

**Credit Agreement** regulated by the Consumer Credit Act 1974.

## Running account credit.

### Please retain for your records

This Agreement is made between Next Retail Limited (“we”/ “us” / “our”) trading as Next Online of Desford Road, Enderby, Leicester, LE19 4AT and the customer (“you” / “your”).

This Agreement contains the principal terms of your Next credit account (“your Account”). It does not contain all terms and conditions relating to promotional offers, which we may make in line with clause 44. Full terms and conditions of promotional offers will be communicated to you at the time such offers are made.

## Key Features

1. This Agreement has no fixed or minimum duration.
2. The initial credit limit is £X.
3. You may not exceed your credit limit. We reserve the right to vary your credit limit from time to time. See also clause 43.
4. You can use your Account to purchase goods online at next.co.uk, at other participating websites, via the contact centre on 0333 777 8000#, or at participating stores using a Next store card or electronic equivalent (e.g. smartphone app). We may also, at our discretion, offer you the ability to add store purchases to your Account for a limited period on the production of valid personal identification. We may from time to time introduce additional purchase methods. We will tell you how to use any such methods when we introduce them.
5. By signing this Agreement, you are consenting to us sending you (subject to our discretion) a Next store card once you meet the applicable eligibility criteria. See also clause 35.

## Cost of Credit and Interest

6. Standard Rate of Interest (the Standard Rate) – X% per annum (variable).
7. APR – X% (variable). This has been calculated as set out in clause 12.
8. If you do not pay your full balance in any month by the date set out in your statement (or such later date as we may allow) we will charge you interest as follows:
  - 8.1. On purchases from next.co.uk or childisplayclothing.co.uk:
    - 8.1.1. for deliveries to residential addresses, from the day after we expect you to receive the items and
    - 8.1.2. for deliveries to store, from the day after you collect the item or from the day after we expect your item to be available for collection, whichever is sooner and
    - 8.1.3. on delivery charges, from the day after we expect you to receive the first items within the related order until the date of your statement, unless you return the items in line with our returns policy, or the charges are otherwise removed from your Account, by the time the next statement is generated; and
  - 8.2. On new purchases from participating stores using your Next store card, or otherwise as we may allow, and purchases of gift vouchers or gift cards on your Account, from the date of purchase, until the date of your statement, unless you return the items in line with our returns policy, or the charges are otherwise removed from your Account, by the time the next statement is generated; and
  - 8.3. On the outstanding balance shown on your statement as “Present Balance”, which includes items in clauses 8.1 and 8.2, purchases from other participating websites, subscription delivery charges and investigation charges, less any previously billed returns (made in line with our returns policy) and/or adjustments that are removed from your Account, from the date of your last statement until the date your next statement is produced, other than where a return or adjustment is treated as a payment in accordance with clause 16 below.
9. Any part payment made by you in a statement period will not reduce the amount of interest that you have to pay for that statement period but it will be taken into account when calculating the interest payable for the next statement period.
10. Interest will be added to your Account when a statement is produced.
11. We may vary the interest rate or other charges at any time by giving you notice in accordance with clause 43.
12. Total Amount Payable – £X

The above has been calculated (as has the APR) using the following assumptions:

- i) Credit up to your credit limit has been drawn down immediately at the start of the Agreement in full for 12 months
- ii) The credit is repaid in 12 equal monthly instalments with interest calculated in accordance with the terms of this Agreement
- iii) The Agreement remains valid throughout that period, that we and you have fulfilled all our obligations to each other under the Agreement, by the dates specified in the Agreement, and that the Standard Rate shown above has applied for the whole of the 12 month period.

## Statements and Payments

13. A statement will be produced no more than 10 days after the first transaction is applied to your account, then on the same day each month where required. This day may change following a period of inactivity. We will not send you a statement where we are not required to do so, for example, where you have not placed an order and there is no outstanding balance.
14. Statements will be sent electronically to the My Account area at next.co.uk where they can be viewed or downloaded as a PDF file. We will email you each time a new statement is available online. You can change your statement preferences in My Account if you prefer paper copies. You will always receive a paper statement if your Account falls into arrears.
15. Each statement that we send to you will show all of your purchases on your Account, including any purchases made in participating stores using your Next store card or otherwise as we may allow.
16. Any items returned in accordance with our returns policy (which can be found at [www.next.co.uk/terms](http://www.next.co.uk/terms)) will appear as a credit when received by us, on your next statement. Returns for items purchased from next.co.uk, childspayclothing.co.uk or from participating stores using your next store card or otherwise as we may allow, will be treated as payments where they cross statement periods.
17. Your payments are required monthly by the date set out in your statement (or such later date as we may allow).
18. You must pay at least the Minimum Payment shown on your statement as minimum monthly payment. You can however pay us more than the Minimum Payment due at any time.
19. Missing payments could have severe consequences and make obtaining credit more difficult or expensive and could lead us to obtaining a court order (a judgment) against you. We will register missed payments with Credit Reference Agencies. Additionally, further action may be taken, including referral to a third party debt collection agency.
20. Where there is a balance on your Account at the time a statement is generated, we will calculate the Minimum Payment as the higher of £5 or 5% of your Account balance (excluding any default charges added in that statement period) rounded up to the nearest £1, plus any default charges added in that statement period. If your balance, excluding any default charges added in that statement period, is less than £5, your Minimum Payment will be the full outstanding balance on your Account at the time the statement is generated. Your Minimum Payment will be recalculated in the same way at the time each statement is generated.
21. Where we, at our discretion, allow you to enter into a repayment plan with us allowing you to make Minimum Payments of a set amount, then these payments will be the amounts due under the Agreement until we tell you otherwise. However, if you fail to make any payment due under your repayment plan in full at any time, your repayment plan will end and the normal Minimum Payment calculation will apply.
22. If there are any arrears outstanding from previous statements that remain unpaid, you must pay them immediately.
23. Payments that we receive from you will be allocated to your Account in the order described in clause 23.1 below, unless clause 23.2 or 23.3 applies:
  - 23.1.
    - i) payment of any outstanding amounts from any previous statements starting with the oldest outstanding amount first;
    - ii) payment of amounts shown on your most recent statement;
    - iii) towards any balance remaining on your Account.
  - 23.2. If we, at our discretion, allow you to enter a repayment plan with us, payments that we receive will be allocated to your Account in the following order as long as you keep to the terms of your repayment plan with us:
    - i) payment of the Minimum Payment shown on your most recent statement requiring a reduced payment under the repayment plan;
    - ii) payment of any outstanding amounts from any previous statements starting with the oldest outstanding amount first;
    - iii) towards any balance remaining on your Account.If you break the terms of your repayment plan with us, we will stop allocating payments in the way set out in this clause and will allocate them as set out in clause 23.1;
  - 23.3. If we, at our discretion, allow you to enter a repayment plan with us and you successfully complete your repayment plan and start making normal payments under the Agreement again we will allocate payments in the same way as set out in clause 23.1 except that any arrears that remain on your Account which pre-date you entering your repayment plan with us will be rescheduled so that they become payable as part of your remaining balance and any unpaid default charges will be removed from your account.
24. We may, at our discretion, not accept payments in excess of any monies you owe to us.
25. The outstanding balance of your Account must not exceed your credit limit. If you do exceed your credit limit you must repay the amount over your limit immediately.

## Charges

26. If your Account is two months in arrears we may apply a default charge of £7.50 to your Account to cover our administration costs. We refer to this as a Late Payment Fee. We will not apply this charge again while your Account remains in arrears but if you bring your Account back up to date we will apply a further charge of £7.50 if your Account is two months in arrears at a later date. Your Account will be in arrears if you do not make the required Minimum Payment in full by the due date.
27. Interest for late payments will be charged on unpaid amounts at the Standard Rate.
28. If you return or attempt to return substitute or non-faulty used items, when using our returns facility for any item, an investigation charge of £35 may be added to the balance owing on your Account.
29. We may charge you for administering your Account and investigating the breach whilst you are in breach of the terms of this Agreement, including the cost of tracing your whereabouts and other reasonable costs associated with recovering payments due.

## Withdrawal and Cancellation Rights

30. You have the right to withdraw from this Agreement without having to give any reason within a period of 14 calendar days beginning on the later of the day after the day on which the Agreement is made or you receive a copy of your Agreement (the "Withdrawal Period"). To withdraw you must notify us that you intend to do so within the Withdrawal Period. You can do this by telephoning us on 0333 777 8234# or posting notice of your withdrawal to Next Credit Department, Phase 5, Desford Road, Enderby, Leicester, LE19 4AT.
31. If you withdraw you will have to repay any credit you have drawn down during the Withdrawal Period and pay us any interest due at the interest rate applicable to the Agreement. This must be paid within 30 days of giving us notice of withdrawal and you can do this using the details above. We will inform you on request, without delay, of the daily amount of interest if you draw down credit during the Withdrawal Period. If you used your Account to purchase any goods from us during the Withdrawal Period you will retain ownership of those goods, you must pay for them, and you will not be required to return them.
32. You can repay all or part of your outstanding balance early, in full or in part at any time by paying some or all of what you owe by the methods outlined on your monthly statement.
33. You may terminate the Agreement at any time free of charge by giving us one month's prior notice and paying us what you owe us under the Agreement. You can do this by telephone on 0333 777 8234# or post at Next Credit Department, Phase 5, Desford Road, Enderby, Leicester, LE19 4AT.

## Complaints

34. If you have a complaint about this Agreement you should raise it with us first. If we are unable to resolve it to your satisfaction, you may be able to refer the matter to the Financial Ombudsman Service (FOS) for independent investigation, [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Our complaints process is available on request or visit [www.next.co.uk/help](http://www.next.co.uk/help).

## Next Store Card

35. If we send you a Next store card, upon receipt you must sign it immediately, keep it in a safe place and not let anyone else use it. The Next store card remains the property of Next and we can withdraw, recall or replace it at any time. If your card is lost or stolen you must tell us immediately.
36. If your Next store card is lost, stolen, or misused by someone without your permission, you may have to pay up to £35 for any losses suffered prior to your Next store card being reported as lost, stolen, or misused in writing within 7 days. If it is misused with your permission you will probably be liable for ALL losses.

## Other terms and conditions forming part of this agreement

37. This Agreement will continue for as long as you want or until we decide to terminate it in accordance with clause 38.
38. We can demand repayment of the full balance and terminate this agreement if (i) you fail to pay any amount required under this agreement when it is due, or (ii) you are otherwise in material breach of this agreement (and this will include, for example, if you return or attempt to return substitute or non-faulty used items, when using our returns facility). If we intend to terminate the agreement because of your breach, we will give you prior notice as required under law (and, if the termination is because of a breach which is capable of remedy, advise you of the steps you need to take to remedy the breach to prevent the agreement from terminating). Termination will take effect immediately after any relevant period specified in the notice. This period will be at least the minimum duration required by law. We may also terminate the agreement and demand repayment of the full balance by giving you two months' notice at any time even where you are not in breach of the agreement. In any case we may immediately suspend any further borrowing on your Account at any time (including during any notice period prior to termination).
39. We can suspend, restrict or terminate your right to draw credit at any time for any objectively justified reason, including the way in which you manage credit facilities with other lenders and where there is an indication that the account payments may become unaffordable, such as where you have paid only the Minimum Payment on several consecutive occasions.
40. Before we will allow the value of any order to be added to your Account balance, we must have your consent. Consent can be given to us by (i) confirming the purchase of an item from [next.co.uk](http://next.co.uk) or other participating websites whilst you are logged into your Account; or (ii) by presenting your Next store card, other such device as we may introduce or valid personal identification as applicable, in participating stores when making a purchase.
41. Other than statements as set out at clause 14, we will communicate with you and can send you any documents relating to your Agreement or your Account (including any statutory notices or other documents) by SMS, email or by post, at the telephone number, email address and address that you have given to us for this purpose when you applied for your Account, or have subsequently told us to use for this purpose. Emails will contain relevant information within the body of the email, not as an attachment. You may receive emails as HTML or plain text based on your personal settings. By entering this Agreement you consent to us communicating with you in this way and agree to tell us, in writing, within 7 days if you change address, telephone number or email address. If we send a communication by email and it is not received at the email address provided, we may communicate with you by post. We will always send documents by post where we are required by law to do so (though we may also send copies by email and/or SMS as above).
42. If you do not pay your Account in accordance with this Agreement we may sell the debt that you owe to us to a third party.

43. We reserve the right to vary this Agreement, including the interest rate or the credit limit, at any time for any valid reason including business, legal or operational reasons. We will give you at least 30 days' written notice of any increase in the interest rate. We will notify you as soon as reasonably possible following any decrease in your credit limit, and we will give you one month's advance notice of any increase in your credit limit. You will be able to decline any offer of an increase in your credit limit. We will give full details of your options for credit limit increase offers on application and when such offers are made.
44. We may from time to time make promotional offers available to you which may result in preferential terms (such as promotional interest rates) applying to your Account during the relevant promotional period. If we do this, we will notify you of the applicable promotional offer including any terms that apply to its availability and their impact on how your Agreement will work. We will also inform you of the period during which the promotional offer will be made available.
45. If we decide to temporarily ignore or relax the terms of this Agreement, for example by waiving any default charges that become due, or writing off any amount that you owe us, we will not be prevented from enforcing our rights against you under the Agreement in full at any time.
46. English law governs this Agreement and the English Courts will determine any dispute, unless you are resident in Scotland or Northern Ireland in which case the law in the jurisdiction in which you are resident shall apply and the Courts of the Country in which you are resident will determine any dispute.

This is a credit agreement regulated by the Consumer Credit Act 1974.

The credit agreement will not take effect until such time as any required additional checks, including for the prevention of fraud, have been completed.

If you have any questions please call 0333 777 8234#.

Next Retail Limited trading as Next Online is supervised by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN under the Consumer Credit Act 1974 (Next Retail Limited Company Registered Number 4521150).

# Lines open from 8am - 11pm, 7 days a week. For call charges contact your service provider.