



# Post Office Money Loans

## Important Information

### Your Post Office Money loan agreement explained

Your proposed Post Office Money loan agreement is regulated by the Financial Services and Markets Act 2000 and by the Consumer Credit Act 1974, (the "Acts").

The Acts give you certain rights and protections. We are obliged to give you an adequate explanation of your proposed agreement and give you enough information so that you can make an informed choice about whether or not to go ahead with it.

#### Pre – contract information

In addition to the information contained in this document, you will be provided with separate pre - contract information about your personal loan agreement. This contains detailed information about your proposed agreement, including how you can withdraw from it once the agreement is made.

If your pre – contract information is handed to you in person, then you can take it away and study it in your own time.

**It is important that you read through the pre-contract information carefully.**

#### What you can use your loan for

A Fixed Rate Personal Loan provides you with a lump sum which can be used to spread the cost of more expensive items, such as home improvements or a new car, over a pre-agreed term. It should be used for mid to longer term borrowing needs, and is not suitable for certain purposes such as funding day-to-day expenditure or for use as a deposit for other credit arrangements.

#### Making Repayments

Under the terms of the loan agreement, you have to repay the loan which is made to you. We will charge you interest on the loan provided under your personal loan agreement.

You will repay the loan plus interest by making regular repayments to us. The repayment amounts will be calculated to make sure that by the end of the term of the loan agreement, the outstanding balance of the loan is reduced to zero, (provided that you keep up your repayments). The exact amount that you will have to pay will depend on the amount of the loan, the applicable rate of interest and the length of time you choose in which to pay off the loan.

Details of the amounts payable by you under the loan agreement, including the amounts and due dates for your repayments; the interest rate payable; the duration ; and the total amount payable by you can be found in the loan agreement and also in the pre - contract information which will be provided to you. You should study this information carefully to make sure that you can afford the repayments and that the loan agreement is suitable for you.



## Missing Repayments

If you do not make your repayments in the correct amounts and on the due dates under your loan agreement then you could face serious consequences.

If you do not pay, you will incur default charges of £12 for each missed or unpaid repayment. We will also charge you interest at the interest rate shown in the loan agreement on any overdue amounts. We may send you a notice about these charges. This means that the amount outstanding under the loan agreement will continue to grow because interest amounts and default charges will be added to the outstanding balance.

We will also send you a default notice, requiring you to pay by a certain date. If you do not pay by the date specified in the default notice, then we can:

- a. demand immediate payment in full of the outstanding balance under your loan agreement;
- b. terminate the loan agreement;
- c. enforce any security which we may hold for your obligations to us under the loan agreement; and/or
- d. report your default to a credit reference agency.

If necessary, we can take legal proceedings against you to recover from you unpaid amounts under the loan agreement. We would also seek our legal and other costs from you. This could result in County Court judgments being registered against you and may also result in a charging order (or an inhibition order in Scotland) being placed over a property which you own as security for the monies which you may owe us.

We would also be able to report your default to credit reference agencies. Your default would be recorded on your credit reference file and could be viewed by other lenders and agency users who search your credit reference file. This may make it difficult for you to obtain credit in the future.

## Your right to withdraw

You will have 14 calendar days from the day after you receive your acceptance letter to withdraw from your Agreement. If you wish to do so, you can notify us in writing or by calling our Customer Services Team. You will be required to repay any amounts outstanding, including any interest due, within 30 days. Once you have settled the amounts outstanding, the Agreement will come to an end.

## Any Questions

Finally, if for any reason you feel you don't fully understand the Post Office Money Loan, we would encourage you to take time to consider your application carefully or discuss it with a family member or friend before committing. If you have any further questions about the Post Office Money Loan please call our Customer Services Team on 0800 169 2000 or refer to the FAQs which are available on the Post Office website.

**0800** All calls to 0800 numbers are free of charge whether made from a landline or mobile phone. Calls may be monitored or recorded for training and compliance purposes.