



## Terms and Conditions



## Loan Terms and Conditions

### Defined terms

In this Agreement, the following words shall, unless the context requires otherwise, have the following meanings:

**Agreement** means this credit agreement and any reference to this agreement shall include Sections I and II;

**Borrower** means the individual identified as the Borrower in section I of this Agreement;

**Collector** means any collections agency Castle Community Bank may use from time to time;

**Further Charges** has the meaning given in clause 6.2;

**Letter Charge** has the meaning given in clause 6.2;

**Loan** means a loan provided by Castle Community Bank to the Borrower, the terms of which are set out in this Agreement;

**Nominated Bank Account** means the UK bank account that the Borrower indicates that it will use to pay money to, and receive money from, Castle Community Bank;

**Total Amount Payable** means the Total amount payable as set out in Section I;

**Unpaid Direct Debit Charge** has the meaning given in clause 6.2; and

In this Agreement, unless the context otherwise requires, words denoting the singular shall include the plural and vice versa, words denoting any gender shall include all genders and words denoting persons shall include bodies corporate and unincorporated, associations, partnerships and individuals.

#### 1 AGREEMENT

1.1 This Agreement consists of Sections I and II. Section III is a copy of the Account Opening Agreement, the



terms of which do not form part of this Agreement.

1.2 You can request a further copy of this Agreement free of charge at any time during the term of the Agreement.

## **2 PAYMENT**

When we have processed this Agreement (including the receipt and our satisfaction with all information we may require), we will transfer the total amount you are borrowing to your Nominated Bank Account.

## **3 REPAYMENTS**

3.1 You agree to repay Castle Community Bank the Total Amount Payable in the manner and at the times shown in Section I above, including interest on the Loan which shall be calculated at the outset for the whole period of the Loan and will be stated in Section I of this Agreement. The figure shown in Section I is calculated on the assumption that you make all repayments on time. The actual total amount due may differ depending on your actual repayment performance.

3.2 You must make payments to Castle Community Bank in Pounds Sterling by Direct Debit or by any other method Castle Community Bank permits you to use.

3.3 If you have more than one loan with Castle Community Bank, you must make a separate payment on each loan. If you send payments together and do not clearly designate the credit agreement to which the payment is to be applied, Castle Community Bank may apply payments to any of your credit agreements at its discretion.

3.4 We will credit payments to your loan account as of the day we receive the cleared funds, as long as we receive them within our business hours (9.00am to 6.00pm) that day. If we receive a payment after that time, we will credit it on the day after we receive it.

3.5 You may apply to change the date stated in Section I above on which the Direct Debit is due to be taken by calling Castle Community Bank on 0131 466 5006 or sending an email to [info@castlecommunitybank.co.uk](mailto:info@castlecommunitybank.co.uk). If the change is approved and a Direct Debit is due to be taken on a different date from that stated in Section I above or previously advised to you in writing, at the time of the change, the change in interest will be calculated to ensure that you pay the correct interest that is due to Castle Community Bank and you will be informed of this change.

3.6 It is essential that you make the repayments set out in Section I on time. If you are late in paying any sums due under this Agreement, the additional charges set out under Section 7 of this Agreement may be applied.



3.7 Your obligation to make repayments to Castle Community Bank under this Agreement will be satisfied by paying the relevant amount into the account below:

Account holder: Castle Community Bank

Account number: 00269292

Sort code: 801105

Payment reference: 12320136

3.8 Although we may credit your loan account with a payment, we reserve the right to reverse the payment if it is returned or dishonoured for any reason.

#### **4 INTEREST**

4.1 Interest accrues daily at the Simple interest rate and is applied on your scheduled repayment date each month to the balance of your loan account. You will pay the amount set out under "Monthly repayments" on each monthly repayment date, reflecting the interest charged on the Loan, and the amount set out under "Final repayment" above on the final repayment date to clear the amount representing the Loan, plus any additional charges you may incur under this Agreement.

4.2 As we charge interest on interest, the compound equivalent is the *Effective interest* rate set in Section I of this Agreement.

4.3 Interest is calculated and payable on the *Amount of credit* and on the *Arrangement fee*. At the beginning of the Agreement we calculate the interest you will pay over the whole period of your loan and add this to the *Amount of credit* and any other charges included within the *Costs of the credit* to determine the Total Amount Payable.

4.4 The Total Amount Payable and the APR assume all payments are made on time and that the Agreement is not ended early.

#### **5 CONTACTING YOU**

5.1 We will send you notices (as well as any other documents) by email to the email address you have most recently given to us. You should make sure you regularly check this information and any mail we post to you electronically in the same way you would written mail. You can also access any documents we send to you online through your Castle Community Bank account.

5.2 We may send you alerts, important messages and other communications about your loan account by



email, by SMS.

5.3 You must notify us immediately if you change your postal address, email address and/or mobile telephone number.

5.4 We may update your contact details if we receive information that they have changed or are incorrect.

5.5 If we have been unable to deliver any communications or these have been returned, we may stop attempting to communicate with you until we receive accurate contact information. We are not responsible if you do not receive a communication (other than information we are required to provide by law) if we send it to the address you have given us, or if we do not send the communication because previous communications have been undeliverable.

## **6 LATE OR MISSING PAYMENTS**

6.1 If you are late paying any sums due under this Agreement, in addition to the rights of Castle Community Bank under Section II of this Agreement, you may be charged interest on the instalment from when it is due until it is actually paid at the Simple interest rate payable under this Agreement.

6.2 You may also have to pay the following charges:

- Unpaid Direct Debit Charge on each occasion on which a Direct Debit request is not met by your bank: £15
- Letter Charge (for each letter, including a default notice, which we send to you after you have missed a payment): £15
- Further Charges may be added to your debt if any of the following services are required: field agent collections; tracing; debt counselling or litigation. These further charges will reflect the reasonable costs Castle Community Bank and/or MyCF (as the case may be) incurs as a result of your breaches.

6.3 If you are late in making a repayment, Castle Community Bank will initially attempt to make contact with you to resolve the matter without involving the Collector. During this period, you agree to Castle Community Bank re-presenting the Direct Debit which will have already been set up to take your monthly repayments. If that fails, Castle Community Bank will send you a letter informing you that your account will be passed to the Collector. If the late repayment has not been resolved prior to Castle Community Bank sending such letter we may apply the Letter Charge.



6.4 If the account is passed to the Collector any Unpaid Direct Debit Charges, Letter Charges and Further Charges will be added to the sums that they are seeking to recover from you. The total of the overdue amount, the charges just mentioned and any additional interest on the overdue amount will be payable by you.

## **7 EARLY REPAYMENT**

7.1 You may repay early in full or in part any amount owed under this Agreement ("Early Repayment Amount").

7.2 Early repayments can only be made on a monthly repayment date falling after the date that you give notice of your intention to repay (the "Early Repayment Date").

7.3 For early repayments, Castle Community Bank may charge an administration fee equal to the lower of:

- (a) 60 days' interest on the Early Repayment Amount and
- (b) an amount which, when added to interest already paid on the loan, shall be equal to an interest rate of 3 per cent per month on the daily balance from the date that the loan was advanced until the Early Repayment Date.

7.4 If you remit funds to Castle Community Bank in advance of the Early Repayment Date, we will apply the funds to your loan account on the relevant Early Repayment Date. You will not be entitled to any interest on those funds in respect of the period between receipt by Castle Community Bank and the Early Repayment Date.

7.5 Should you should wish to make an early repayment, you can request an early repayment statement to assist you in deciding the amount to pay.

7.6 If you wish to make an early repayment, please call Castle Community Bank on 0131 466 5006 or email [info@castlecommunitybank.co.uk](mailto:info@castlecommunitybank.co.uk).

## **8 DEFAULT AND TERMINATION**

8.1 You may end this Agreement at any time by making early repayment of the full outstanding balance owed under this Agreement (as set out in clause 7). You can request a settlement statement at any time. This Agreement will only come to an end once you have paid off all amounts you owe us. Until this time, all of the terms of this Agreement will continue to apply.

8.2 If you miss payments, this may have serious consequences including:



- (a) we may provide information about missing payments to credit reference agencies;
- (b) you may find it more difficult to obtain credit in the future;
- (c) the amount you pay overall may increase;
- (d) we may instruct debt collectors to recover the debt, and you may be liable for their costs;
- (e) we may take you to court to recover the debt, and you may be liable for the legal costs of both your and our solicitors; and
- (f) a bankruptcy application may be made against you.

8.3 We may end this Agreement immediately if any of the events in clause 8.4 occurs. If we do this, we will send you a notice terminating the agreement and then demand repayment of the full amount outstanding under the Agreement.

8.4 The events mentioned in clause 8.3 are:

- (a) you fail to make any payment under this Agreement on its due date, or otherwise seriously or persistently breach this Agreement;
- (b) you give us false or misleading information;
- (c) you are made bankrupt, enter into an Involuntary Arrangement (IVA) or become the subject of any other formal debt relief process;
- (d) you become the subject of a court action which has the effect of taking away your control of the whole or a substantial part of your assets;
- (e) you die;
- (f) we have reasonable grounds to believe you are unable or unwilling to pay your debts when due;
- (g) we have reasonable grounds to believe you are involved in fraud or other criminal activity in relation to the Loan; or
- (h) in Scotland (in addition to the events referred to above) you become apparently insolvent or suffer sequestration to be awarded on your estate or effects or a receiver, judicial factor or trustee is appointed for any portion of your estate or effects or you suffer any inhibition, arrestment, charge, attachment or other diligence to be issued, carried out or levied upon your estate or effects or there is exercise or threatened exercise of any landlord's hypothec or you enter into or apply for a debt arrangement scheme under the Debt Arrangement and Attachment (Scotland) Act 2002.

8.5 Before making any demand under clause 8.3, we (or MyCF or the Collector on our behalf) will take all the steps Castle Community Bank is required to take by law.

8.6 We may charge interest on any sums overdue at the Simple interest rate for the period from when the payment was due until payment is received in full.



8.7 You will also be liable to pay us our reasonable costs and expenses incurred by us in connection with the enforcement of this Agreement.

8.8 We may use any credit balance on any other account you hold with Castle Community Bank to reduce or repay any sums you fail to pay under this Agreement. We will give you a reasonable opportunity to pay outstanding sums before we do so.

8.9 If you are having or may have difficulty making payments, please call Castle Community Bank as soon as you can.

## **9. MAKING CHANGES TO THE AGREEMENT**

9.1 We may vary the other terms of this Agreement from time to time on giving you not less than 30 calendar days' written notice. We may change these terms for any of the following reasons:

- (a) to reflect a change in relevant law or regulation or the way we are regulated;
- (b) to enable us to respond proportionately to a relevant recommendation, requirement or decision of any court, ombudsman, regulator or similar body;
- (c) to enable us to give effect to any undertaking which we have given, or to respond proportionately to any undertaken given by another person, to one of our regulators;
- (d) to enable us to respond proportionately to any relevant guidance or standards issued by the Lending Standards Board or any similar body;
- (e) to reflect changes in fraud prevention requirements or changes in payment methods;
- (f) to reflect minor changes in technology or in our systems and procedures which has happened or is about to happen, including addressing any security threats to such technology or systems; and/or
- (g) to make any provisions of this Agreement clearer or fairer to you, or to correct any errors, omissions or inaccuracies or to improve the services that we provide.

9.2 The reasons for any changes set out in clause 9.1 above will not affect the terms on which the Loan is made available to you under this Agreement, or otherwise be more onerous or unfair on you. In any event, if you do not wish to be bound by any proposed variation of terms, you have the option, within the 30 calendar days' notice period, to repay early in full all outstanding amounts under this Agreement in accordance with clause 7 of this Agreement (Early Repayment). Such early repayment will be free from any additional penalties or fees.

## **10 FEES**

10.1 In consideration for arranging this Agreement, and if so specified in Section I, you must pay MyCF a fee (Arrangement Fee) in the amount specified in Section I.





10.2 The Arrangement Fee will be financed under this Agreement, repaid over the duration of this Agreement and is included within the Total Amount Payable. Interest is payable on the Arrangement Fee at the same rate of interest as that applied to the Amount of credit.

10.3 The Arrangement Fee is determined by us according to the Amount of credit, the duration of this Agreement and the underwriting process.

## **11 ASSIGNMENT**

11.1 We may transfer any of our rights and/or obligations, or assign any of our rights, under this Agreement. If we transfer, charge or assign this Agreement to a third party or if we employ a third party to manage any aspect of your account, we may pass relevant information about you to such third party.

11.2 If we transfer all of our respective rights and/or obligations, or assign all of our rights, under this Agreement, we will provide you with not less than 30 calendar days' written notice of such proposed transfer or assignment. If you do not wish to be bound by such proposed transfer or assignment, you have the option, within the 30 calendar days' notice period, to repay early in full all outstanding amounts under this Agreement in accordance with clause 7. Such early repayment will be free from any additional penalties or fees.

11.3 Clause 11.2 will not apply if we transfer any of our rights and/or obligations, or assign any of our rights, under this Agreement to one or more third parties who then appoint us (or another organisation which may not be connected with us) to manage this Agreement on their behalf so that we (or such other organisation) have the right to collect repayments from you on their behalf and apportion such payments to those third parties on such terms as we may agree with them. You agree that we shall be entitled to do this provided that your rights under this Agreement and the Consumer Rights Act 2015 are not affected.

11.4 You are not entitled to assign your rights, title or interests in or under this Agreement.

## **12 MISCELLANEOUS**

12.1 English law applies to this Agreement and courts in England or Wales may deal with disputes in connection with this Agreement unless you are resident in Scotland when you enter into this Agreement when Scots law will apply and the Scottish courts may deal with disputes in connection with this Agreement.

12.2 We each agree that unless we agree otherwise, the courts of the part of the United Kingdom in which you reside shall have exclusive jurisdiction over any dispute or claim that arises out of, or in connection with, this Agreement.



12.3 If any term or provision of this Agreement is or becomes, in whole or in part, invalid, illegal or unenforceable, such term or provision, or part, shall to the extent required be deemed not to form part of this Agreement and the enforceability of the remainder of this Agreement shall not be affected.

12.4 Any waiver by either party of a breach of any provision of this Agreement shall not be considered to be a waiver of any subsequent breach of the same, or any other, provision of this Agreement.

12.5 Castle Community Bank and the Borrower agree that, while MyCF is not a party to this Agreement, it may take the benefit of and specifically enforce each term of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

My John Smith  
123 Example Street, P123 45E

49 Great Junction Street  
Edinburgh  
EH6 5HX

## **ACCOUNT OPENING**

Thank you for choosing Castle Community Bank (“Castle Community Bank”). Castle Community Bank is the trading name of North Edinburgh and Castle Credit Union Ltd, registered under the Credit Union Act 1979 with registration number 019CUS. Castle Community Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under firm reference number 213877. Castle Community Bank’s registered office is at 49 Great Junction Street, Edinburgh, EH6 5HX.

In order to be eligible to open an account with Castle Community Bank}, you must satisfy the membership requirements of Castle Community Bank.

In this agreement Castle Community Bank is also referred to as “we” and “us”.  
Mr. John Smith is referred to as “you” or “your”.



## Terms and Conditions

The general terms and conditions of our account agreement with you are set out below.

### GENERAL CONDITIONS

#### 1. ACCOUNT

1.1 By opening an account, you become a member of Castle Community Bank

1.2 You agree that we may deduct any amounts due from you to us under this agreement from the balance of your account.

#### 2. INTEREST

You will deposit funds with us for an agreed period in accordance with the term of the account you have chosen. The interest we agree to pay to you is dependent on the agreed period of the relevant account and will be paid when that account matures. Unless there are exceptional circumstances, you will not be allowed to withdraw the funds you have deposited with us until the relevant account matures.

#### 3. CHANGES

3.1 We may make changes to this agreement, your account or the charges on your account at any time by giving you 30 days' written notice.

3.2 We may introduce new charges from time to time for running your account.

#### 4. TERMINATION OF THIS AGREEMENT BY US

4.1 We may terminate this agreement without any reason by giving you 30 days' notice. We reserve the right to terminate your account immediately when there are exceptional circumstances such as an investigation into fraud or misuse of your account.

4.2 Upon termination of your account, you must repay any amount owed to us, including any transaction or other appropriate charges incurred before or in connection with the termination of your account.

#### 5. BREACH OF THIS AGREEMENT BY YOU

In the event of breach by you of any of the terms of this agreement or where we suspect that there has been any fraudulent activity on your part in respect of this agreement, we reserve the right to recover any



reasonable costs and expenses incurred by us in enforcing our rights under this agreement from your account.

## **6. YOUR CANCELLATION RIGHTS**

6.1 You have the right to cancel your account within 14 days of the later of (1) the date you open your account and (2) the date you receive these terms and conditions.

6.2 You can cancel by contacting us by phone, email or post. In the case of email or post, your cancellation will be deemed to have been received by us on the day that you send the communication.

6.3 Upon cancellation, we will either help you move to another account with us, or we will return your money to you at your request.

## **7. CLOSURE OF YOUR ACCOUNT**

7.1 You can close your account at any time by contacting us by phone, email, post or in branch, provided no amounts are due to us under any loan agreement you have entered into with us.

7.2 We will then return any balance to you including any dividend which has been credited to your account.

## **8. MEMBER SECURITY DETAILS**

8.1 When we contact you or you contact us we need to check your identity before we can take instructions from you or disclose or discuss information about your accounts. In branch you will be asked for identification. Before opening an account, you must also register a security code and certain secure personal information with us ("Member Security Details") to be used when you contact us by other means. Any written instructions from you should be signed to confirm your identity.

8.2 As long as we have confirmed your identity using one of the methods set out above, we will assume that we are dealing with you.

8.3 You must take all reasonable steps to keep your Member Security Details secure. You must tell us as soon as possible if you notice any error in your account, find our services are not working, believe that your Member Security Details have been lost, stolen or are being misused or think someone may be accessing your accounts without your authority.

8.4 If your Member Security Details are used by someone with your permission or as a result of fraud or gross negligence by you, you may have to repay us for any loss, costs and expenses incurred by us.

8.5 We reserve the right to suspend access to your account if any incorrect Member Security Details are



provided or we suspect an unauthorised person is attempting to access your account.

8.6 We may vary, suspend or terminate the services available to you using your Member Security Details over time but you will be notified of any changes in accordance with clause 3.1 of this agreement.

## **9. DORMANT ACCOUNTS**

9.1 An account will be considered dormant if there is no activity on the account for 24 months, other than any dividend credited to your account. Viewing account balances online does not count as activity.

9.2 We will contact you after 24 months of inactivity. A min £5 or an amount as notified from time to time, charge will be made to your account to cover the administration, security and storage of your account records.

## **10. FINANCIAL SERVICES COMPENSATION SCHEME STATEMENT**

10.1 Castle Community Bank is covered by the Financial Services Compensation Scheme ("FSCS").

10.2 Under this scheme, the FSCS will compensate depositors if a credit union is unable to meet its financial obligations to its depositors.

10.3 Most depositors (including most individuals and small businesses) are covered by the scheme.

10.4 As at the date of this agreement, an eligible depositor is entitled to claim up to £85,000 from the FSCS for a deposit held in a credit union.

10.5 For joint accounts, each eligible account holder can claim under the FSCS for up to £85,000 each (making a total of £170,000).

10.6 The £85,000 limit relates to the combined amount in all of the eligible depositor's accounts with the same credit union, including their share of any joint account and not to each separate account held by that depositor.

10.7 For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please refer to the FSCS website ([www.FSCS.org.uk](http://www.FSCS.org.uk)). For any compensation related queries, please call the FSCS on 020 7741 4100 or 0800 678 1100.

## **11. COMPLAINTS PROCEDURE**

11.1 Castle Community Bank is committed to providing products and services of the very highest standards. If



you do have a problem or you feel that we haven't lived up to these expectations, you can contact us by phone, email, post or in branch.

11.2. We take all complaints seriously and will do our best to resolve the complaint straight away, but some do take time to investigate thoroughly.

11.3 Castle Community Bank is covered by the Financial Ombudsman Service, which offers an independent review service. If you are not satisfied with our final response to any complaint, you can ask the Ombudsman to look at your case for free.

11.4 The Ombudsman will only help if you've already referred a complaint to us and you are unhappy with our final response. For further information, refer to [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or phone 0800 023 4567 (calls to this number are free on mobile phones and landlines).

## **12. LOAN SECURITY**

12.1 If you choose to borrow money from us, some or all of your savings will be held as security for the loan taken out by you up to the principal amount outstanding on the loan plus any such interest or expenses due to us in respect of the loan.

12.2 Under those circumstances, you will not be permitted to withdraw from your savings if to do so would reduce the balance to an amount less than your total liability to us under the loan agreement.

## **13. GENERAL**

13.1 We will not be liable to you if we are unable to perform our obligations under this agreement due (whether directly or indirectly) to any of the following:

13.1.1 the failure of any machine, data processing system or transmission link;

13.1.2 any period of essential maintenance, critical change, repair, alteration to or failure of computer systems;

13.1.3 any industrial dispute; or

13.1.4 anything outside of our reasonable control or that of our agents or sub-contractors.

13.2 You must inform us immediately of any change to your name, address, email address or telephone or mobile number. If you do not do so, we may charge you for locating your new details.

13.3 We may transfer our rights and/or duties under this agreement to any person. You may not transfer any of your rights and/or duties under this agreement to any person.



13.4 In the normal course of business, we will send you general communications via email.

#### **14. GOVERNING LAW AND JURISDICTION**

English law applies to this Agreement and courts in England or Wales may deal with disputes in connection with this Agreement unless you are resident in Scotland when you enter into this Agreement where Scots law will apply and the Scottish courts may deal with disputes in connection with this Agreement.

This is a legal document. Sign it only if you want to be legally bound by its terms.

Signed for and on behalf of the Borrower:

Mr. John Smith

13-6-2021

Signed for and on behalf of Castle Community Bank:

North Edinburgh and Castle Credit Union Ltd. (trading as Castle Community Bank)

13-6-2021



community  
myfinance