



## Loan Terms & Conditions

### Definitions

- Borrower:** “The Borrower” applying for the Loan, as defined in the Loan Agreement and whose name and details are contained in the Loan Agreement.
- Lender:** **CASTLE COMMUNITY BANK** the trading name of North Edinburgh and Castle Credit Union Limited. Registered under the Credit Unions Act 1979, number 019CUS. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 213877.
- Lender’s Address:** 49 Great Junction Street, Edinburgh, EH6 5HX.
- Outstanding Balance:** All sums payable under the Loan Agreement including, without limitation, the Lender’s reasonable legal and other costs and expenses for enforcing its rights under the Loan Agreement.
- Event of Default:** Any of the following:
1. The Borrower fails to pay any Repayment within two days of its due date;
  2. The Lender becomes aware that any information provided by the Borrower before entering into this Loan Agreement was false in a material respect;
  3. The Borrower commits a breach of any of his/her obligations under this Loan Agreement and fails to remedy such breach within three days of being required by the Lender to remedy the same;
  4. If the Lender reasonably suspects that the Loan Agreement is being used in relation to fraud or other criminal activity;
  5. The Borrower becomes the subject of a court action which has the effect of taking away from the Borrower’s control of the whole or a substantial part of the Borrower’s assets; or
  6. The Borrower is declared bankrupt, grants a Trust Deed for their creditors, or enters into an Individual Voluntary Arrangement (IVA) as defined under Part VIII of the Insolvency Act 1986 or analogous procedure under any relevant successor legislation to the aforementioned Insolvency Act 1986.
- Shares:** Any paid-up shareholding (savings) the Borrower has with Lender.

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1. The Lender agrees to advance to the Borrower, the Loan Amount stated in the Financial Particulars contained in the Loan Agreement.

2. The Borrower agrees to repay the Lender on the due date each month by setting up a Standing Order Mandate. The Standing Order Mandate is attached at the end of this Loan Agreement. The Lender may permit repayment by other means at its discretion.

3. The Borrower hereby assigns all paid shares and payments on account of shares, which the Borrower has now or may have in the future with the Lender as security for payment of this loan together with all interest, costs and expenses. The Borrower may not withdraw funds that bring the value of said shares below the current outstanding value of the Borrowers loan outstanding.

4. The Lender may use any credit balance on any other account of the Borrower with the Lender to reduce or repay all or any sums that the Borrower shall have failed to pay under the Loan Agreement. The Lender will only affect its right of set off after giving the Borrower reasonable opportunity to rectify the default; and will not be obliged to notify the Borrower prior to exercising its right of set off. The Lender shall notify the Borrower as soon as is reasonably practical afterwards.

5. If the Borrower commits an Event of Default, the Lender may, after giving to the Borrower a notice of default in writing, terminate the Loan Agreement and require the Borrower immediately to pay to the Lender the outstanding balance under the Loan Agreement.

6. If the Borrower fails to make a payment under the Loan Agreement by its due date, the Lender may apply an administrative charge to the Borrower on the overdue amount over and above the interest rate specified in the Loan Agreement, from the date payment was due until and including the date on which payment is received in full, after as well as before any judgment.

7. The Borrower will also be liable to pay to the Lender its reasonable costs and expenses incurred in connection with the enforcement of its rights under the Loan Agreement.

8. The Lender, at its discretion, may transfer its rights and obligations under this Loan Agreement, provided that it does not adversely affect the Borrower's rights. The Borrower, however, may not transfer its rights or obligations under this Loan Agreement.

9. The Borrower is entitled to repay the Loan Amount partially or in full at any time. On prepayment of the entire Outstanding Balance, the Loan Agreement shall be treated as cancelled.

10. The Borrower agrees that if he/she defaults on repayments, information about his/her loan may be passed on to the Department for Work and Pensions for their consideration of deductions from the benefits that he/she is or will become entitled to.  
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11. During the term of the Loan Agreement, the Borrower will have access to view his/her account information, online, having date-wise details of loan dues, their repayments history and a breakdown of each repayment in terms of Principle amount, interests due and, if applicable, other charges.
12. The Borrower agrees to notify the Lender immediately on any change of name or address, change of email address or change of telephone or mobile number. If the Borrower does not do this the Lender may charge the Borrower with the cost of locating them.
13. The Borrower agrees to become a member of CASTLE COMMUNITY BANK and as such to meet the minimum membership requirements in terms of savings. The Lender will open an instant access savings account and deduct £1 from the Loan Amount and place this in a savings account for The Borrower.
14. The Lender is committed to providing products and services of the very highest standards. If the Borrower has a problem or feels the Lender hasn't lived up to their expectations, the Borrower can contact the Lender by phone, email, post or in branch. The Lender takes all complaints seriously and will do their best to resolve the complaint straight away.
15. The Lender is covered by the Financial Ombudsman Service, which offers an independent review service. If the Borrower is not satisfied with the Lender's final response the Borrower can ask the Ombudsman to look at their case for free. For further information refer to [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or phone 0800 023 4 567 (calls to this number are free on mobile phones and landlines).
16. The Borrower hereby consents to registration of these presents and any such certificate as aforesaid for preservation and for executio