

Changes to your Credit Card Agreement



Building Society

As a responsible lender, we want to do all we can to help people get out of persistent debt. Plus, recent regulatory changes say that we'll now have to take action if cardholders remain in 'persistent debt'.

So on 8 August 2019, we'll be making some changes to our credit card agreement to reflect this. We're also taking the opportunity to make a couple of other changes too.

You'll find all the details below – and if you have any questions, or you'd like a full copy of your current agreement, just give us a call on **0800 055 66 11**. You can also download your agreement at nationwide.co.uk

What is persistent debt?

In a nutshell, it's when someone is paying more each month in interest and charges than they are off the balance over a period of time (you'll find the exact words in the next section). When this happens it can be an expensive way to borrow, and makes it a lot harder to start chipping away at what's owed, unless more is paid off each month.

Changes we're making around persistent debt

We've included a definition

We've added a new definition of persistent debt to the 'Definitions' section at the front of the agreement. It now says this:

***"persistent debt"** means the situation where you are paying more in interest, fees and charges than you are paying off your balance and this continues for a sustained period.*

We've added a section dealing with changes to your agreement

Under Section E 'Changes to your agreement', we've added an extra reason for making changes, and made it clear that we can also amend your minimum repayment. You'll find this under the new paragraph (d):

We can make changes to the terms of your agreement, including changes to the minimum payment, charges or interest rates and introducing new charges:

*(d) If we believe that you are or are likely to be in **persistent debt**.*

We've made changes around suspending accounts

We have included a section to say that if you are in persistent debt, we may suspend your account and change your repayments. This is to help you repay the balance you owe within a reasonable period. You'll find this in a new paragraph (f) which we've added to Condition 10:

*We may also restrict or suspend the use of your **account** if we believe that you are or are likely to be in **persistent debt** and will require you to repay the balance within a reasonable period set by us. Before we do this, we will send you reminders about making increased payments and what may happen.*

Other changes

We've also amended section E of your agreement so that in future, if we need to reduce your credit limit, we'll aim to give you 14 days' notice. However, we won't give you notice if we think that it wouldn't be appropriate – for example, if we think there is a risk that you might borrow up to that limit without being able to repay us.

There's also been an update to our Financial Difficulties team's opening hours – you can find out more at [nationwide.co.uk](https://www.nationwide.co.uk)

Do I have to do anything?

If you're happy with the changes we're making, you don't need to do anything, and they will automatically apply from **8 August 2019**.

However, if you don't accept the changes, you're free to close your account without charge before that date. Just give us a call on **0800 055 66 11** and we'll sort this out for you. Just so you know, if you have any outstanding balance, you'll need to repay this first and once you've done that, your account will then be closed.