

1. CREDIT AGREEMENT REGULATED BY THE CONSUMER CREDIT ACT 1974

We can process your loan only if you return this form to us signed at both places marked with crosses.

(Original)

Between:
Student Loans Company Limited, 100 Bothwell Street, Glasgow G2 7JD; and you

Account Number	
Number of instalments in which we will pay the loan to you:	
Loan amount:	
Daily Interest rate (until 1 September after this Agreement is made):	
In working out the APR below, we have not taken account of any change in the interest rate which we may make under condition 3	
Annual Percentage Rate ("APR")	%
Number of monthly repayments: 60 if you have less than 5 student loans when your first repayment is due, 84 if you then have 5 or more student loans or 120 if condition 4.4 applies. We will work out your repayment amount and tell you what it is and when it is payable under condition 4	
You must make your first repayment in the April after you complete or leave your course unless: <ul style="list-style-type: none"> • you defer repayments under condition 6; • we cancel your loan under condition 7; or • condition 4.3 applies. 	

We agree to make you a loan on the terms and conditions set out below and overleaf.

1. Meaning of Words

In this Agreement:

"APR" means the annual percentage rate of charge calculated under the Consumer Credit (Total Charge for Credit) Regulations 1980;

"course" means the course of study on which you were registered when your eligibility for this loan was confirmed by your HEI and includes a different course at the same HEI if you would have been eligible for a loan on that course and you transfer to it without a break in study;

"deferral level" means 85% of our estimate of average monthly earnings of all full-time employees in Great Britain which we work out for the January when the level will apply each year based on figures published by the Office of National Statistics, or if that Office ceases to publish relevant figures, any other relevant published figures;

"disability related benefits" means long term incapacity benefit or short term incapacity benefit at the higher rate, severe disablement allowance, disability living allowance, industrial injuries benefit and disability working allowance, all payable under the Social Security Contributions and Benefits Act 1992, or the amount of any disability premium and severe disability premium included in the applicable amount in calculating the income support payable under the Income Support (General) Regulations 1987, or any other statutory disability related benefit which replaces any of those benefits and which we give you details of;

"disability related costs" means, if you receive a disability related benefit, one twelfth of any expenses which we accept that you will have to pay because of your disability during the twelve months following the relevant month;

"gross income" means income from all sources before deduction for or relief from tax or other statutory charge, but not including any disability related benefits, and less any disability related costs;

"HEI" means the Higher Education Institution you are attending for your course;

"relevant month" means the month before the month when you ask for deferment;

"RPI rate" means the percentage increase between the retail prices all items indices published by the Office for National Statistics for the two months of March immediately preceding the 1 September on which the interest rate is changed or, if that retail prices index is not published, another index which reflects price increases we give you details of;

"student loan" means a loan made by the Student Loans Company under the Student Loan Act 1990 (as amended) or the Student Loans (Northern Ireland) Order 1990 (as amended);

"we, us and our" means the Student Loans Company Limited and any person to whom we may transfer our rights and obligations under this Agreement.

You understand that in making this loan we are relying on the details you have given us. You confirm that you have read and agree to condition I2 about how we can use information about you.

See Agreement completion instructions on reverse of Direct Debit Instruction

This is a Credit Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.

Signature(s) of Borrower(s)

Date(s) of signature(s)

FOR OFFICIAL USE ONLY

Signed on behalf of

Student Loans Company Limited

Date of Signature

Please sign the Credit Agreement in the box above.

DO NOT DETACH THE DIRECT DEBIT INSTRUCTION FROM THE CREDIT AGREEMENT. RETURN BOTH TO STUDENT LOANS COMPANY LIMITED.

FM-LAD-70 3 March, 1998 Issue 4

Please sign the Direct Debit Instruction where indicated below.

Please fill in the whole form using a ball point pen and send it to:

**Student Loans Company Limited,
100 Bothwell Street,
Glasgow
G2 7JD.**

Name(s) of Account Holder(s)

Bank/Building Society account number

Branch Sort Code
(from the top right hand corner of your cheque)

Name and full postal address of your Bank or Building Society branch

To The Manager

Bank/Building Society

Address

Postcode

Instruction to your Bank or Building Society to pay by Direct Debit



Originator's Identification Number

9 0 7 0 2 1

Reference Number

Instruction to your Bank or Building Society

Please pay Student Loans Company Limited Direct Debits from the account detailed on this Instruction subject to the safeguards assured by the Direct Debit Guarantee.

I understand that this instruction may remain with the Student Loans Company Limited and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

Banks and Building Societies may not accept Direct Debit Instructions for some types of account.

FM-LAD-71
1 September, 1997
Issue 2

2. Making the Agreement

- 2.1 This Agreement will be made when we sign it following signature by you but we will not give you the loan or any part of it unless or until your eligibility has been confirmed by your HEI and we are satisfied that you are eligible. We will make the loan by direct credit to the account which you have given us details of.
- 2.2 "We will pay your loan during the academic year of your course in up to three instalments. When we pay the first instalment we will tell you when any more instalments will be paid, and the amount of each instalment. We will not normally pay any instalment when you are not attending your course, and you must tell us about any absence unless it is for illness and for less than 60 days. We may ask you to show that you are still attending your course before paying any further instalments".
- 2.3 You accept that only employees of the Student Loans Company Limited are authorised to make statements about the loan, this Agreement and student loans generally. No one else (including anyone at your HEI) is authorised to act as our agent in relation to student loans.

3. Interest

- 3.1 The interest rate for the period between 1 September and the following 31 August will be the daily rate which would result in an APR for a loan on the terms of this loan equal to the RPI rate. We will tell you the new interest rate in September each year.
- 3.2 Interest will be calculated daily on the amount of the loan outstanding and will be added to the loan, and form part of it, monthly until the loan is repaid in full. We will continue to charge interest on any overdue payments, both before and after judgment, and during any period when you do not have to make repayments (including any period of deferment).

4. Repayments

- 4.1 We will work out your monthly repayment amount for each year by adding to the principal balance of the loan as at 1 September (or 1 April in the case of the first repayment amount) the amount of interest which, after taking account of repayments, will accrue over the remaining period of the loan at the current rate and dividing the total by the number of repayments then unpaid. The first monthly repayment amount will be fixed for five months beginning in April and from then on each monthly repayment amount will be fixed for 12 months beginning in September.
- 4.2 Unless we agree otherwise we will collect your monthly repayments by direct debit. We will tell you the date in each month when repayments are due (we will collect them on that day or the next working day). If your account changes you must give us a new direct debiting instruction.
- 4.3 If after you have completed or left your course, you take another student loan in relation to a further course of study, we will not ask you to make any more repayments under this Agreement until you begin to repay that student loan. The number of repayments you have will then be the same as for the new loan.
- 4.4 If you show us that you receive a disability related benefit and that because of your disability you are unfit for full-time work and not likely to be fit for at least the next 3 years, the number of monthly repayments will be 120 including any repayments already made.
- 4.5 We may allow you to make a repayment late or to miss all or part of a repayment without waiving or altering our rights against you.

5. Early Repayment

- 5.1 You can at any time prepay any or all of the loan, without penalty. However, if you make a pre-payment of part of the loan, we will not change your monthly repayment amount until the September which follows the prepayment. If you want to repay the loan in full you can ask us for a written statement telling you the exact amount you need to repay.
- 5.2 If you do not make a repayment under this Agreement when it is due, we may ask you to repay the loan in full immediately. We may do this even if your obligation to make other repayments is currently deferred.

6. Deferment

- 6.1 Each year we will tell you the new deferment level for the period between 1 September and the following 31 August.
- 6.2 You can defer making repayments of your loan if:
- we have not already asked you to repay the loan in full; and
 - you can show:
 - that your gross income for the relevant month is not more than the deferment level; and
 - if we ask, that your gross average monthly income during the 3 months immediately following the relevant month will not or is unlikely to be more than the deferment level.

Each deferment period will last for 12 months beginning on the date we tell you. This date will be not more than three months before or two months after the date we accept your deferment application.

- 6.3 If you can defer making repayments under condition 6.1 and you can also show us that you get a disability related benefit and that your gross monthly income during the 36 months following the relevant month will not, or is unlikely to, be more than the deferment level, the deferment period will last for 36 months.

- 6.4 You can end the deferment period at any time. To do this you must tell us in writing when to start collecting repayments from your bank account.

7. Cancellation

We will cancel your liability to repay the loan if you:

- die; or
- are not behind with any repayments under any agreement for a student loan and you:
 - were under the age of 40 when your last agreement for a student loan was made and you reach the age of 50 or when your last agreement for a student loan has been outstanding for not less than 25 years, whichever is the sooner; or
 - were aged 40 or older when your last agreement for a student loan was made and you reach the age of 60; or
- if you show us that you get a disability related benefit and because of your disability are permanently unfit for work.

8. Statements

We will send you an annual statement showing the payments you have made and the interest and any costs we have added to the account since the date of the last statement.

9. Transfer of rights and duties.

- 9.1 We may transfer to any other person any or all of our rights and duties arising under, or in connection with, this Agreement at any time without your consent but your rights under this Agreement and under the Consumer Credit Act 1974 will not be affected.
- 9.2 As some of the terms of this Agreement depend on your personal circumstances in the future, you may not assign or transfer any of your rights or duties under this Agreement.

10. Notices

- 10.1 You must tell us immediately if you:

- leave your course before completing it; or
- complete your course early; or
- change your address.

- 10.2 We will send any notices, demands and statements to you at your last known address. Anything we send by post will be deemed to have been received by you 48 hours after posting.

11. Costs

We will charge you for any losses or costs we have to pay if you break this Agreement. Our standard charges are set out in the Student Loans Charges Guide which we will give you when you sign this Agreement. We may make changes to our charges by giving you advance notice in writing.

12. Disclosure of information

You agree that we may process the information we hold about you (including contact names given on your application form) on computer or in any other way and use it for credit assessment and statistical analysis, including behaviour and credit scoring.

We agree that we will not give or show confidential information about you to anyone else for marketing purposes but you agree that we may give confidential information about you in the following cases:

- for fraud prevention purposes;
- if you have broken this Agreement, to licensed credit reference agencies (who may make such information available to other lenders assessing credit applications from you and other members of your household);
- under a strict duty of secrecy to sub-contractors or persons acting as our agents;
- to any person to whom we may transfer or assign our rights under this Agreement;
- if we have a right or duty to disclose or are compelled to do so by law.

13. Governing law

This Agreement is governed by the law applicable to the place of your address as stated in this Agreement (or, if your address is outside the United Kingdom, by the laws of England). You irrevocably agree, for our benefit, that the courts of the country of that place (or the English courts where your address is outside the United Kingdom) shall have non-exclusive jurisdiction to hear any action or proceedings arising in connection with this Agreement and you irrevocably submit to the jurisdiction of those courts provided that this will not limit our rights to take proceedings against you in any other court of competent jurisdiction.

IMPORTANT - YOU SHOULD READ THIS CAREFULLY YOUR RIGHTS

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which must be satisfied when the agreement is made. If they are not, the creditor cannot enforce the agreement against you without a court order.

The Act also gives you a number of rights. You have a right to settle this agreement at any time by giving notice in writing and paying off all amounts payable under the agreement.

If you would like to know more about the protection and remedies provided under the Act, you should contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.