.

You can tell us if:

- you want a lower limit, but we may need a minimum limit
- you don't want any future increases to your credit limit
- you don't want us to increase your credit limit without checking with you first.

We may also reduce your credit limit. Part B14 explains when we can do this and how we'll tell you about it.

B1.3 What to do if your circumstances change

Let us know as soon as possible if your circumstances change in a way that may affect your finances.

If you have money worries or are going through financial difficulty, we have support available. See Part A for 'Our contact details'.

B1.4 What do we class as cash transactions?

Cash withdrawals. Using your card to withdraw cash from a cash machine or over the counter (where available). Cash machines have a daily withdrawal limit of £500 unless the operator sets a lower limit, or we tell you otherwise.

Currency exchange. Using your card to buy foreign currency at a currency exchange.

Cash equivalent. Using your card to make cash-related transactions or transactions that are like obtaining cash. This includes:

- sending money orders or wire transfers, other than balance transfers or money transfers
- buying coins, banknotes or digital currency
- paying government or court fines, enforcement penalties, fees or costs
- online trading such as share dealing or investments
- purchasing or topping up electronic money, payment cards, mobile wallets or account dashboard services.

B2. Keeping your account safe

Always keep your card details safe, and make sure nobody else can use them without permission. These include your card, card details, PIN, passwords and passcodes. If you store your details electronically, such as in a digital wallet, you must keep your device safe too.

B2.1 How you can keep your account safe

We use up-to-date security systems to help protect your money. There are also things you can do to help keep your account safe:

- Follow instructions we give you.
- Sign every card we send you as soon as you can.
- Check your statements. Tell us if you spot an error or don't recognise a payment.
- Keep your contact details up to date so we can contact you if we need to.
- Make sure any additional cardholders keep to all the terms in this agreement.
- Select secure passwords and PINs. Don't select anything that might be easy to guess, such as a date of birth.
- Don't write down your security details in a way that someone else could understand.
- Don't let anyone see or hear your security details.
- Don't use your card for anything illegal.

We'll **never** ask you to:

- share your account details like username, password and memorable information
- tell us your full Personal Security Number (PSN) for Telephone banking
- tell us your PIN or card expiry date
- move money to another account.

B2.2 What to do if you think someone is trying to use your account

If you think your card has been lost, stolen, damaged or misused, or you think someone may be using your account without permission, tell us as soon as you can so we can help. Use the contact details in Part A.

If you don't keep your account safe, you may be responsible for money that is taken from your account. For more information, see Part B12.1.

B3. How do changes in Base Rate affect my standard interest rates?

Your interest rate will never go over a limit called the cap. See Part A4.5 for more information about the cap, but we've included an example below to help explain how it works.

If Base Rate continues to rise after your rate reaches the cap, your rates won't go up any further.

If Base Rate then goes down, your rates won't necessarily go down straight away. They will stay at the cap until the Base Rate goes down to the level at which the cap was reached. Then, if Base Rate continues to fall, your rates will also go down.

For example

Your standard simple rate is 29.0000% and the cap is 30.3420%.

- if Base Rate goes up 1%, your simple rate will go up to 30.0000%.
- if Base Rate goes up another 1%, your simple rate will go up to the cap of 30.3420%.
- if Base Rate goes up another 1%, your simple rate will stay at 30.3420%.
- if Base Rate then goes down 1%, your simple rate will stay at 30.3420%.
- if Base Rate goes down another 1%, your simple rate will go down to 30.0000%.

When will my interest rate change after a change in Base Rate?

If Base Rate changes in the first month of your account opening, your interest rates will change the day after the date of your first statement. For any changes in Base Rate after that, your interest rate will change on the next working day after the change in Base Rate.

After a Base Rate change, we'll confirm your new interest rates on your next statement. If we're not sending regular statements, for example because you don't have an outstanding balance, you'll see your new interest rate on the next statement we give you.

When will my interest rates stop tracking Base Rate?

Your interest rates may stop being linked to Base Rate if you're in persistent debt for 36 months (two back-to-back 18-month periods). We say you are in persistent debt if you paid more in interest, fees and charges than the amount you paid off your balance over the last 18 months. For more information about persistent debt see Part B10.

Your interest rates may also stop being linked to Base Rate if your account is closed, or for another reason set out in Part B14 that we'll tell you about at the time.

We might link your interest rates back to Base Rate again if the reason they stopped being linked ends, or for another reason set out in Part B14. We'll write to let you know your options if we do this.

B4. Making transactions using your credit card

You, or any additional cardholders, need to authorise transactions on your card or using your credit card details. This includes card details stored in a digital wallet (see below).

B4.1 How you can authorise a transaction

You can authorise a transaction in these ways:

- Using your card with a PIN or signature.
- Using your card details and following security steps online.
- Asking us to make a balance transfer or money transfer.
- Telling a retailer to take a payment from your card on a recurring basis.
- Using your card at a contactless payment terminal. We'll sometimes ask you to enter your PIN to make sure it's still you that has the card.
- You can enter the email address you have registered with us and a one-time passcode at an online checkout to release your card details if your card and the online store are registered for Click to Pay.

You can also register your card details on digital wallets like Apple Pay™ or Google Pay™ on your device. Once you've added your card, you can use digital wallets at contactless payment terminals or to make purchases online.

If you get a new card, you'll need to give the retailer or digital wallet provider the new card details. We may use card detail updater services provided by the relevant card schemes. This allows the organisation you are paying to find new card details so it can process a regular card transaction on your card. This stops the transaction failing because of incorrect card details and makes things more convenient for you. If you're making regular card transactions, you're still responsible for giving your new card details to the organisation you're paying.

B4.2 Can you cancel a transaction?

You can cancel future-dated transactions if you tell us by the end of the working day before it is due to be taken.

Working days are Monday to Friday, not including English bank holidays.

You cannot cancel any other transaction after you have authorised it.

B4.3 Making a balance transfer or money transfer

The minimum amount you can transfer is £100. The maximum amount you can transfer is 93% of your credit limit, less the amount of your existing balance and any pending transactions. This is to allow for fees, charges or payments that haven't reached your account yet.

The recipient bank or lender needs to be a UK provider and a member of the Faster Payment Scheme. The money will reach the recipient account by the end of the next working day after we make the transaction. Working days are Monday to Friday, not including English bank holidays. For balance transfers you should continue to make payments requested by your other lender. If we sent the money late, you can ask us to contact the receiving bank or lender to ask if they'll treat the money as if it was paid on time.

B4.4 Using instalment plans

An instalment plan lets you pay off part of your balance in fixed monthly payments over a set period that you choose, from options available.

How does it work?

- If we offer you an instalment plan, we'll tell you the terms that apply, including any monthly fee and the interest rate that will be charged instead of your standard rates.
- If you take out an instalment plan, it will become part of your instalment plan balance.
- You'll pay a set amount each month, which includes any fees and interest for the plan. This is the instalment plan payment.
- You can cancel an instalment plan at any time.

What happens if you get a refund?

- If you get a refund for a part of your balance that is covered by an instalment plan, we'll normally apply the refund to your main balance. The instalment plan will continue as normal but you can cancel it any time.
- If a refund does reduce your instalment plan balance, you'll see this in your monthly statement.

When will an instalment plan end early?

We'll end an instalment plan early if:

- You miss or only partly pay two instalment plan payments in a row.
- You cancel it.

We may also end your instalment plans early if:

- You are in persistent debt for 18 months (see Part B10), and we may not let you start new ones.
- You break the terms of this agreement.
- We reasonably believe that ending your plans is in your best interests.
- We close your account.

When an instalment plan ends early, the remaining amount (including any fees and interest that we've charged but remain unpaid) will move to your main balance on the same day, unless we're ending it because you have missed or only partly paid two instalment plan payments in a row. If that happens, the remaining amount will move to your main balance on your next statement date.

Payments and your statement

Your monthly statement will show the minimum amount you need to pay and the payment due date. If you have instalment plans, it will also show the amount you need to pay to keep them (this will usually be higher than the minimum payment). If you don't pay this in full, any unpaid instalment plan payment amounts will move to your main balance on your next statement date.

What happens when an amount moves from your instalment plan balance to your main balance?

Your standard interest rate for that transaction type will apply instead of the instalment plan interest rate, starting from the date on which the amount moves to your main balance.

B5. Using an authorised Third-Party Provider

Third-Party Providers (TPPs) use Open Banking, with your consent, to access your account. They may be an account information service provider (AISP) or payment initiation service provider (PISP) or a card-based payment instrument issuer (CBPII). They're authorised by law to access information or give instructions to make certain transactions for you. To give a TPP consent, you must be registered for online banking.

- PISPs can give payment instructions for you, including requesting balance transfers or money transfers.
- AISPs can access online account information to let you see information about your different accounts in one place.
- CBPIIs can confirm that you have enough credit for a transaction.

B6. Using your credit card for transactions in foreign currency

You can use your card to make cash transactions in foreign currency or make a purchase in foreign currency.

We'll convert the transaction into pounds sterling using the exchange rate set by the payment scheme on your card, such as Mastercard or Visa. They use the rate that applies at the time you make the transaction. The rate that's been used will show on your statement. You can call us to find out the current rate and you can find out more information on our website about our exchange rates and how to

compare them with those of other issuers. Exchange rates can change during the day. We may add a non-sterling purchase fee to the converted transaction amount. For more information, see Part A5.

In some countries, the cash machine or card terminal may let you choose to pay in pounds sterling instead of local currency. If you do this, the exchange rate will usually be provided by the cash machine or terminal operator.

B7. When can we stop you using your account or refuse to authorise a transaction?

We can stop you using your account, or refuse to authorise a transaction or a type of transaction if:

- the transaction would put you over, or further over your credit limit, or any limits that apply for certain transaction types
- we're worried about the security of your account, card or security details
- we think your card or security details are, or are at risk of, being used by someone else
- we think fraud is happening on your account, including if the transaction seems unusual
- there's a significantly increased risk that you won't be able to repay us
- the law or regulation requires us to
- we reasonably believe the transaction causes a high risk to you, for example if many other customers have disputed similar transactions
- it is a gambling transaction. This includes buying food and drink at places such as casinos, betting outlets and bookmakers. It also includes buying online lottery tickets or gaming chips. You must not use your card to make gambling transactions. If you do, we'll treat it as a cash transaction, and we won't be responsible for any losses you suffer
- a Third-Party Provider doesn't appear to be authorised by law or hasn't provided appropriate certification
- you've asked us to freeze your card. This is where you ask us to stop you using the card or making certain transactions, such as online payments.

We can't always tell you before we refuse a transaction or stop you using your card. We'll tell you if we refuse to make a balance transfer or a money transfer, unless it might weaken our security or there are legal reasons we can't. For other transactions, you will usually find out because the retailer will ask for a different payment method, or the cash machine won't let you withdraw the cash. We'll let you use the card again once the reasons for stopping it are resolved.

B8. Paying off your credit card balance

B8.1 How to make a payment

Payments must be in pounds sterling. If you don't pay in pounds sterling, we'll convert it using an exchange rate we set. We'll confirm this rate in writing afterwards. You can call us to find out our current exchange rate.

You must make at least the minimum payment each month by the payment due date on your monthly statement. Details of the different ways you can make a payment to us are on your monthly statement.

We don't treat payments as received until they reach us in cleared funds, so you need to allow time for us to receive the money by the payment due date. Once received, we'll credit electronic payments to your account within two hours, and other payment methods by close of business the next working day at the latest.

You mustn't pay more than you owe when you make payments to your account, or transfer money from another credit or store card if this creates a credit balance on your account.

If there is ever a credit balance on your account, we may apply it to any recent transactions not yet shown on your account, or to transactions you make after the date your account goes into credit.

We may also return credit balances to any account held in your name that you've made payments to your credit card from or pay the money into a deposit account you hold with us or a member of the Lloyds Banking Group. We don't pay interest on credit balances or take them into account for any loyalty or reward schemes.

B8.2 Paying by direct debit

You can set up a direct debit, for example to pay the minimum amount required to follow the terms of this agreement and keep any instalment plans you have, a fixed amount, or your full balance.

We may increase your direct debit payment if it's not enough to cover your minimum payment, to collect any instalment plan payments (if you have instalment plans), and to collect any missed payments that haven't been paid.

If you have any instalment plans and have set up a direct debit to pay your full balance, your direct debit will cover your main balance in full and your instalment plan payments.

We may lower your direct debit payment if it would put your account into credit.

Your statement shows the date your direct debit is due to be taken. If it isn't a working day, we take it on the next working day. Working days are Monday to Friday, not including English bank holidays.

If you make an extra payment during the month, we'll still usually take your direct debit amount in full unless:

- we've reduced your direct debit payment to avoid putting you into credit
- you have any missed payments on your account but paid these in full before we take your direct debit
- we've changed the way your account works because you're in financial difficulty.

In those cases, we may lower your direct debit. We'll do this until two clear working days before your next direct debit payment is due to be taken.

B8.3 How refunds, cashback and credit adjustments affect your minimum payment

If you get a refund, cashback or a credit adjustment between your statement date and your payment due date, they'll reduce your overall balance.

They'll only count towards your minimum payment for that month, after any arrears have been paid, if they reduce the overall balance to less than the minimum payment amount due. If this happens, and you haven't paid your minimum payment yet, we'll reduce the minimum payment to equal your overall balance.

B8.4 When we might refuse a payment

We may refuse a payment to your account if:

- it would create or increase a credit balance on your account
- we reasonably consider that not doing so may cause us, or another company in the Lloyds Banking Group, to breach a legal or regulatory requirement
- we reasonably consider that not doing so may expose us to action from any government or regulator.

B9. How we apply your payments

When we get a payment from you that doesn't pay off the overall balance on your account, we allocate it in this order:

1. Any overdue amounts from previous statements.
2. The minimum payment for that month.
3. Any instalment plan payments for that month. If your payment isn't enough to cover all the instalment plan payments due, we'll apply it to your plans, starting with the highest interest rate plan and ending with the lowest interest rate plan. For instalment plans with the same interest rate or 0% interest, we'll apply your payment to the oldest plan first.
4. The rest of the main balance from your latest statement.
5. The rest of the instalment plan balance. If you have more than one instalment plan we'll allocate your payment in the same order as set out in point 3 above.
6. Any amounts that haven't been included in your statement yet.

We apply payments to the part of your main balance with the highest interest rate first. If you have balances in your main balance that are charged at the same interest rate and are not on introductory or promotional offers, we'll usually apply payments in this order:

1. Cash transactions, plus interest, fees, and charges.
2. Purchases, plus interest, fees, and charges.
3. Balance transfers and money transfers, plus interest, fees, and charges.
4. Default fees.

Your payments will usually pay off the oldest balance first. However, if you have balances with the same interest rate on introductory or promotional offers, your payments will pay off the offer that ends soonest first. Next, they'll pay off any related fees, charges or payment protection insurance. If you're in persistent debt, we may apply your payments differently.

B10. Persistent debt

We say you're in persistent debt if you paid more in interest, fees and charges than the amount you paid off your balance over the last 18 months. If this happens, we may end any instalment plans you have and move your instalment plan balance to your main balance.

If you're in persistent debt for 36 months (two back-to-back 18-month periods), we'll make these changes:

- We'll unlink your interest rates from Base Rate. Your standard simple rates will stop changing in line with changes to Base Rate. We may still change your interest rates for other reasons set out in Part B14. We'll write to you if this happens.
- We'll separate the balance you owe on your account at that time from any future transactions. We'll explain what you can do to repay that balance. To help you, we may include a recommended payment amount on your statement each month. That is the amount you'd need to pay to clear that balance in a reasonable period, and the amount you'd need to pay on any new spending to avoid falling into persistent debt again. If you don't make the recommended payment, it won't be a breach of this agreement as long as you make at least the minimum payment, but we'll stop you using your card for new transactions. Once your balance is paid in full we'll close your account.
- If we separate your persistent debt balance, we may apply your payments differently to the way explained in Part B9. This is so you pay off your persistent debt balance before any new transactions. We'll do this in a way that doesn't cost you more interest in total.
- We may also reduce your credit limit (see Part B14.2).

B11. Statements

We'll provide you with a statement each month there has been activity on your account, a payment is required, or you owe us anything at your statement date.

We may also provide a statement to give you information or a reminder about your account. For example, it might include notices that we must give you by law, such as a notice that you're in arrears or have incurred a fee or charge because you've breached this agreement. You may change your statement date up to twice in any 12-month period.

If you miss a minimum payment, your statement for the next month will show the minimum payment for that month and the minimum payment you missed from the month before.

You must pay us even if you don't get your monthly statement for any reason. If this happens, you must contact us to find out the minimum payment due that month. Tell us as soon as possible if your statement seems wrong or you don't receive it.

We'll also give you an annual summary statement at least once every 12 months showing how you've used your account.

B12. What to do if something goes wrong

B12.1 Unauthorised transactions

You won't be responsible for transactions you haven't authorised. We'll refund the transaction and adjust interest, fees and charges that result from it as soon as we can. This includes transactions initiated through a TPP.

If you let someone else use your card or security details, you'll be responsible for any transactions they make. You'll also be responsible for transactions any additional cardholders authorise.

This is the case until you tell us your card or security details may have been misused.

You must give us any information and help we reasonably ask for to deal with misuse or unauthorised access to your account, or about any transaction that we, the police or other authorities are investigating. We may pass related information to other lenders or banks, those involved in processing card transactions, or the police or other authorities, in the UK or abroad, if appropriate.

B12.2 Incorrect transfers

If we transfer money to the wrong place, we'll refund it as soon as possible. This includes any interest, fees or charges that result. We'll issue a refund even if a Third-Party Provider initiated the transfer.

We won't refund you if you gave us incorrect details or we can show that the other bank or lender received the payment. We'll try to trace and recover the money if you ask us.

If someone such as another bank tells us that another person has paid money into your account by mistake, we may take an amount up to the mistaken payment amount from your account. We don't have to ask you to agree to this but will tell you if it happens. We'll act reasonably and try to reduce any disruption to you. If we can't return the money to that person we may give them, or their lender or bank, details about you and your account so they can recover the money from you.

B12.3 Refunds for transactions you've authorised

You can ask us for a refund for a transaction you make in the UK or EEA if you didn't agree the exact amount and it was higher than you reasonably thought it would be – for example, if you used your card to pay a hotel bill but didn't know the exact amount until you checked out. You'll need to ask us for a refund within eight weeks of the payment being charged to your account. We may ask for more information to see if you could have reasonably expected what the actual amount would be. We'll look at how you normally spend and the facts about your purchase. You won't be entitled to a refund if:

- you agreed the payment directly with us
- we or the seller made information about the amount available to you at least four weeks before you paid.

We'll tell you what's happening within 10 days of your claim date, or the date we get the information we've asked for.

We won't refund you if you give us the wrong details for a payment or cash-related transaction, or if we can show that the bank we made the payment to received it. If this happens, we'll help you recover the money, but may charge a fee to cover our costs.

B12.4 Your rights if something goes wrong with a purchase

If you use your credit card to pay for something costing over £100 and less than £30,000, you may have the right to claim against us as well as (or instead of) the supplier of the goods or services if the goods or services you bought were faulty, unsatisfactory or not supplied – for example, if they didn't arrive, they were damaged or they weren't as the supplier described them. If it applies, you'll be covered for the whole cost of what you purchased, even if you only pay for part of it on your credit card.

This doesn't apply to cash withdrawals, balance transfers or money transfers. It may not apply if you use your card to fund an account with a third party like PayPal, and then pay for goods or services with that account. Ask us if you're not sure if something is covered.

B12.5 Complaints

If you have a complaint you can contact us through our app or online banking, or write to us or call us. See Part A for 'Our contact details'. If we can't resolve it, or you're not happy with the response, you can refer it to the Financial Ombudsman Service. For more details, go to www.financial-ombudsman.org.uk

B13. How we'll get in touch with you

We may contact you by post, phone or electronically using the latest contact details we hold for you. We may also send communications to you in online banking or our app, or another digital banking service we may provide in future. This includes email, text and, if you download our app, mobile push notifications.

If we send communications to your Digital Inbox in online banking or our app, we'll email or text you to tell you. Once we send you a message, we'll assume you've received it. Electronic communications may include an attachment in PDF or similar format. Make sure your devices are set up to receive them.

It's important to tell us if your name or contact details change. See Part A for 'Our contact details'. If you don't tell us about changes, we'll use the last contact details you gave us. We may ask you for proof of some changes. If you don't do this promptly, we may stop you making transactions or close your account.

If your contact details aren't right, we may charge you our reasonable costs for trying to find you. We're not responsible if we can't contact you or send confidential information to the wrong address because your details aren't up to date.

If you give us your mobile number or email address, we'll register you for our free account alerts service. This is so we can send you messages about certain activity on your account.

B14. Changes we may make to your account

As this agreement could last a long time, we may sometimes need to change the terms.

B14.1 What can we change?

We can change or introduce new:

- interest rates, which includes changes to the Base Rate cap, or whether your rate is linked to Base Rate
- fees or charges
- services or features, or
- other terms in Part A or Part B, such as credit limit, minimum payment or card type.

We can't change terms we tell you are fixed, such as interest rates that are fixed for a set period.

B14.2 Why can we make changes to this agreement?

Any change we make will be reasonable and in proportion to a change that affects us, or we reasonably think will affect us. We may make changes for these reasons:

(a) Changes to law or regulation

Changes to the laws, regulations, codes, or industry guidance that apply to us. This includes a requirement of a court, ombudsman, or regulator.

(b) Changes to our products, services or features

Changes to our products, services or features or how we provide them, including our IT and accounting systems. This includes introducing new or additional services or features or changing them. It also includes removing existing services or features of your account.

(c) Changes in processes and developments

- Changes in requirements for preventing fraud or how the payment systems or card schemes work.
- Any other change to reflect good industry practice in banking and financial services that affects us, if it's fair to pass the impact on to you.

(d) Changes to costs

A change in the costs of running our credit card accounts. This includes our funding costs and how much it costs us to provide the services connected to your account.

(e) Changes due to our risk of lending to you

We can make changes, such as reducing your credit limit, if we think your ability to repay what you owe changes. This may be because:

- you've broken this agreement several times, for example by missing payments or going over your credit limit
- the type, value or frequency of transactions you make shows high-risk behaviour, such as unexpectedly high cash withdrawals
- you've broken the conditions of another agreement with us or another part of the Lloyds Banking Group
- credit reference agencies tell us about changes in your financial status
- you are in persistent debt (see Part B10).

We won't make changes to default fees for these reasons or increase your interest rate if we know you're at risk of financial difficulty.

(f) Positive changes

We can make changes to do something positive for you.

(g) Changes to reflect the way you use your account

For example, we may reduce the number of days between the statement date and payment due date if you always pay off your balance in full.

(h) Move back to standard terms or pricing

We may move you back onto interest rates or fees if we changed them because of your personal circumstances.

(i) Minimum payment

We can change your minimum payment by changing the calculation in Part A7 for these reasons:

- Considering what you have repaid and the likely time it would take you to repay your balance based on your repayment pattern.
- To reflect a change to interest rates or fees, to make sure your minimum payment pays off enough of your account balance, as well as the interest and charges included in your minimum payment.
- To reflect good industry practice in banking and financial services in providing your account.

(j) Other changes

As this agreement has no fixed end date, we may need to make changes for a reason not listed here if it's reasonable for us to pass on the effect of that change to you.

B14.3 When we'll tell you about changes

We'll normally tell you in writing about changes and when they apply from.

| Type of change | When we tell you | Can you reject the change? |
|--|------------------------------------|--|
| Change not to your disadvantage | At least 7 days before the change | No, unless you close your account and pay off your overall balance before the change takes effect – see Part B15.2 |
| Change to your disadvantage (except interest rate changes) | At least 60 days before the change | No, unless you close your account and pay off your overall balance before the change takes effect – see Part B15.2 |
| Change to interest rates to your disadvantage | At least 60 days before the change | Yes, you'll have at least 60 days to reject it, but this will close your account and you can repay your overall balance at your current rates – see Part B15.2 |

B14.4 Changes to your card type

We can change the type of card you have, such as Visa, Mastercard or another card scheme or brand of card; or we can issue a different card type. If we do any of these things, we can also change your card and account number. We'll tell you if the standard interest rates, fees, charges, credit limits or promotional offers will also change. We can't change the terms of promotional offers you've already taken up.

We can issue an additional card that's a different type to a card you already hold. This means your account could have two cards of different types. If this happens, your account will operate as a single account with one credit limit that's accessed by any of the cards associated with it. We can also give you other ways to access your account.

B15. How can this agreement end?

B15.1 You change your mind

If you change your mind, you can withdraw from this agreement within 14 days, starting from the day after you receive your first card. You don't have to tell us why. If you want to withdraw, you must tell us by phone or in writing using the contact details in Part A.

You must repay any balance you owe without delay and no later than 30 calendar days after you tell us you want to withdraw. You can pay by direct debit, online, over the phone, in branch or by post. If you've used your card, you must also pay any interest due, but you don't have to pay any fees or charges. You can ask us for the interest charged per day.

B15.2 You or we end it

This agreement has no fixed length. It can be ended by you or us. You can close your account and end the agreement using the app or by calling or writing to us and paying off your overall balance in full.

We can close the account by writing to you. We'll usually give you at least two months' written notice, but we can close your account and ask you to repay everything you owe straight away for these reasons:

- If we reasonably think there's illegal or fraudulent activity on or connected to your account.
- If you are, or may be, behaving improperly, for example in a threatening or abusive way regarding this account, or any other account you have with us, or may have with another company in the Lloyds Banking Group.
- If by continuing the agreement any company in the Lloyds Banking Group may be exposed to action from any government, regulator or other authority or may break a legal or regulatory requirement.
- If you are made bankrupt, apply for a Debt Relief Order, or make an Individual Voluntary Arrangement with another lender.
- If you have seriously or repeatedly broken this agreement in any other way.
- In the event of your death.

Before we demand payment, we'll always follow legal requirements to protect you.

If either of us gives notice to close the account and end this agreement, once any notice period ends:

- we'll close your account and you must stop using it
- you won't be able to make any transactions
- you must destroy all cards and cancel any recurring or future-dated transaction instructions and repay your overall balance in full
- the agreement will continue until you have repaid everything you owe, including amounts added to your account after notice was given
- we can continue to charge interest, fees and charges until you have repaid your overall balance in full
- if your standard simple interest rates are linked to Base Rate, we'll unlink them.

If you tell us you want to close your account because of a change we're making and you repay your overall balance before the change takes effect, the change won't apply to your account and your agreement will end. If there's a balance on your account when you tell us you want to close it, you'll be able to repay your overall balance at your existing interest rates once your account closes. If your rates are linked to Base Rate, we'll unlink them. Any other changes and the new terms and conditions will apply unless we tell you otherwise.

If a court orders you to make a payment to us, we'll charge interest at the relevant rates on amounts you owe us both before and after the court order.

B16. Other important terms

B16.1 Rights and obligations under this agreement

You can't transfer any of your rights or obligations under this agreement. We may transfer our rights and obligations under this agreement to someone else. This includes our obligation to lend. If we do, your rights under this agreement will not be affected.

If you don't keep to the agreement and we decide not to enforce any of our rights against you, we can still enforce them later, unless we tell you otherwise.

Someone who isn't a party to this agreement can't enforce it.

Each term or part of a term of this agreement operates separately. If any court of competent authority decides any of them are unlawful or unenforceable, the other terms will remain in full force.

B16.2 What happens if we break the terms of this agreement?

If we break this agreement, we're responsible if you suffer loss, unless:

- a retailer or bank, or its cash machine or other machine, doesn't accept your card or card number
- the loss or costs are caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary. These include delays or failures caused by industrial action, such as strikes, problems with systems or networks, mechanical breakdown or data-processing failures
- a regulatory requirement means we must break this agreement.

We make this agreement with you as a personal customer. This means we aren't responsible for any business losses or costs you suffer.

These exceptions don't apply to losses caused by us acting fraudulently or carelessly, or any other liability that the law stops us limiting or excluding.

B16.3 Governing law

English law and the courts of England and Wales will decide legal questions about our agreement, unless you lived in Scotland when you opened your account.

If you lived in Scotland when you opened your account, Scottish law and the courts of Scotland will decide any legal questions about it.

If you live in Northern Ireland, you can bring a claim in the courts of Northern Ireland.

B16.4 Our provision of payment services

You explicitly consent to us accessing, processing and retaining any information you give us to enable us to provide payment services to you. This doesn't affect any rights and obligations you or we have under data protection law. You may withdraw this consent by ending this agreement. If you do this, we stop using your data for this purpose once your balance has been repaid. We may continue to process your data for other purposes.

B16.5 Other key information

You may request a copy of this agreement at any time.

Any security you give us under another agreement won't apply to this agreement. For example, if you have a mortgage with us, the security over your property doesn't apply to this credit card agreement.

Our charges include any delivery costs and any tax you have to pay through us. You may have to pay other taxes or costs that you don't pay us or through us.

We provide this agreement in English and will communicate with you in English.

B16.6 About us

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 169628.

Lloyds Banking Group means us and a number of other companies using our brands, which include Lloyds Bank, MBNA, Halifax and Bank of Scotland. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com