

Sheffield Credit Union Supplementary Loan Terms & Conditions

1 Definitions and Interpretation

1.1 In these terms and conditions, the following expressions shall have the following meanings:-

1.1.1 "**Lender**" means the company (Sheffield Credit Union Limited) and where relevant, its partners, directors, employees and officers.

1.1.2 "**Borrower**" means the individual(s) agreeing to enter into a Loan Agreement with the Lender and who acknowledges and accepts the Lender's terms and conditions.

1.1.3 "**Guarantor**" means the individual(s) who agrees liability to repay to the Lender the loan capital and any interest due in the event of a default in the terms of the Loan Agreement by the Borrower including default interest and any legal costs incurred.

2 Data Protection

2.1 Sheffield Credit Union (the Lender) agrees to comply with the terms of the Data Protection Act 1988.

2.2 The Borrower's personal information will be treated as confidential and only disclosed at your request **or** to prevent fraud, by order of the courts or to recover unpaid debts where the borrower has not responded adequately to requests to bring the loan account up to date. We may contact any person provided by you to us on information held by us if we are unable to contact you or you do not respond to requests to contact us if your loan falls into arrears. It is your responsibility to ensure that your contact details are always kept up to date with us.

2.3 The Borrower is entitled to a copy of the information held by the Lender by requesting it in writing for which a fee may be charged. This excludes personal financial information revealed by Credit Reference Organisations as a result of an initial appraisal of the customer's financial ability to service loan repayments.

2.4 The lender reserves the right to give Credit Reference Organisations details of non-payment when the Lender makes demands to the Borrower but receives no repayment or satisfactory proposal for repayment.

2.5 The Lender reserves the right to forward the Borrowers details to the Department of Work and Pensions or an external debt collection agency in the event of a default as described in section 5.5 below. The Management of the Lender will ensure that any external debt collection agency charged with carrying out debt collection on the lenders behalf, are appropriately licensed by the Office of Fair Trading and the Information Commissioner's Office.

3 Responsible lending

3.1 Sheffield Credit Union endorses responsible lending and as such is a Responsible Lender. We will continue to make lending decisions based on affordability.

4 Lender's liability

4.1 The Lender shall not be bound by any inaccuracy, however caused, in any document it issues.

4.2 The Lender shall have no liability for any representation made by its Employees or Appointed Offices except where proven to be fraudulent.

5 Repayments

5.1 The Lender reserves the right to attach conditions to the approval of a loan, which may include but is not limited to: requirement to build savings in a non-withdrawable account whilst loan repayments are made; requirement to transfer a benefit from which repayments will be taken.

5.2 The Borrower agrees to make repayments on the due dates in accordance with the terms of the Loan Agreement.

5.3 Failure to make the agreed repayments in accordance with the Loan Agreement constitutes a breach of the Terms & Conditions.

5.4 The lender reserves the right to charge the Borrower default interest which can be retrospectively charged from the first day of the breach.

5.5 The Lender reserves the right to withhold the Borrowers shares in the event of a default.

5.6 In the event of a default by the Borrower and should a satisfactory proposal for payment from the Borrower not be acceptable or a previously agreed payment plan enters into default the loan balance and interest may be passed to an external debt collection agency incurring significant additional costs to the Borrower of a maximum of 50% plus VAT of the loan balance and interest. In addition a Sheffield Credit Union referral fee of £20 will be charged. Information about the Borrower's loan and balance may be passed to the Department of Work and Pensions for their consideration of deductions from benefits that the Borrower may be entitled to.

6 Legal Advice

6.1 The loan Agreement between the Lender and the Borrower is a legally binding agreement. The Borrower has the right to independent legal advice prior to signing the agreement, Should the Borrower choose not to take independent legal advice prior to entering into loan Agreement the Borrower agrees to be bound by the terms and conditions of the contract.

6.2 By choosing not to take independent legal advice, the Borrower agrees that the Loan Agreement was not signed under duress.