

## Moneylender's Licence\* Consumer Credit Act, 1995 (as amended)

\*please see the transitional provisions in Section 114B of the Consumer Credit (Amendment) Act 2022

The Central Bank of Ireland ("the Central Bank") hereby grants to Shop Direct Ireland Limited t/a Very ("the firm") (Central Bank reference number – C12587) of Cape House, Westend Office Park, Blanchardstown, Dublin 15, a moneylender's licence from 1 August 2022 (\*amended 14 November 2022) up to and including 31 July 2023. This licence is granted in accordance with the provisions of the Consumer Credit Act, 1995, (as amended) ("the Act") and all business conducted under this licence must be conducted in compliance with the obligations imposed under the Act and any other relevant obligations. This licence authorises the firm to engage in the business of moneylending in all District Court Districts.

### This licence is subject to the following restrictions:-

**Schedule A** to this licence incorporates the firm's own terms and conditions of agreement with its **consumers** and this licence and these terms must at all times be clear and visible to the **consumer** and a copy given to them, and the consequences of them must be explained in simple terms to the **consumer**. The firm must ensure that any changes to its Terms and Conditions are in compliance with the restrictions set out in this licence and applicable legislation.

The firm is permitted to enter into a moneylending agreement subject to a maximum APR of 39.7% and a maximum nominal monthly interest charge of 2.8252%.

### Schedule A

Terms of payment: How the **consumer's** account works.

Repayments – The **consumer** will be sent a statement every calendar month giving details of all transactions on their account during the period since the last statement or, if there has been no previous statement, since opening the account. The first payment will become due 23 days after the date of the first statement and all subsequent payments will become due 23 days after the date of the statement on which they appear. The due date will be shown on each statement. The **consumer** is required to make at least the minimum payment by the due date shown on the statement. The minimum payment on current balances over €100 will be 10% of that current balance. The minimum payment on current balances of €100 or less will be €10 or the full current balance, if it is less than €10. The **consumer** may pay more than the minimum payment if he/she so wishes.

The annual percentage rate (APR) is variable and is currently 39.7%. The borrowing rate is also 39.7% variable. Interest is calculated on the daily current balance and the compounded interest is applied to the account at the end of every statement period.

As a representative example, if the consumer is given a credit limit of €350, the consumer then use their new account to buy a single item for €200 and make the minimum payment each month of 10% (or €10 if greater), the total amount payable will be €256.23, spread over 22 payments.

Promotional Interest Rates: The firm may, from time to time, offer reduced interest rates (Promotional Interest Rates) on selected purchases or types of purchase ("Promotional Transactions"). The firm will advertise the Promotional Interest Rate, the period for which it applies ("Promotional Period") and any other additional terms which apply to the Promotional Transaction in such a manner as the firm considers appropriate. The firm will charge interest at the Promotional Interest Rate on the outstanding balance in respect of Promotional Transactions for the Promotional Period and, after the end of the Promotional Period, the firm will charge interest at the standard borrowing rate. The availability of Promotional Interest Rates is conditional on the **consumer** keeping to the agreement and, if the **consumer** does not keep to the terms, the firm may withdraw any Promotional Interest Rates and charge interest at the standard borrowing rate on the full outstanding balance.

The initial credit limit on the **consumer's** account will be specified in the agreement. If the **consumer** asks the firm to provide additional credit for purchases in excess of his/her current credit limit the firm will consider his/her request and if the firm approve it, the firm may increase his/her credit limit. The firm will then notify the **consumer** of his/her new credit limit. The firm may decrease the **consumer's** credit limit from time to time at the firm's discretion to reflect factors such as changes in the **consumer's** personal circumstances, shopping requirements or other characteristics. If the firm does so, it will notify the **consumer**.

The **consumer** may charge as many purchases as he/she likes to his/her account up to his/her current credit limit. The **consumer** must not exceed his/her credit limit. The agreement is open-end and will continue until it is terminated by either the firm or the **consumer** in accordance with clauses 11 or 12.

The firm may vary the borrowing rate for any of the reasons described below and will notify the consumer of the variation, but the firm will not increase it above a maximum of 39.7%. If the firm increase the borrowing rate and the consumer does not wish to accept the new rate, he/she may pay off their existing balance at the old rate over a reasonable period.

In addition to the firm's rights to vary the credit limit and the borrowing rate described above, the firm reserve the right to vary the agreement at any time to reflect changes in relevant laws, changes in the firm's systems capabilities, changes in market conditions affecting the firm's business and new developments in the market place. Where the change is material or is to a fundamental term of the agreement the firm will give the **consumer** 30 days prior written notice of the change. The **consumer** will have the opportunity to terminate the agreement under clause 12 if he/she is unhappy with the variation.

### Cooling Off Period

The **consumer** has a right to withdraw from the agreement. Details of how to exercise this right and of what will happen if the **consumer** does are contained in clause 14.

### Terms of the agreement

#### 1) Buy Now Pay Later Transactions.

Selected purchases may be available on one of the following Buy Now Pay Later offers ("BNPL Transactions"), as published from time to time.

#### No interest during BNPL period

Once the BNPL Transaction is charged to the **consumer's** account at the end of the BNPL period, it will be shown as part of the current balance and will become liable for interest and payment but no interest will accrue on the BNPL Transaction until it is charged to the **consumer's** account. Amounts owing under a BNPL Transaction, but not yet charged to the **consumer's** account, will be deducted from the **consumer's** credit limit when the firm calculate the amount the **consumer** has left to spend. The amount of credit available to the **consumer**, in relation to the **consumer's** account, will be reduced accordingly.

#### Interest Accruing during BNPL period

The BNPL Transaction will accrue interest from the purchase date, but this interest will not show on the account until the expiry of the BNPL period. Once the BNPL Transaction is charged to the **consumer's** account at the end of the BNPL period, the balance, including accrued interest, will be shown as part of the current balance, and will become liable for payment. Amounts owing under a BNPL Transaction, but not yet charged to the **consumer's** account, will be deducted from the **consumer's** credit limit when the firm calculate how much the **consumer** has left to spend. The amount of credit available to the **consumer**, in relation to their account, will be reduced accordingly. If the **consumer** pays the cash price of their BNPL Transaction before the expiry of the BNPL period, the **consumer** will not be required to pay any interest on the transaction.

#### 2) Acceleration of payment

The **consumer** must pay at least the minimum payment due in full by the due date shown on the statement. If the **consumer** fails to do so, the **consumer** will be in default, and the firm may demand immediate payment of the arrears. If the **consumer** does not pay off the arrears in full by the date mentioned on the notice then the firm reserves the right to demand payment of the full outstanding balance less any rebate to which the **consumer** is entitled under applicable legislation. Such payment must be made on the date specified in the demand. The outstanding balance for all purposes of the agreement will include all sums then due on the account, together with all payments due to be charged to the **consumer's** account at any time in the future under Buy Now Pay Later Transactions.

#### Warning

Missing payments may mean the **consumer's** account is passed to a debt collection agency and may result in legal action being taken. The firm may also give details to credit reference agencies and the **consumer** may find it harder to obtain credit in future.

#### 3) Change of name or address

Should the **consumer** change either his/her name or address or email address the **consumer** must notify the firm in writing within 14 days.



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### 4) The firm's expenses

The **consumer** must pay to the firm any reasonable costs and charges for any of the following:

- locating him/her if he/she has changed his/her address without notifying the firm within 14 days,
- providing to the consumer any administration services the **consumer** may request unless the firm cannot legally charge for those services,
- taking any action to remedy any breach of the agreement by the **consumer** other than a default in payments.

The firm will give the **consumer** at least 30 days notice of any change to the level of any of the charges listed above and at least 30 days' notice if the firm introduce any new charges in addition to or replacement of any of the charges listed above, under the firm's right to vary the agreement.

### 5) Relaxing the terms of the agreement

If the firm allows the **consumer** more time to make a payment or waive any of its other rights, this will not affect the firm's legal rights under the agreement.

### 6) Disclosure of Information

By entering into the agreement the **consumer** authorises the firm to disclose any related information to the Central Credit Register and to any credit reference agency.

### 7) Data Protection and Marketing

The firm's Privacy Policy is available on its website. The firm will always comply with data protection laws when contacting the **consumer** for marketing purposes. If at any time the **consumer** no longer wishes the firm to contact him/her for marketing purposes he/she may opt out of such by contacting the firm.

### 8) Address for notices

Any letter, notice or statements given to the **consumer** in person or left at, or sent to the **consumer's** address (including email address), as stated on the agreement, or the **consumer's** last known address will be deemed validly served.

### 9) Transfer of the agreement

The firm may transfer its rights and/or responsibilities under the agreement to another person or company and by entering into the agreement the **consumer** provides his/her consent to such a transfer. In the event that the firm does so the **consumer** has the right to plead any defence against that person or company that the **consumer** would plead against the firm, including set-off. If the firm transfers its rights and/or responsibilities and ceases to service the agreement it will notify the **consumer** of the transfer as soon as practicable after the transfer, and in any event within 35 days of it taking place.

### 10) Authorisation

The firm may debit the **consumer's** account on each occasion upon which the **consumer** provides the firm with authority to do so, including verbally.

### 11) Account Closure

The firm reserves the right, to suspend the **consumer's** right to further credit under the account and to close the account and require immediate payment of the whole balance if the **consumer** fails to make any payments due under the agreement as they fall due or if the **consumer** is in breach of the agreement. The firm may also terminate the **consumer's** right to further credit for any other reasonable grounds. The firm will give notice of such termination as required by law. Interest will continue to be charged until full payment has been made and the firm reserves the right to charge interest both before and after any judgement against the **consumer**.

### 12) Termination

This is an open-end credit agreement with no fixed duration. The **consumer** may terminate the agreement by giving at least 10 days written notice to the firm. In addition to the firm's right to close the **consumer's** account under clause 11, the firm may terminate the agreement on not less than two month's notice to the **consumer**. If the **consumer** terminates the agreement, he/she must immediately pay the full outstanding balance to the firm, subject to any rebate to which he/she may be entitled under applicable legislation. If the firm terminates the agreement, the **consumer** will not be able to obtain further credit under the agreement and must repay the full outstanding balance to the firm on demand.

### 13) Problems with Repayments and Complaints

If the **consumer** at any time has problems keeping up with his/her repayments or if the **consumer** is worried he/she might have a problem keeping up with repayments then he/she can contact the firm's collection team; they will help the **consumer** work out a payment plan to suit his/her situation. Additionally, the Money Advice and Budgeting Services (MABS) is a national free, confidential and independent service offering credit counselling services. Their number is 0818 07 2000. If the **consumer** is not satisfied with any aspect of the agreement he/she should write to, or call the firm, or contact the firm through his/her online account. If the firm cannot resolve the **consumer's** complaint, he/she can contact the Financial Services and Pensions Ombudsman (FSPO). The FSPO can be contacted as follows: Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2, D02 VH29. Telephone Number 01 567 7000. Website: www.fspo.ie.

### 14) Right of Withdrawal

The **consumer** has the right to withdraw from the agreement under the European Communities (Consumer Credit Agreements) Regulations 2010. This right to withdraw ends on the expiry of 14 days beginning with the later of the day on which: (i) the agreement is made or (ii) a copy of the agreement and of the pre-contract information has been received by the **consumer**. The **consumer** can withdraw by sending or taking a written notice of cancellation to the firm. If the **consumer** does not withdraw he/she will be bound by the agreement. If the **consumer** withdraws after he/she has been provided with credit under the agreement he/she must repay the credit to the firm in full together with all accrued interest as soon as practicable after withdrawal, and in any event within 30 days of the **consumer** giving the firm notice of withdrawal.

At the **consumer's** request, the firm can advise on the amount of interest that will be charged per day.

### 15) Choice of Law

The agreement is governed by the laws of Ireland, which the firm also takes as applying prior to the making of the agreement.

### 16) Communications

All communications in relation to the agreement will be in the English language.

### 17) Unenforceability

If any term of the agreement is unenforceable for any reason, it shall not affect the enforceability of any other term of the agreement.

### 18) Appropriation of Payments

The following allocation rules will apply, depending on the amount the **consumer** pays and what offers he/she has taken up on the account. Payments will be allocated in the following order on a high to low interest rate basis where applicable:

- arrears;
- the current balance, excluding (i) any transactions since the last statement and (ii) BNPL Transactions not yet due for payment;
- BNPL Transactions for which the BNPL period ends in the current statement period;
- any transactions since the last statement excluding BNPL Transactions;
- BNPL Transactions not yet due for payment. If the consumer has multiple such BNPL Transactions, they will be prioritised on a "payment due" basis. If more than one BNPL Transaction is due for payment on the same date, payment will be made to the highest rate BNPL Transaction first and if these transactions have the same interest rate, payment will be made to the oldest BNPL Transaction first.

### 19) Taxes

It is possible that other taxes or costs may exist that are neither paid nor imposed by the firm.

**Note:** Different terms and conditions may apply if the loan was entered into prior to the date of this licence. The **consumer** can contact the firm for full details.

Mary McEvoy

Mary McEvoy

Head of Function

Consumer Protection: Credit and Lending

Date: 14 November 2022