

smile loans

smile general conditions

The **smile** general conditions set out below apply to any of the accounts you may select on your on-line application form together with the conditions applicable to the particular account(s) you have selected. They tell you what your and our obligations are when you use the **smile** service and form the agreement between you and us for the service.

As part of this agreement we have defined some of the terms which we use in more detail.

Terms & conditions

Definitions

These definitions apply both to the **smile** general conditions and to the individual loan conditions:

account means one or more of the following accounts operated and maintained by us in your name: current **account**; smilemore **account** , student **account** ; no notice savings **account** ; cash mini Individual Savings **Account** ("cash mini ISA"); loan **account** ; credit card **account** or such other **account**(s) as may be available from time to time;

authorised cardholder means any person who you have authorised to use the credit card **account** and to whom we have issued an additional **card**

available money means funds which have cleared on your **account** or any amount within any agreed borrowing limit with us

card means any debit, credit, Electron or cash **card** supplied by us to you or to an **authorised cardholder** (in the case of a credit **card**) from time to time to use with your **account**

cashback is a cash payment given to you under condition 13 of the credit **card account** as a reward for using your **smile** credit **card** for purchases

cashback scheme is the scheme or arrangement under which the **cashback** is administered

cheque or credit card **cheque** means a **cheque** provided to **you** by **us** from time to time for drawing on your current or credit **card account**(s)

conditions means the **smile** general and individual **account conditions** or any other **conditions** of use from time to time in force

continuous authority payment (recurring transactions) or direct debit means an instruction to make regular payments to someone (including us) who you have authorised to receive the payments

credit limit means the maximum you are allowed to owe us on your credit **card account**

customer security codes means your pass number and secure personal information registered with us for use when you become a customer

direct debit option means the option to make payment to us by means of a variable **direct debit** charged to a current **account** with a recognised United Kingdom financial institution

group means us , our parent company, the Co-operative **Group** (CWS) Limited (Co-operative **Group**), Co-operative Insurance Society Limited (CIS) and any companies the Bank, Co-operative **Group** or CIS wholly or partly own at any time and any other independent Co-operative Societies

help desk adviser means a third party technical adviser who you can contact if you have queries about the service

information includes any **information** about you or anyone associated with you, which we or the **group** hold now or in the future as a result of the application process or other dealings with us or the **group**, searches or checks at credit reference or fraud prevention agencies, products and services you hold within the **group** and any transactions for goods or services arising out of your **account** (including the supplier and the type of goods or services), and such **information** may include sensitive **information** as defined in the Data Protection Act 1998

insecure e-mail means a message which is not encrypted sent via an open network and which could be viewed by another person

ISA provider means an institution or person authorised to provide ISAs

ISA Regulations means the Individual Savings **Account** Regulations 1998 as amended or replaced from time to time

PIN means the Personal Identification Number issued to you (or any **authorised cardholder**) to use with the **card**

purchases means a purchase of goods or services using the credit **card** (excluding cash advances, purchase of travellers cheques or foreign currency, credit **card** cheques or **balance transfers**)

secure message means a message which is encrypted to prevent another person from viewing it

service means the **service** made available to you by **smile** via the internet (www.smile.co.uk)

smile means the part of The Co-operative Bank which supplies the **service**

smile tariff means the tariff made available to you by product from time to time on the **smile** internet website (www.smile.co.uk)

statement date means the date of the **account** statement

transaction means any payment for goods or services or other items or any cash advance, travellers cheques or foreign currency obtained by the use of the **card**, **PIN**, **card** number or **cheque**. You need not have signed anything for a **transaction** to have taken place

we, us or our means **smile**, a part of The Co-operative Bank p.l.c., PO Box 101, 1 Balloon Street, Manchester M60 4EP and any person to which the rights and/or duties of The Co-operative Bank are transferred

working day means any day other than Saturday, Sunday and bank holidays in England and Wales

you or your means the customer in whose name the **account** is opened

1. Customer security codes

1.1. As part of this agreement **you** (in the case of joint accounts, each of **you**) must register a separate passnumber and secure personal **information** with **us** for use when **you** become a customer.

1.2. **You** must ensure that **you** have **available money** in **your account** at the close of business the **working day** before to cover all the current day's transactions. Please refer to Welcome Guide and/or website for details of **our** clearing cycle timescales.

1.3. We will only accept instructions if **your customer security codes** are used as requested and accepted. Any failure or error in relation to the use of **your customer security codes** will result in access to the **service** being blocked. If this happens, **you** must immediately contact **us** on **0870 (THE BANK) 843 2265**.

1.4. You must do all **you** can to stop anyone else using **your customer security codes** and must not:-

- write them down
- tell them to anyone, even to a joint accountholder or a helpdesk adviser

1.5. If you suspect that someone knows **your customer security codes** , **you** must immediately contact **us** on **0870 (THE BANK) 843 2265**.

1.6. The maximum you will have to pay **us** for **our** losses if **your customer security codes** are used by someone else without **your** permission is £50.

1.7. If the customer security codes are used by someone with **your** permission or as a result of **your** fraud or gross negligence **you** may have to repay **us** for all **our** losses.

1.8. We may ask **you** and **you** agree to assist **us** in **our** efforts to recover any loss as a result of unauthorised use of **your customer security codes** .

1.9 For your protection, **we** reserve the right to suspend access if:

- incorrect **customer security codes** are used to attempt to access **your account**
- **we** suspect an unauthorised person is attempting to access **your account**

The services available to **you** using **customer security codes** may vary over time and **we** may suspend or terminate any services available but will inform **you** of any changes in accordance with condition 4.3.

2. The service

2.1. The service is available for use:

- from within the UK only (use outside the UK is subject to **your** complying with the local laws of cryptography when **you** access the **service**)
- with personal accounts only and not for business purposes or clubs and unincorporated associations

2.2. When you use the **service** , **we** will allow **you** to use software which has been supplied to **you** in connection with the **service** provided that **you**:

- use the software to access the **service** and in accordance with this agreement only
- do not copy (other than for back-up purposes) or allow anyone else to copy the software
- do not reverse engineer, modify or decompile all or any of the software, or allow anyone else to do so
- keep the software secret at all times
- use computer equipment and software which are compatible to the software, fully operational, virus free, unmodified and unaffected by the presence of any other software which could compromise **your** secure use of the **service**
-

2.3. When you access the **service** **you** must make sure that:

- **you** are using **your** own computer or one which **you** have been given permission to use for the specific purpose of accessing the **service**
- no-one can see **you** do so, particularly if **your** computer is linked to a local area network

2.4. You must always exit the **service** when leaving **your** computer unattended and must never let anyone else access the **service** with **your customer security codes** .

2.5. When **you** access the **service** **you** must ensure all the transactions and **information** **you** input are accurate. **You** must not modify, delete or add to on-line data in any way.

2.6. **We** will only be responsible to **you** for reasonable loss caused by **our** fault or that of **our** employees or **our** agents.

2.7. **We** guarantee that the software provided to **you** for use with the **service** complies with the specifications set out in the **smile** website. **We** cannot guarantee, however:

- access to the **service** through the use of **your** employer's or other personal computers not directly connected to the Internet **service** provider
- the speed of the **service** or access to the **service** due to, for example, routine maintenance
- that the **service** will be free from interruption

2.8. **You** must contact **us** immediately on **0870 (THE BANK) 843 2265** if **you** become aware of an error or potential error in the **service** , or in any **transaction** resulting from any use of the **service** . **You** should check **your** statements and the date and time of the last use of the **service** on a regular basis.

2.9. **We** may send **you** **secure messages** from time to time. **You** must check **your** **account** (s) each time **you** access the **service** for any **secure messages** from **us**.



3. Using and Sharing Your Information

3.1. **Your** **information** may be held by **us** in any form and on any **group** database and used by **us** and the **group** for the purposes set out in Condition [3.2].

3.2. **We** and the **group** may use, analyse and assess **your** **information** to maintain and develop **our** relationships with **you**. **Information** shared with credit reference and fraud prevention agencies may be accessed by other organisations and used by **us** and them to prevent fraud and money laundering. This may include the following purposes:

- checking details on applications for credit and credit related facilities
- to make credit decisions about **you** and anyone to whom **you** are linked financially or other members of **your** household;
- managing credit and credit facilities
- to consider and implement business, product and technology developments;
- to undertake statistical analysis, financial risk assessment, money laundering checks (which may include telephoning **you**), compliance and regulatory reporting, fraud prevention and recovering debt;
- checking details on insurance proposals and claims such, as motor, household, credit and life and other insurance proposals and insurance claims for **you** and anyone else linked to **your** insurance proposal or claim
- to help **us** identify products and services which may be of interest to **you** (unless **you** have asked **us** not to);
- meeting any obligations **we** may have under the **card** scheme **your** **card** is issued under.
- checking details of job applicants and employees

3.3. **We** may link **your** **information** between **your** **account** (s) and other products and services **you** have with **us** or the **group** and with **information** about others with whom **you** have a financial link.

3.4. **We** and the **group** may identify and tell **you** by letter, telephone, fax, including automated dialling, e-mail or any other means of communication about products and services which may be of interest to **you** and which are offered by **us** , the **group** or other carefully selected organisations or companies (if **you** do not wish to receive such **information** **you** can tell **us** by **secure message**, or by returning the leaflet in **your** welcome pack when **your** application has been accepted. Please note this may mean **you** will not receive **information** about business, product or **service** developments which may be of benefit to **you**). **You** do agree that **we** can forward any newsletter, statement message, new terms and **conditions** or **information** about any changes to the way **your** **account** (s) operate or provide **information** on **card** carriers.

3.5. We will disclose information outside the group only:

- where **you** have provided **your** agreement ;
- to **our** agents or subcontractors for operational reasons;
- to **our** affinity partner(s) if **you** have an affinity product(s);
- to any persons, including, but not limited to, insurers, who provide a **service** or benefits to **you** or for **us** in connection with **your account** (s);
- to licensed credit reference agencies as set out in Condition[3.6];
- to fraud prevention and other agencies to help prevent crime or where **we** suspect fraud;
- if compelled to do so by law;
- for the purpose of compliance and regulatory reporting (for example to the Banking Code Standards Board) and to confirm **your** identity for money laundering purposes, which may include checking the electoral register;
- to any person to whom **we** will or intend to transfer **our** rights or obligations;
- if **your card** or **PIN** are lost or stolen, or to meet any obligation **we** may have under any **card** scheme **your card** is issued under.

3.6. We may disclose **your information** to licensed credit reference and/or fraud prevention agencies to help make financial or insurance proposals and claims decisions for **you** and anyone with whom **you** are linked financially or other members of **your** household - **our** enquiries or searches may be recorded - and credit reference agencies may supply **us** with financial **information**.

3.7. We may also disclose **information** to licensed credit reference agencies about how **you** conduct **your account** (s) and this **information** may be shared with other financial institutions to help make financial decisions about **you** and anyone with whom **you** are linked financially or other members of **your** household. If **you** borrow and do not repay in full and on time, **we** may tell credit reference agencies who will record the outstanding debt.

3.8. A link between joint applicants and/or any individual identified as **your** financial partner will be created at credit reference agencies, which will link **your** financial records. **You** and anyone else with whom **you** have a financial link understand that each other's **information** will be taken into **account** in all future applications by either or both of **you**. This linking will continue until one of **you** successfully files a disassociation at the credit reference agencies.

3.9. You agree that **your information** may be transmitted to, from and/or through any country as a result of **your** use of **your account** (s) and any services which form part of **your account** (s) irrespective of the levels of data protection provided in any particular country and at **your** own risk. If **we** transfer **your information** to an agent or subcontractor who provides a **service** to **us** in another country outside the European Economic Area **we** will ensure they agree to treat **your information** with the same level of protection as **us**.

3.10. If **you** write to **us** and pay a fee **you** have a right of access to **your information** held by **us**. To request access send **us** a **secure message**.

3.11. You have a right of access to **your information** held by credit reference agencies and fraud prevention agencies on payment of a fee. If **you** ask **we** will tell **you** the name and address of the credit reference agencies and fraud prevention agencies **we** may use.

We and other organisations may access and use from other countries the **information** recorded by fraud prevention agencies.

Law enforcement agencies may access and use this **information**.

3.12. We may record and/or monitor telephone calls to enhance security, sort out complaints, improve **our** customer **service** and for staff training purposes.

4. Changing or ending this agreement and charges

4.1. **We** may make changes to this agreement at any time.

4.2. **We** may make or introduce charges from time to time for running the **service** . Please refer to the **smile** tariff for details. **We** may also vary the charges or introduce new ones but will let **you** know if **we** do so in accordance with condition 4.3

4.3. **We** will give **you** 30 days' notice by **secure message**, e-mail or letter before **we** make changes to this agreement and to the **service**.

4.4. **You** can close this agreement by telephoning **us** on **0870 (THE BANK) 843 2265** or sending **us** a **secure message**. **We** may end this agreement without providing a reason but **we** will give **you** 30 days notice before **we** do so (except in exceptional circumstances e.g. a fraud investigation).

5. General

5.1. **We** will not be liable to **you** if **we** are unable to perform **our** obligations under this agreement due (whether direct or indirectly) to:-

- the failure of any machine, data processing system or transmission link
- any period of essential maintenance, critical change, repairs, alteration to or failure of computer systems
- any industrial dispute
- anything outside **our** reasonable control or that of **our** agents or sub-contractors

5.2. **You** must telephone **us** on **0870 (THE BANK) 843 2265** or send **us** a **secure message** immediately if **you** change **your** name, address, or e-mail address. If **you** do not do this, **we** may charge **your account** with the costs of locating **you** .

5.3. To assist **us** in improving **our service** , **we** may record or monitor telephone calls or instructions received via the **service** .

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

smile LOAN CONDITIONS

1. PAYMENT

We agree to lend and **you** agree to repay the amount of the Loan and interest on the terms of this Loan Agreement and by the installments and on the dates as shown overleaf. Where the payment date is shown as 31st of each month, if there is no such date in a particular month the payment will be the last day of that month. The amount of the loan will be debited to **your** Loan **Account**. **We** do not accept part or lump sum payments unless it is in accordance with **your** right to settle the loan early in accordance with the Consumer Credit Act 1974.

2. INTEREST

Interest at the rate shown in the Loan Agreement will accrue on the daily outstanding balance of the Loan and be debited to the Loan **Account** half yearly and immediately before repayment except in the case of Career Development Loans where interest will accrue on the daily outstanding **account** balance commencing one calendar month before the first installment is due and will be debited to that **account** at each of the Bank's quarter-year ends and immediately before repayment. The loan advances will be debited to **your** Career Development Loan **account** as they are paid by **us** to the Institute providing the tuition to **you**.

If **you** are late paying the whole or part of an installment **you** will pay **us** interest on the installment from when it is due, whether before or after any judgment, at the annual percentage rate shown in this Loan Agreement until its actual payment.

3. DEFAULT

We may, after giving **you** reasonable notice, demand immediate repayment of the Loan, together with any other sums payable by **you** under this Loan Agreement and terminate the Loan Agreement, in any of the following events;

- a. **You** fail to repay any instalment within one month of it falling due.
- b. **You** fail to keep to any other terms of the Loan Agreement .
- c. **You** have given false **information** when applying for this Loan.
- d. **Your** bankruptcy.
- e. The Loan Agreement is for a Career Development Loan **Account** and **you** do not take up the Course at the Training Establishment, or before it finishes, **you** cease to be enrolled on the Course at the Training Establishment. The amount of the unpaid balance due to **us** will be reduced by any applicable rebate to which **you** may be entitled by law.

4. CHARGES

So far as permitted by law, **you** agree to repay;

- a. All **our** expenses and legal costs (including collection and tracing expenses) incurred by **us** or incurred on **our** behalf in recovery of any overdue payment.
- b. Administration in connection with any special request made by **you** under this Loan Agreement to which **you** are not legally entitled.

5. NOTICES

Any demand, notice or statement under this Loan Agreement can be given to **you** either personally or sent by pre-paid post to or left at **your** address stated in the Loan Agreement or **your** address at the time of posting or last known address. If sent by pre-paid first class post it shall be conclusively deemed to have been received by **you** 48 hours after posting.

6. JOINT ACCOUNT

If two or more people are named as the Customer, the liability of each shall be joint and several. This means that each of **you** is fully responsible for all the obligations set out in this Loan Agreement.

7. SECURITY

- a. As part of this agreement **you** (in the case of joint accounts, each of **you**) must register a separate passnumber and secure personal **information** registered with **us** for use when **you** become a customer (“ **customer security codes** ”).
- b. When **you** use **your customer security codes** **you** are authorising **us** to carry out all **your** instructions given via the **service** , by **secure message** or over the telephone including instructions to make payments from **your account** whether or not given or confirmed by **you** .
- c. **We** will only accept instructions if **your customer security codes** are used as requested and accepted. Any failure or error in relation to the use of **your customer security codes** will result in access to the telephone and / or internet **service** being blocked. If this happens, **you** must immediately contact **us** on 0870 843 2265.
- d. If **you** suspect that someone knows **your customer security codes** , **you** must immediately contact **us** on 0870 843 2265.
- e. The maximum **you** will have to pay **us** for **our** losses if **your customer security codes** are used by someone else without **your** permission is £50.
- f. If the **customer security codes** are used by someone with **your** permission or as a result of **your** fraud or gross negligence **you** may have to repay **us** for all **our** losses.
- g. **We** may ask **you** and **you** agree to assist **us** in **our** efforts to recover any loss as a result of unauthorised use of **your customer security codes**.

- h. For **your** protection, **we** reserves the right to suspend access if:
 - o Incorrect **customer security codes** are used to attempt to access **your account**.
 - o **We** suspect an unauthorised person is attempting to access **your account**.

The services available to **you** using **customer security codes** may vary over time and **we** may suspend or terminate any **service** available but will inform **you** of any changes.

8. GENERAL

- a. If **you** wish to take up the Loan **you** must sign and return this Loan Agreement to **us** within 21 days of receiving it.
- b. **We** may make changes to this agreement at any time to comply with regulatory requirements.
- c. **We** can relax the terms of this Loan Agreement and **we** may at any time strictly enforce the terms again. **We** will not lose any of **our** rights under the Loan Agreement by doing this. **We** can also accept later payments or part payments without losing **our** rights under this Loan Agreement .
- d. **We** will give **you** 30 days notice by **secure message**, e-mail or letter before **we** make changes to this loan agreement.
- e. **We** may assign **our** rights and benefits under this Loan Agreement at any time, without giving **you** notice.
- f. **We** will not be liable to **you** if **we** are unable to perform **our** obligations under this agreement due to (whether directly or indirectly) to:
 - o The failure of any machine, data processing system or transmission link
 - o Any period of essential maintenance, critical change, repair, alteration to or failure to computer systems
 - o Any industrial dispute
 - o Anything outside **our** reasonable control or that of **our** agents or sub-contractors
- g. **We** may monitor and/or record telephone calls between **you** and **us** for security and/or training purposes.
- h. **You** will write to **us** at the address set out in the Loan Agreement immediately on any change of name or address. If **you** do not do this, **we** may charge the Loan **Account** with the cost of locating **you** .
- i. In accordance with Data Protection requirements, **you** have a right of access to **your information** held by the Bank on payment of a fee.
- j. The Co-operative Bank is a member of the appropriate Ombudsman Scheme. **We** have a formal procedure should **you** need to complain – just call 0870 843 2265.
- k. Any terms and **conditions** of **your agreement** will be in English, governed by English Law and **we** will communicate with **you** in English.
- l. **You** may be liable for other taxes or costs that are not paid by or via **us** e.g. higher rate tax.
- m. **You** also have a right to cancel **your agreement** 14 days from **our** receipt of **your** signed **agreement** or **you** have started to transact on the **account** . **You** can cancel by telephoning **us** on 0870 (THE BANK) 843 2265, sending **us** a **secure message**, or writing to **us** at Customer Services, The Co-operative Bank p.l.c., PO Box 200, Skelmersdale, WN8 6NY. **You** will have to repay **us** any amount **you** owe **us** including any interest and charges and, if appropriate, cut up any cards. If **you** choose not to cancel, the **terms and conditions** including any interest rates and **account** charges will apply.'
- n. There is no minimum duration for this **agreement**.
- o. If **you** have a complaint please telephone **us** on 08457 212 212 or write to Customer Services Manager, The Co-operative Bank p.l.c., Delf House, Skelmersdale, WN8 6GH .

Terms and **conditions** effective from 10/05/07.

Calls to 0870 numbers will cost no more than 8p per minute for BT customers. Call charges from other companies may vary and **you** may want to check this with **your service** provider.