

Sheffield Credit Union Limited

Supplementary Loan Terms & Conditions

1 Definitions and Interpretation

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 General Data Protection Regulations (GDPR)

2.2 The Borrower's personal information will be treated as confidential and only disclosed at their request or to prevent fraud, by order of the courts or to enable credit reference checks or recover unpaid debts where the Borrower has not responded adequately to requests to bring the loan account up to date.

2.3 The Borrower is entitled to a copy of the information held by the Lender free of charge by requesting it in writing. The credit union shall provide this within one month. For complex or numerous requests, this may be extended by a further 2 months. This will be explained to the member by the end of the initial month. The Lender may decide to charge a reasonable fee or refuse to respond where requests are unfounded, excessive or unduly repeated. The fee, if charged, will account for costs of administration. This excludes personal financial information revealed by Credit Reference Agencies as a result of an initial appraisal of the customer's financial ability to service loan repayments.

2.4 The Lender shares with Credit Reference Agencies e.g. Experian, details of repayments made by the Borrower. In sharing this information the Lender will always seek to accurately reflect the status of the Borrower's account, in accordance with the guidelines set out by the Information Commissioner's Office.

2.5 The Lender reserves the right to forward the Borrower's 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. The Management of the Lender will ensure that any external debt collection agency charged with carrying out debt collection on the Lender's behalf, are appropriately licensed by the Office of Fair Trading and the Information Commissioner's Office.

2.6 Any personal data held by the Lender will be destroyed 6 years after the closure of the account, or sooner if required by law or on the Borrower's request to have their personal data deleted or removed under their 'right to be forgotten'.

3 Responsible lending

3.1 Sheffield Credit Union endorses responsible lending and will therefore seek to verify the affordability of loan applications. This will include but is not limited to; requesting bank statements; requesting proof of other income including self-assessment income.

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 Officers 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 Borrower's shares in the event of a default. Should the Borrower be remanded or sentenced by the court under Her Majesty's Prison service and begin to serve any length of sentence, the account will automatically be considered to be defaulted. The account will also automatically be considered to be defaulted if the Borrower's membership of Sheffield Credit Union is revoked (following appeal process).

5.6 In the event of a default by the Borrower and should a satisfactory proposal for payment from the Borrower not be reached or maintained, the loan balance and any accrued interest may be passed to an external debt collection agency. The Borrower will be notified in writing of this by the Lender, allowing not less than 7 days notice. Significant additional costs will be passed to the Borrower up to a maximum of 50% plus VAT of the loan balance and interest. In addition an administration fee of £20 may be added by the Lender.

5.7 Information about the Borrower's loan and balance may be passed to the Department of Work and Pensions for their consideration of deductions from any eligible benefits that the Borrower may be entitled to.

5.8 The Lender may also make an application for a court order for the repayment of any unpaid debts. This may include but is not limited to the following actions being taken; applications for county court judgements; attachment of earnings; enforcement and the use of bailiffs.

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.