



## Helping you get the most from your credit card

Here's some useful information on credit cards, including tips for managing your account:

### **Making the required payments to your account**

It's important to manage a credit card carefully to ensure you don't get into financial difficulties or debt. One way to help avoid this is to always pay at least the minimum payment due on your account.

- You can set up a Direct Debit during your application, within Online Banking or by calling Customer Services on **0800 9 123 123**. This can be for the minimum payment, full balance or a specified amount. Setting up a Direct Debit should help to ensure you never miss a payment and gives you peace of mind.

**If you do choose to make the minimum payment, please be aware of the following:**

- A minimum payment always needs to be paid, even if you are taking advantage of a 0% interest offer (see below).
- The minimum payment amount will depend on what the balance is on your statement and any charges due. First, all fees and interest charges will be calculated – this includes any account fees and late payment fees. Then 1% of the remaining balance is added to any fees and interest charges to give a total minimum repayment. This is a minimum of £5.
- The minimum payment required will always be shown on your statement, either a paper version through the post or digital version within Online Banking, depending on your preference.
- It'll always take longer to clear your balance and cost you more if you only ever pay the minimum repayment. For large balances this could be a very long time. To help you understand this you can find a useful minimum repayment calculator at [www.cardcosts.org.uk](http://www.cardcosts.org.uk).
- Missing a payment can mean you're charged late payment fees and interest and may have a negative impact on your credit rating.

### **What are 0% interest offers?**

Credit cards can offer 0% interest for a set period of time on:

- Balance transfers
- Purchases
- Both balance transfers and purchases

You must continue to pay the minimum monthly payment, as shown on your statement, during the introductory 0% interest period.

### **On balance transfers:**

- You can transfer balances to a Santander credit card from other credit or store cards, but not from other Santander or cahoot credit cards, or from any loans or current accounts.
- You can transfer more than one balance up to a total of 95% of your credit limit. The smallest balance you can transfer is £100. If your total transfer is above your available credit limit, we may allow you to transfer part of it.
- You may be charged a balance transfer fee. This is a percentage of the balance being transferred. The balance transfer fee is shown on your monthly statement.

## During a 0% interest offer period

<b>Balance transfers</b>	<ul style="list-style-type: none"> <li>■ If an offer is an introductory one, this means it is for newly opened credit card accounts only. You can transfer a balance at any time during the 0% introductory offer period, but the longer you wait, the less time you'll have at 0%. For example, if you have an offer of 0% for 23 months on balance transfers, but you don't transfer the balances until month 10 of having your card, you'll only get 13 months at 0% interest. This is because the offer period begins from the date you open your account, but the end date is fixed.</li> <li>■ If you already have a credit card with Santander, you may also receive 0% balance transfer offers for that card. These will be specific to you.</li> <li>■ You won't be charged interest on any balances transferred from other cards, within the introductory 0% interest offer period.</li> <li>■ You'll need to keep paying the minimum payment as shown on your statement.</li> <li>■ A balance transfer fee may apply for each balance you transfer. We will tell you what this is before you make a balance transfer.</li> <li>■ If you're taking advantage of a 0% offer for balance transfers, using your card for purchases and cash transactions may not be the best option. It's important you understand what happens if you use your card for anything in addition to a balance transfer.</li> </ul>
	<p><b>Purchases</b></p> <p>If you also use your card for purchases during the balance transfer introductory 0% interest offer period, you'll be charged interest on those purchases. It's important to clear the balance in full <b>before your next statement to avoid these interest charges.</b></p> <p><b>Cash transactions</b></p> <p>Interest is charged immediately on cash transactions so it's difficult to avoid interest charges. You would need to clear your full balance (including the balance transfer amount and the cash transaction) as soon as the cash transaction was made.</p> <p>If you're taking advantage of an introductory 0% interest offer for balance transfers, using your card for purchases and cash transactions may not be the best option.</p> <ul style="list-style-type: none"> <li>■ We'll notify you on your statement and also by sending you a paper or digital communication before your introductory 0% interest offer comes to an end.</li> </ul> <p><b>Tip:</b> Look for a credit card that has an introductory 0% interest offer on both balance transfers and purchases, but make sure you know when each offer ends as sometimes they can be for different periods.</p>
<b>Purchases</b>	<ul style="list-style-type: none"> <li>■ If an offer is an introductory one, this means it is for newly opened credit card accounts only. You can make purchases during the 0% introductory offer period, but the longer you wait, the less time you'll have at 0%. For example, if you have an offer of 0% for 6 months on purchases, but you don't make a purchase until month 4 of having your card, you'll only get 2 months at 0% interest. This is because the offer period begins from the date you open your account, but the end date is fixed.</li> <li>■ If you already have a credit card with Santander, you may also receive introductory 0% interest purchase offers for that card. These will be specific to you.</li> <li>■ You won't be charged interest on any purchases during the introductory 0% interest offer period.</li> <li>■ You'll need to keep paying the minimum payment as shown on your statement.</li> <li>■ We will notify you on your statement and also by sending you a paper or digital communication before your introductory 0% interest offer comes to an end.</li> </ul>

## After the 0% interest offer period ends

<b>Balance transfers</b>	<ul style="list-style-type: none"> <li>■ You'll be charged interest at your standard rate for any balance remaining after the introductory 0% interest offer ends.</li> <li>■ If you transfer another balance onto your card, you'll pay a balance transfer fee and interest will be charged at the standard purchase rate, unless you've taken another specific 0% deal that we've offered you.</li> <li>■ Your standard interest rate is printed on your monthly statement. This is the interest that you'll be charged if you're not in an introductory 0% interest offer period.</li> </ul>
<b>Purchases</b>	<ul style="list-style-type: none"> <li>■ You'll be charged interest at your standard rate on any purchase balance remaining after the introductory 0% interest offer ends.</li> <li>■ If you use your card for new purchases after the 0% offer period ends, you'll get up to 56 days interest free if you pay your balance on time and in full each month. If you don't pay your balance in full, you'll be charged interest on new purchases, as well as any remaining purchase balance.</li> <li>■ Your standard interest rate is printed on your monthly statement. This is the interest that you'll be charged if you're not in a 0% offer period.</li> </ul>



### Some important features of a credit card you should be aware of

<p><b>How payments are applied to your account</b></p>	<ul style="list-style-type: none"> <li>■ The payments you make pay off items that are already on your statement before paying off any more recent transactions. These recent transactions are the ones made since the last statement was issued.</li> <li>■ Payments are allocated to the transactions on your statement that have a higher interest charge before those incurring lower interest. For example, a cash withdrawal will be paid off before an introductory 0% interest offer because it has a higher interest rate <b>but this only happens once the transaction has been applied to your statement.</b></li> </ul>
<p><b>How interest is charged for cash transactions</b></p>	<ul style="list-style-type: none"> <li>■ Cash transactions include withdrawing money from a cash machine, buying foreign currency, purchasing lottery tickets or using your card for gambling.</li> <li>■ The interest rate on cash transactions is higher than the interest rate on purchases or balance transfers – you should check your monthly statement to see what this is.</li> <li>■ Interest is charged from the date the cash transaction is added to your account – there's no interest-free period on cash transactions. So even if you pay your balance in full on your statement date, you'll still be charged interest on any cash transactions.</li> <li>■ A fee may be charged for cash transactions.</li> </ul> <p><b>Tip:</b> Think carefully about whether using your credit card for cash transactions is the best option for you.</p> <p><b>Tip:</b> To avoid any interest charges from cash transactions, you need to pay off the entire existing balance and any outstanding interest as soon as the cash transaction is made. The existing balance may include recent transactions that have occurred since your last statement.</p>
<p><b>Clearing your balance in full</b></p>	<ul style="list-style-type: none"> <li>■ If you clear your balance in full, you may find you're still charged interest in the following month.</li> <li>■ This happens due to the time period between your statement being issued and when your payment reaches your account. As interest is calculated daily, it's charged throughout this period and could appear on the following month's statement.</li> </ul> <p><b>Tip:</b> Even if you think you've cleared your balance, it's worth looking out for further statements in case you've been charged interest which hasn't been paid. This is likely to be a small amount, but it still needs to be paid.</p>

## What are the benefits of using a credit card?

### Flexibility and convenience

- Credit cards allow you to buy items now and spread the cost. This is handy for large purchases or emergencies.
- Our credit cards are accepted at millions of locations worldwide – so if you're travelling abroad, it's more convenient and safer than carrying cash.

### Improve your credit rating

- Using a credit card regularly and managing it responsibly by paying the balance in full each month could help improve your credit rating.

### Security and fraud

- Your security is our priority. We've built a service that actively protects both your identity and your finances. We'll monitor your account and raise the alarm via text or phone if we spot any odd transactions or activity.
- By giving us your mobile telephone number, we can quickly and easily contact you by text or phone if we think anything suspicious has taken place on your account.

### Shopping online

- If you use your credit card for online purchases, you could also get another layer of protection through Santander Secure. This is a free service and enrolls you in either the Verified by Visa or Mastercard SecureCode schemes. You'll know which one as their logo appears on your card.

### Additional protection

- Using a credit card for purchases gives you certain rights if things were to go wrong.

#### Section 75

- If you use your Santander credit card for a single purchase of between £100 and £30,000, and something goes wrong with those goods, The Consumer Credit Act requires us to help you get your money back.
- The goods or services must have been purchased by the main cardholder on the account within the last 6 years.

#### Chargeback

- This isn't a legal right (unlike Section 75 above), but we can help you get a refund in a number of circumstances if you bought the goods with a credit card.
- There are no minimum or maximum limits to the refund with a chargeback claim

For both Section 75 and Chargeback information you can call customer services on **0800 9 123 123** for help.

### Further information

The UK Cards Association has produced a consumer guide to credit cards which provides further useful information on credit cards and how to use them. Visit [www.theukcardsassociation.org.uk/individual/guide\\_credit\\_cards.asp](http://www.theukcardsassociation.org.uk/individual/guide_credit_cards.asp)

You can apply for a credit card if you're a permanent UK resident aged 18 years or over, have a gross annual income of £7,500 or more, have a good credit record and have not been declared bankrupt, had a CCJ or an IVA within the last 6 years. We will conduct a credit check as part of the application and this will determine whether or not you're accepted and the credit limit that we can offer. We reserve the right to refuse any application.

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## What are the risks of using a credit card?

### Missing a payment

- If you miss payments on your credit card, this may have a negative impact on your credit rating and your ability to get credit in the future.

**Tip:** Set up a Direct Debit for at least the minimum payment, then you don't have to worry about missing a payment.

- If you miss payments, pay late or go over your credit limit, you'll be charged a £12 fee for each of these and each time it happens. You could also be charged interest.

**Tip:** Using Mobile Banking and setting up free email and text alerts can help you avoid this as you'll be able to stay on top of your account, even when you're on the move.

You can set up alerts for when:

- Your monthly payment is due
- High value transactions are made
- The balance from your last statement is available

We'll automatically enrol you for an alert that tells you when you're near your credit limit.

### Interest charges

- If you aren't within a 0% interest offer period, or you don't clear your balance in full each month, you'll incur interest charges.
- Please note that credit card interest rates can often be higher than other forms of borrowing and can be expensive if interest charges build up.

### A credit card is a legal agreement

- It's important that you're aware of the possible consequences if you miss multiple repayments on your credit card account. In the very worst case you might have legal proceedings brought against you, or your debt may be transferred to a debt management company to be recovered.

**If you think you're going to have difficulty repaying, you must contact us as soon as possible so we can try and help.**

### Think of other borrowing options

- You must make sure that a credit card is right for your circumstances. Credit cards aren't suitable for long-term borrowing.
- Santander offer a range of other borrowing options. For more information, visit [santander.co.uk](http://santander.co.uk)