

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 Next3Step Account (your account). It does not contain all terms and conditions relating to promotional offers, which we may make in line with clause 50. 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. We reserve the right to vary the credit limit and will advise you of any new limit from time to time. We will give you one month’s notice of any increase in your credit limit.
4. You can use your account to purchase goods online at next.co.uk, on other Next branded websites, or otherwise as we may let you from time to time, up to your credit limit. Purchases made by any such additional facility as we may permit on your account will be treated as outlined in clause 13.1.1 of this Agreement, unless we inform you otherwise.
5. You can spread the cost of purchases on your account over three monthly payments without incurring interest on these purchases, providing each month you make at least the 3Step Payment shown on your statement (see clause 25) by the date set out in your statement. If you do not make the 3Step Payment in full and on time, interest will be charged as set out under ‘Cost of Credit and Interest’ below.
6. We may, at our discretion, also allow you to purchase goods in Next Holdings Limited subsidiary stores up to your available credit limit using a Next3Step Card, or such additional alternative methods as we may introduce from time to time. By signing this Agreement, you are consenting to us sending you (subject to our discretion) a Next3Step Card once you meet the applicable eligibility criteria. If we send you a Next3Step Card, upon receipt you must sign it immediately, keep it in a safe place and not let anyone else use it. You can use your Next3Step Card to make purchases from such Next Holdings Limited subsidiary stores as we may advise you of from time to time. The Next3Step 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. We will tell you how to use any additional alternative methods we may introduce when we introduce them. 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.

Cost of Credit and Interest

7. Standard Rate of Interest (the Standard Rate) – X% per annum (variable)
8. APR –X% (variable).
9. Where there is an outstanding balance on your account, this may consist of one or more of the following; Next3Step Purchase Balances, any balance relating to other promotional offers and the

Standard Rate Balance. Whether and how interest is charged on any part of your outstanding balance will depend on the terms and conditions applicable to all elements making up that balance.

10. A Next3Step Purchase Balance is the remaining balance of all items charged to your account during one statement period for which all 3Step Payments have been made to date. Where we refer to Next3Step Purchase Balances, this is the non-interest bearing element of your outstanding balance on your account which is the total of all individual Next3Step Purchase Balances.

11. Where we refer to the Standard Rate Balance, this is the balance, excluding any Next3Step Purchase Balances or promotional balances, which will be chargeable for interest at the Standard Rate and as described in clauses 12 and 13 below.

12. Where the Next3Step option was available and the 3Step Payment is paid by the date set out in your previous statement (or such later date as we may allow) we will apply interest as follows:

12.1 For items included in a Next3Step Purchase Balance, no interest will be charged;

12.2 for Standard Rate Balance we will apply interest (based on average daily balance) at the applicable rate from the date of your previous statement until the date of your statement, unless you return the relevant items or the charges are otherwise removed from your account by the time your statement is generated.

13. Where the Next3Step option was not available or the 3Step Payment is not paid by the date set out in your previous statement (or such later date as we may allow) we will apply interest (based on average daily balance) at the applicable rate as follows:

13.1 In the first month following charging of items to your account,

13.1.1 on all purchases, other than as set out in clauses 13.1.2 to 13.1.6 below, and on any standard or evening delivery charges shown on your statement: for deliveries to residential addresses, from the day after we expect you to receive the items and 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

13.1.2 on purchases from Next Holdings Limited subsidiary stores using your Next3Step Card or otherwise as we may allow and purchases of gift vouchers, gift cards, warranties or general insurance products on your account, from the date of purchase; and

13.1.3 for copies of chargeable brochures, subscription delivery charges and any investigations charges, from the date on which the brochure, subscription delivery charge or investigations charge is added to your account (see clause 35); and

13.1.4 on purchases from Next Domestic Appliances from the day after we expect you to receive the goods or 14 days after the date of your order, whichever is sooner; and

13.1.5 on any delivery charges not covered in 13.1.1 or 13.1.3 above and on installation and removal charges, from the day after your goods were sent to you, or 14 days after the date of your order, whichever is sooner; and

13.1.6 on any collection charges from the day goods were collected from you;

until the date of your statement, unless you return the items or the charges are otherwise removed from your account by the time your statement is generated.

13.2 In subsequent months following charging of items to your account and for Standard Rate Balance; from the date of your previous statement until the date of your statement, unless you return the items or the charges are otherwise removed from your account by the time your statement is generated.

14. If you do not pay the full 3Step Payment on time in any month, all Next3Step Purchase Balances will move to the Standard Rate Balance. If this happens, the Next3Step Purchase Balances will be set to zero and will be restarted the next time you make a qualifying purchase. Once Next3Step Purchase Balances have moved to the Standard Rate Balance, they cannot move back.

15. Interest will be added to your account when a statement is produced.

16. We may vary the interest rate or other charges at any time by giving you notice in accordance with clause 49.

17. Total Amount Payable – £X

The Total Amount Payable and the APR are calculated 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 has applied for the whole of the 12 month period.

Payments

18. A statement will be produced every month, unless we are not required to do so, for example, where there are no transactions in the month and no outstanding balance.

19. 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.

20. Each statement that we send to you will show all of your purchases on your account since your previous statement. Any items returned within 14 days of receipt in a new condition will appear as a credit when received by us on your statement.

21. If there are any arrears outstanding from previous statements that remain unpaid you must pay them immediately.

22. You must pay at least the Minimum Payment shown on your statement by the due date shown on the statement (or such later date as we allow). You can however pay us more than the Minimum Payment due at any time, for example by paying the 3Step Payment.

23. 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 £0.01, plus any default charges added in that statement period. If, however, your balance is less than £5, your Minimum Payment will be the full outstanding balance on your account at the time the statement is generated, plus any default charges added to your account in that statement period. Your Minimum Payment will be recalculated in the same way at the time each statement is generated.

24. 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.
25. Where a 3Step Payment is shown on your statement, it will be calculated as the higher of (a) the Minimum Payment or (b) the total of the following;
- (i) On the first statement after Next3Step purchases have been charged to your account, one third of the remaining Next3Step Purchase Balance relating to these purchases,
 - (ii) On the second statement, after Next3Step purchases have been charged to your account, one half of the remaining Next3Step Purchase Balance relating to these purchases,
 - (iii) On the third statement after Next3Step purchases have been charged, the full remaining Next3Step Purchase Balance relating to these purchases,
 - (iv) Arrears on your account
 - (v) 5% of balance on the Standard Rate
 - (vi) Default charges applied in the month
 - (vii) Any other amount required in respect of other applicable promotional offers.

For the avoidance of doubt, paying the 3Step Payment would discharge your obligation to make the Minimum Payment for the same statement.

Any credit balance will be deducted from the value of Next3Step Purchase Balances, starting with the oldest first, before the above calculation is applied.

26. In the event that you return any part, but not all, of your purchases that make up the Next3Step Purchase Balances, you must still pay the full 3Step Payment shown on your statement in order to avoid paying interest on those purchases, unless an amended 3Step Payment is displayed on the My Account area of next.co.uk. If you return all of the purchases that make up your Next3Step Purchase Balances before the due date shown on your statement then the 3Step Payment option will no longer be applicable.
27. In the event that you return any purchases that do not make up any part of the Next3Step Purchase Balances, these will be reallocated to your balance when your statement is produced, in the following order;
- (i) Standard Rate Balance
 - (ii) Next3Step Purchase Balances, starting with oldest first.
28. Payments that we receive from you will be allocated to your account in the order described in clause 28.1 below, unless clause 28.2 or 28.3 applies:

28.1.If you have paid less than the 3Step Payment (or no 3Step Payment is applicable) we will allocate in the following order;

- (i) Arrears on your account (oldest first, highest to lowest interest rate),
- (ii) The Minimum Payment due for balance on the Standard Rate,
- (iii) Default charges applied in the month,
- (iv) Remaining balance (highest to lowest interest rate)

If you have paid greater than or equal to the 3Step Payment we will allocate in the following order;

- (i) Arrears on your account,
- (ii) The Minimum Payment due (including default charges applied in the month),
- (iii) The remainder of the 3Step Payment not covered by (i) or (ii),
- (iv) Remaining balance (oldest first, highest to lowest interest rate)

28.2. 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;
- (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 (highest to lowest interest rate).

If you break the terms of your repayment plan with us, we will stop allocating payments in the way set out in this clause 28.2 and will allocate them as set out in clause 28.1.

28.3. 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 28.1, except that any arrears that remain on your account which pre-date you entering your repayment plan with us, excluding any outstanding default charges, will be rescheduled so that they become payable as part of your remaining balance. Any outstanding default charges will be immediately payable.

29. 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 the Credit Reference Agencies. Additionally, further action may be taken, including referral to a third party debt collection agency.
30. Interest for late payments will be charged on unpaid amounts at the applicable rate.
31. We may, at our discretion, not accept payments in excess of any monies you owe to us.
32. 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.
33. In the event of your account being in credit when your statement is produced, the credit balance will be allocated to Next3Step Purchase Balances, starting with oldest first. Any remaining credit balance will be left to be allocated against future purchases unless you request that this is refunded to you.

Charges

34. If your account is two months in arrears we will 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 required payments in full or by the due date.
35. If you return or attempt to return substitute or alternative items, when using our returns facility for any item, an investigation charge of £35 may be added to the balance owing on your account.
36. 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

37. 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 8174# or posting notice of your withdrawal to Next Credit Department, Phase 5, Desford Road, Enderby, Leicester, LE19 4AT.
38. 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 to us if you withdraw.
39. 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.
40. You may terminate the Agreement at any time free of charge by giving us one months' prior notice and paying us what you owe us under the Agreement. You can do this by telephone on 0333 777 8174# or post at Next Credit Department, Phase 5, Desford Road, Enderby, Leicester, LE19 4AT.

Complaints

41. If you have a complaint about this Agreement and 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. Details will be provided as appropriate. If you entered into this Agreement online, you may also use the European Commission's online dispute resolution platform (ODR) to make a complaint. You can find out more about the ODR platform at ec.europa.eu/odr.

Liability

42. If your Next3Step Card is lost, stolen, or misused by someone without your permission, you may have to pay up to £50 of any loss to us. If it is misused with your permission you will probably be liable for ALL losses. You will not be liable to us for losses which take place after you have told us about the theft etc. as long as you confirm this in writing within 7 days.

Additional terms and conditions forming part of this agreement

43. This Agreement will continue for as long as you want or until we decide to terminate it in accordance with clause 44 below.
44. We can terminate this Agreement (subject to giving you notice under the Consumer Credit Act 1974) immediately if you are in breach of the terms of the Agreement. We may also terminate it on 2 months' notice in writing at any time where you are not in breach of the Agreement.
45. 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.

46. Before we process your payment instructions, we must have your consent. Consent can be given to us by (i) confirming the purchase of an item from next.co.uk or another Next branded website whilst you are logged into your account on next.co.uk or another Next branded website or over the phone when placing an order; or (ii) where applicable, by presenting your Next3Step Card (or personal identification where applicable) in store when making a purchase (see clause 6).
47. Other than statements as set out at clause 19, 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 send copies by email and/or SMS as above).
48. 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.
49. We reserve the right to vary this Agreement, including the interest rate, at any time for any valid reason including business, legal or operational reasons, and will give you at least 60 days written notice of any increase in the interest rate and one month's written notice of any increase in your credit limit.
50. We may from time to time make promotional offers available to you which may result in preferential terms (such as promotional interest rates or longer Interest Opt Out periods) 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.
51. 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.
52. English law governs this Agreement 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 English Courts will determine any dispute unless you are resident in Scotland or Northern Ireland in which case 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.

If you have any questions please call 0333 777 8174#.

Next Retail Limited trading as Next Online is supervised by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS 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.