

Changes to our Agreement

Here's what you need to know

Current Account

TESCO Bank


We're changing your terms and conditions

From **30th March 2020**, we're updating your Tesco Bank Current Account agreement. You don't need to do anything, we're just writing to let you know.

To help you understand what's different, we've summarised the changes for you below, however for further details please refer to the rest of this booklet.

1. We're making it easier to understand overdrafts

If you have an arranged overdraft, we've made it clear that your available balance will no longer include your arranged overdraft – this will now be displayed separately. This means it will be easier for you to see when you are spending your own money, and when you are borrowing money from us. It won't change the amount of money available to spend in your account, just how it is displayed to you on the Mobile App, in Online Banking and when you check your balance on ATMs.

2. We're changing some of the fees we charge

We'll no longer charge paid transaction fees. Previously, we could charge you £5 if we allowed a payment to go through when you didn't have enough money in your account to cover it. From 30th March 2020, we'll stop charging this fee.

In addition, we won't charge a 1% cash withdrawal fee for withdrawing Euro, and we're also removing the £10 fee charged for making SEPA payments.

3. We're changing the text alerts you might receive

We've updated some of our text and email alerts, to make it clear what time you need to pay money into your account by to avoid being charged interest for using your arranged or unarranged overdraft. Remember, you'll only receive these alerts if we have your up to date contact details, and if you haven't opted out of receiving them. You can update your preferences at any time by logging in to Online Banking, or by calling us.

4. Making things clearer

Minor updates to wording have been made, including grammatical and formatting changes, to make our terms & conditions clearer.

Important information

If you are unhappy with any of the changes we are making, you have the option to close your Current Account without charge. If we don't hear from you, we'll assume that you have accepted the changes, and if you've recently closed your account, you can just ignore this letter.

Please tell us if your name or contact details change. If you don't we'll continue to use the details you last gave us, and we won't be responsible if we can't contact you or if we send confidential information using out-of-date contact details.

Changes to your Current Account Terms and conditions are set out below:

Area of change within your agreement. Current wording (deletions in bold and struck through)	Area of change within your agreement. New wording (changes in bold)		
Pages 7 and 8 – How do I pay by Debit Card?			
Online, you may be asked to use Tesco Bank Secure, which is a service provided by Visa, also known as Verified by Visa .	Online, you may be asked to use Tesco Bank Secure, which is a service provided by Visa, also known as Visa Secure .		
Page 8 – If I use my debit card to make a payment, or withdraw cash, in a foreign currency outside the UK what will I pay?			
The exchange rate we use is the rate set by Visa plus a foreign exchange fee added by us. If you withdraw foreign currency from a cash machine outside the UK, we'll also charge you a fee.	The exchange rate we use is the rate set by Visa plus a foreign exchange fee added by us. If you withdraw foreign currency (excluding Euro) from a cash machine outside the UK, we'll also charge you a cash withdrawal fee.		
Pages 8 and 9 – Are there limits on how much money I can withdraw or send from my account each day?			
Type of Payment	Limit	Type of Payment	Limit
Internal Transfers	You can transfer £100,000 per transaction between your Tesco Bank current account(s)/ savings account(s). There is no limit on the number of transactions you can make per day, up to your available balance limit .	Internal Transfers	You can transfer £100,000 per transaction between your Tesco Bank current account(s)/ savings account(s). There is no limit on the number of transactions you can make per day, up to your available balance plus any arranged overdraft .
Making a debit card payment in UK pounds or a foreign currency	Up to your available balance limit .	Making a debit card payment in UK pounds or a foreign currency	Up to your available balance plus any arranged overdraft .
Cheque, Direct Debits and standing orders	Up to your available balance limit .	Cheque, Direct Debits and standing orders	Up to your available balance plus any arranged overdraft .

CHAPS payments	Up to your available balance limit .	CHAPS payments	Up to your available balance plus any arranged overdraft .
How long will it take my money to leave my account?	We'll take the money out of your account within two hours, unless your instruction is future-dated, in which case the money will leave your account on that day (provided you've got enough money in your account) .	How long will it take my money to leave my account?	We'll take the money out of your account within two hours, unless your instruction is future-dated, in which case the money will leave your account on that day.
The table above shows the limits we allow, but all are subject to you having enough money in your account to cover any payments you make.		The table above shows the limits we allow, but all are subject to you having available balance plus any arranged overdraft to cover any payments you make.	

Page 11 – What is an arranged overdraft?

An arranged overdraft is **when** we agree in advance that you can borrow up to a certain amount of money **when there is** no money left in your account. You'll be charged **if you use** an overdraft. Our 'Rates and fees' leaflet **(s) for your account** contains details of the interest rates and/or fees.

An arranged overdraft is **a form of borrowing. When you apply and are accepted for an arranged overdraft, it means** we agree in advance that you can borrow up to a certain amount of money **if you have** no money left in your account. You'll be charged **for using** an overdraft, **so you should think carefully if this is the right form of borrowing for your individual circumstances**. Our 'Rates and fees' leaflet contains details of the interest rates and/or fees.

We'll try to alert you to give you time to pay money in to your account to help you avoid interest and/or fees.

Using an arranged overdraft may have an adverse effect on your credit file.

Page 11 – How do I get an arranged overdraft?

Arranged overdrafts are subject to status and you can only have one, even if you have more than one current account with us. You can apply for an arranged overdraft by using Online Banking or Telephone Banking.

Arranged overdrafts are subject to status and you can only have one, even if you have more than one current account with us. You can apply for an arranged overdraft **when you apply for a current account, or afterwards** by using Online Banking or Telephone Banking.

Page 11 – Can I ask you to change my arranged overdraft limit?

Can I ask you to change my arranged overdraft **limit**?

Can I ask you to change my arranged overdraft?

You can **request an increase or decrease to** your arranged overdraft **limit** by using Online Banking or Telephone Banking.

You can **ask us to** increase, decrease, **or remove** your arranged overdraft by using Online Banking or Telephone Banking.

Pages 11 and 12 – What is an unarranged overdraft and how do they work?

Before we let you make a payment like this, we'll look at your previous behaviour as a banking customer and other information we know about you. Just because we make a payment like this doesn't mean we'll do it every time.

Before we let you make a payment like this, we'll look at your previous behaviour as a banking customer and other information we know about you. Just because we make a payment like this **once**, doesn't mean we'll do it every time...

...Using an unarranged overdraft may have an adverse effect on your credit file.

Page 12 – What happens if I only use a small bit of unarranged overdraft?

What happens if I only use a small bit of unarranged overdraft?

Even if you go a little bit into an unarranged overdraft, we'll still charge you for using an unarranged overdraft. But we'll try to alert you and give you time to pay money in to avoid interest and/or fees.

How will I know if I'm in an unarranged overdraft?

We'll try to alert you and give you time to pay money in to avoid interest.

Page 13 – Are there some payments that Overdraft Control can't stop?

We have to pay these transactions and will charge you any applicable interest **and/or fees. You'll also need to pay interest** on the overdrawn amount.

We have to pay these transactions and will charge you any applicable interest on the overdrawn amount.

Page 13 – What happens if I don't want Overdraft Control?

If you don't request Overdraft Control, we may decide, based on your financial circumstances, to allow a payment despite lack of funds in your account. We'll charge you any applicable interest **and/or fees each time we do this, and you'll also need to pay interest and/or fees** on the unarranged overdraft. Just because we make a payment like this doesn't mean we'll do it every time. If we don't pay an item we'll charge you **any applicable interest and/or fees**. We will not charge you **an unpaid transaction** fee if we return a cheque unpaid from your account.

If you don't request Overdraft Control, we may decide, based on your financial circumstances, to allow a payment despite lack of funds in your account. We'll charge you any applicable interest on the unarranged overdraft. Just because we make a payment like this **once**, doesn't mean we'll do it every time. If we don't pay an item we'll charge you **an unpaid transaction fee**. We will not charge you **this** fee if we return a cheque unpaid from your account.

Page 15 – Can you change the amount I pay for using an arranged or unarranged overdraft for other reasons?

If you don't accept the new interest rates and/or fees, you may withdraw your money and close your account. If you're overdrawn when you ask us to close your account, **you'll need to repay the overdrawn amount and we'll give you time to do so (which we'll tell you, acting reasonably) after which time** any amount **already** overdrawn will be treated as an unarranged overdraft **under your account terms** until you repay it. If you don't tell us you want to close your account before the date of the change, we'll assume that you want to keep your account open.

If you don't accept the new interest rates and/or fees, you may withdraw your money and close your account. If you're overdrawn when you ask us to close your account, **we'll give you what we believe to be reasonable time to repay this. After this**, any amount **remaining** overdrawn will be treated as an unarranged overdraft until you repay it. If you don't tell us you want to close your account before the date of the change, we'll assume that you want to keep your account open.

Page 20 – Will you tell me if you refuse to carry out a transaction?

If we refuse to make a payment on your behalf, either due to lack of funds, or if you have Overdraft Control on your account, we'll always tell you.

If we refuse to make a payment on your behalf, either due to lack of funds, or if you have Overdraft Control on your account, we'll always **try to** tell you.

Page 27 – Contacting us

What do I do if I have a query?
You'll find useful information about your account at **tescobank.com** **or by logging into** Online Banking.

What do I do if I have a query?
You'll find useful information about your account at **tescobank.com**, **on** Online Banking **or our Mobile App**.

Changes to your Current Account Rates and fees are set out below:

Area of change within your agreement.
Current wording (**deletions in bold and struck through**)

Area of change within your agreement.
New wording (**changes in bold**)

Page 1 – At a glance

Rate or fee?	What is it?	Rate or fee?	What is it?
Paid transaction fee – when we allow a payment despite lack of funds in your account	£5 per item paid (up to a maximum of 10 paid or unpaid transaction fees per statement month)		
Unpaid transaction fee – when we refuse a payment due to lack of funds in your account	£5 per item unpaid (up to a maximum of 10 paid or unpaid transaction fees per statement month)	Unpaid transaction fee – when we refuse a payment due to lack of funds in your account	£5 per item unpaid (up to a maximum of 10 items per statement month)

Cash withdrawal in a foreign currency outside the UK using your debit card (plus the debit card payment in a foreign currency fee)	1% of the value of the transaction	Cash withdrawal in a foreign currency (excluding Euro) outside the UK, using your debit card (plus a Foreign Exchange fee)	1% of the Pound value of the transaction
Debit card payment in a foreign currency fee	2.75% of the value of the transaction	Debit card payment in a foreign currency fee (Foreign Exchange fee)	2.75% of the Pound value of the debit card transaction
SEPA payment – sending money outside the UK (within Europe in Euros)	£10 per transaction (please note that the receiving Bank may also levy a charge)	SEPA payment – sending money outside the UK (within Europe in Euro)	We don't charge a fee, but the receiving Bank may

Page 3 – Arranged overdraft

When we agree in advance that you can borrow up to a certain amount of money when there is no money left in your account.	Overdrafts are a form of borrowing, where we agree in advance that you can borrow up to a certain amount of money if you have no money left in your account.
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Page 3 – Unarranged overdraft

When you have no money left in your account (or have gone past your arranged overdraft limit) and this has not been agreed with us in advance.	Overdrafts are a form of borrowing, where you borrow money if you have no money left in your account (or have gone past your arranged overdraft limit) and this has not been agreed with us in advance.
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Page 3 – Maximum charges

To help avoid making you more overdrawn we'll cap the fees we apply. Maximum number of paid or unpaid transaction fees. 2. This cap covers any: (a) interest and fees for going over/past your arranged overdraft limit; (b) fees for each payment your bank allows despite lack of funds; and (c) fees for each payment your bank refuses due to lack of funds.	To help avoid making you more overdrawn we'll cap the fees we apply. Maximum number of unpaid transaction fees. 2. This cap covers any: (a) interest for going over/past your arranged overdraft limit, and (b) fees for each payment your bank refuses due to lack of funds.
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Page 4 – How can you help me keep costs down?

+if applying a fee to your account would trigger a paid transaction fee, we won't apply it. We don't think that's fair.	
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Your account is set up so that, depending on your financial circumstances, we'll sometimes allow a payment despite lack of funds in your account, even if this takes you into an unarranged overdraft. ~~We charge a paid transaction fee to do this and~~ you'll pay interest on the overdrawn amount. If you would prefer that we didn't allow payments to go through that would make you overdrawn you can use Overdraft Control.

Your account is set up so that, depending on your financial circumstances, we'll sometimes allow a payment despite lack of funds in your account, even if this takes you into an unarranged overdraft. You'll pay interest on the overdrawn amount. If you would prefer that we didn't allow payments to go through that would make you overdrawn, **more than your agreed overdraft limit**, you can use Overdraft Control.

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If you would like Braille, large print or audio format information about Tesco Bank current accounts, please contact us.

Tesco Bank is a trading name of Tesco Personal Finance plc. Registered in Scotland No. SC173199. Registered Office: 2 South Gyle Crescent, Edinburgh EH12 9FQ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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