

Changes to your Tesco Bank Credit Card terms.

Dear Customer

Changes to your Tesco Bank Credit Card terms

We're making some changes to your Tesco Bank Credit Card terms. You don't need to do anything, we're just writing to let you know. For ease, we've summarised the key changes below. However for all the details please refer to the rest of this booklet.

All of the changes outlined will come into effect from 1st June 2016, or 30 days after receiving this notice, whichever is later.

The key changes we are making are set out below:

1. We're changing some of our fees. The changes we are making are shown in the table below.

The fee we're changing	What you're currently charged	What you'll be charged from 1st June 2016
Standard Rate Balance Transfers (or transfers made outside of any other promotional interest rate period)	0.00% handling fee	3.00% handling fee
Standard Rate Money Transfers (or transfers made outside of any other promotional interest rate period)	0.00% handling fee	3.00% handling fee
Gambling Transactions (treated as a cash advance)	0.00% handling fee	3.00% handling fee

2. Transactions in a foreign currency

Any foreign currency transaction will be converted by Visa or Mastercard on the day they process the transaction, this may be after the day you make the payment or withdraw the money.

3. Credit balances on your credit card

We may now refund credit balances on your credit card account at any time.

4. Digital card and digital wallet

We've updated your credit card terms to explain how digital cards and digital wallets work with your credit card.

5. Removal of CHAPS payments and replacement card courier service

We no longer offer CHAPS payments from your credit card or a courier service for replacement cards. Replacement cards are issued by post.

6. Privacy and Data Protection policy

We've improved the wording of our Privacy and Data Protection policy to make it clearer, and have provided additional information on credit scoring, retaining your information, use of Clubcard data and use of fraud prevention agencies.

7. Updated wording

We've updated the wording in a number of sections where we realised that it wasn't as clear as it could be. This includes updated wording on how we can change your interest rates, fees and charges.

Important information – If you receive this notice at the same time as your first card issued on the account then you have a right to cancel this agreement. Please see the section in your General Conditions called 'You can change your mind about the card' which explains how and when you do this or call us on **0345 300 4278***

For all other customers, if these changes affect your decision to have a Tesco Bank Credit Card you have the right to repay your outstanding balance and close your account at any time.

If you have any questions on any of the changes we are making please contact us.

* This may be included as part of any inclusive call minutes provided by your phone operator.

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

**What are we changing and what does
this change mean for you?**

Credit Agreement

1.2 Fees and charges

- a handling fee of **3.00%** of the amount for standard rate balance transfers or transfers made outside of any other promotional interest rate period (see below)
- a handling fee of **3.00%** of the amount for standard rate money transfers or transfers made outside of any other promotional interest rate (see below)
- a handling fee of 3.00% (minimum £3.00 charge) of the amount for cash advances. **Cash advances include gambling transactions and withdrawals from an ATM in both the UK and overseas. Gambling transactions are subject to a handling fee but there is no minimum charge.**

You'll now be charged 3.00% for any balance transfers made from 1st June 2016. This does not apply to any promotional rate balance transfers.

You'll now be charged 3.00% for any money transfers made from 1st June 2016. This does not apply to any promotional rate money transfers.

You'll now be charged a handling fee for gambling transactions made from 1st June 2016.

We've also removed from this section reference to CHAPS payments from your account and a courier service for replacement cards. These services are no longer available. Replacement cards are issued by post.

3.1 We can change your interest rates, fees and charges

- **if there is a change (or we reasonably expect a change) in the costs we incur in providing the account (including funding costs); or**
- **if there is a change (or we reasonably expect a change) in law, regulatory or industry code requirements; or**
- if the behaviour on your account makes it look as if you may be higher risk. We will look at whether you meet your minimum payments or regularly go over your credit limit and data from internal and external sources.

We've updated the wording in this section so that it's easier to read.

General Conditions

What is a digital card?

Some services allow you to create tokenised versions of your cards, which can then be used to make payments electronically without the use of the physical card. If your card is used in any of these services, payments will be made as if you've used the physical card. Depending on which service you use, you may have to set up some additional security details (such as passcode, fingerprint access, or pair it with another device) to use it.

We've added this wording to explain what a digital card is and how you might use it with any services in the future.

3.1 Keep your card and security details safe at all times

- If you're using a digital card, you will need to ensure that you keep any device on which the digital card is stored and security details for the device safe and not allow anyone else to use them. If your device stores a fingerprint, you should not store anyone else's fingerprint on your device. If you dispose of a device which has a digital card held on it, you must delete the card first.

We've added this wording to ask that if you use a digital card, you ensure you keep your device and security details safe.

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

**What are we changing and what does
this change mean for you?**

General Conditions

4.1 Lost and Stolen Card Information

You (or an additional cardholder) must immediately tell us if a card is lost or stolen or you think your account may be misused, by calling us on 0345 300 4278.* **If you are abroad, please call +44 126 850 8027. If you're using a digital card, you must tell us immediately if your phone is lost or stolen in the same way as if you or your additional cardholder's physical card is lost or stolen. The limits set out in these general conditions for what you pay if your card is lost or stolen under certain circumstances also apply to transactions carried out on a digital card, so you should make sure that you keep your device and its security details safe.**

In this section, we've updated the phone number if calling from abroad.

To help protect you from fraud we've also added wording to make clear that if your device containing a digital card is lost or stolen then you must notify us in the same way you would with your physical card.

5.1 Repayments

We will send you a statement in any month where you have a balance on your account or there has been any activity **on your account. This will** show the payments you have made to us and all amounts we have charged to your account since the last statement and the balance on your account on the statement date.

We've changed this into two sentences so that it's easier to read.

6.1 Transactions in a foreign currency

Any foreign currency transaction or refund will be converted at an exchange rate determined by Visa or Mastercard and will take place on the day Visa or Mastercard process the transaction, which may be after the day you make the payment or withdraw the money. We will also add the handling fee. You can find out the current exchange rates by viewing these at www.mastercard.com/global/currencyconversion or www.visaeurope.com/making-payments/exchange-rates

We've changed this wording so it more accurately describes transactions in a foreign currency.

We've also removed reference to calling us to find out an exchange rate, you can now do this by checking the Visa or Mastercard website.

6.2 Buying foreign currency

If you (**or any additional cardholder**) buy foreign currency and/or travellers' cheques this will be treated as a purchase transaction.

We've updated the wording in this section so that it's easier to read.

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

What are we changing and what does this change mean for you?

General Conditions

8.1 Transactions on the Account

You (**or any additional cardholder**) can authorise transactions on the account by using a combination of your card PIN, account or other security details depending upon the type of transaction and circumstances. Once you have authorised a transaction it cannot normally be stopped. All transactions made by you and any other cardholder will be added to your account.

We've added this wording to describe how you may need to authorise a digital card payment through your device. We've also added wording to describe how you may need to use the contactless card when travelling.

You can use your digital card to make purchases. If you (or any additional cardholder) make a payment with a digital card, then you'll need to authorise the payment in line with the service you are using – you may need to use a fingerprint on your device, or enter a code. If you use a contactless card to pay for travel, you may be required to touch your card (or a device on which a digital card is stored) to the contactless readers at the beginning and end of (and possibly at points during) your journey.

8.2 Purchases and cash advances

Cash advances include **gambling transactions** and withdrawals from an ATM in both the UK and overseas. **Gambling transactions are subject to a handling fee but there is no minimum charge.**

Gambling transactions are now subject to a handling fee but there is no minimum charge.

8.2 Contactless

We will tell you if your card is a **contactless** card. You can authorise payments simply by holding the card against the reader on a **contactless** terminal. Occasionally you will have to enter your PIN to use the **contactless** card.

We've updated any Contactless references to contactless in this section.

8.2 **Digital cards**

There may be limits on making transactions with a digital card, which will be set by the service you are using.

We've added this wording as limits may apply to transactions from a digital card, depending on the service you are using.

9. Why can't I use my card or make transactions on my account?

Sometimes we will suspend or restrict the use of your card **or digital card** but we only do this for a very good reason:

We've added this wording so this section also covers the use of digital cards.

Area of change within your agreement New wording (changes in bold)	What are we changing and what does this change mean for you?
General Conditions	
<p>9. Why can't I use my card or make transactions on my account? This may happen because</p> <ul style="list-style-type: none"> • If we reasonably believe that your account, card or digital card might be compromised as a result of you using a service, or if that service is compromised, unavailable or withdrawn • You have asked us to • We are unable to contact you using the details you have provided. 	<p>We've added this wording to protect you and protect us, so that we may restrict the use of your card or account in the event of it becoming compromised.</p> <p>We've also changed the wording of one bullet so that it's easier to read.</p>
11.2 Ending the Agreement	
<p>We may end this agreement by giving you written notice, which will usually be not less than 2 months' written notice.</p> <ul style="list-style-type: none"> • you (or any additional cardholder), regularly or seriously break the terms of this agreement or any other agreement you have with Tesco Bank (for example commit fraud or miss monthly payments). 	<p>We've updated the wording in this section so that it's easier to read.</p>
11.3 What happens:	
<p>If your agreement comes to an end, you must destroy your card by cutting it in two through the chip, and remove any digital cards from any device or devices in which they are stored.</p>	<p>We've added this wording to make it clear that when your agreement comes to an end you should either destroy your physical card, or remove any digital cards from the device on which they are stored.</p>
12.1 Unauthorised transactions and transactions you don't recognise	
<p>If you have used your card or digital card to make a payment to a supplier, we will refund you if:</p>	<p>We've added this wording so this section also covers the use of digital cards.</p>
14.2 Restrictions on using your account	
<p>You must not make payments that result in a credit balance on your account. We may refund credit balances at any time.</p>	<p>If you have a credit balance on your account then we may refund it at any time.</p>
15.4 Restrictions on using your account	
<p>You must tell us at once if you (or any additional cardholder) change name, or change address, or any of your contact details change (including your mobile telephone number or email address).</p>	<p>We've updated the wording in this section so that it's easier to read.</p>
16. About your information and Data protection	
	<p>We've improved the wording of our Privacy and Data Protection policy to make it clearer, and have provided additional information on credit scoring, retaining your information, use of Clubcard data and use of fraud prevention agencies.</p>

16. About Your Information and Data Protection

This privacy policy summarises how we (Tesco Personal Finance plc, trading as Tesco Bank and part of the Tesco group) use your information. For the purposes of the Data Protection Act, we are a data controller.

16.1 What sort of information do you hold about me?

We collect and retain your information when you access our website or complete an application or provide information to us over the phone. We also retain information about your accounts, including transactions and payments you make and receive.

We may supplement the information we hold about you with information from third parties such as the wider Tesco group, credit reference agencies and publicly available sources to perform checks, assess the accuracy of the information we hold about you and provide you with relevant offers.

We monitor and record calls to and from our customer service centres to improve our service and to prevent and detect fraud.

If you contact us electronically (e.g. by email or Internet), we may collect your electronic identifier such as your internet protocol address. When you visit our website, we collect information about your browsing habits using cookies. Further information is available in the privacy and cookie policy on our website.

16.2 What about joint applicants?

We will retain and use information relating to joint applicants that you provide to us. If you are a joint applicant, you must ensure that you have the permission of the other party before:

- revealing information to us about them; and
- authorising us to search, link or record information at credit reference agencies about them.

16.3 How do you use my information?

We use your information (and information relating to joint applicants) to:

- provide our services to you;
- work out financial risks by credit scoring;
- understand our customers' needs and requirements;
- develop and test products and services;
- carry out research and analysis about our products and services;
- provide you with tailored information and offers about products and services that may be of interest to you;
- recover debt; and
- prevent and detect crime.

16.4 How do you use Clubcard information?

For some of our products, we may use your Clubcard information (including transactional information) to assess credit risk or insurance risk to reach decisions on offering credit and to calculate your insurance premium. We only ever use Clubcard information to have a positive impact

on your application or premium. We explain during our application and quotation processes when we will use Clubcard information in this way.

We may access the information collected through the use of your Clubcard to help us improve our service to you and to make our communications more relevant.

16.5 Who do you share my information with?

We will only share your information:

- where we have your permission;
- where we have to do so or where we're allowed to do so by law;
- for aggregated market research purposes where you will not be identifiable;
- with regulatory bodies and authorities;
- with credit reference agencies and fraud prevention agencies for the purposes explained in this notice;
- with other companies that help us to provide our services including companies that provide or may provide funding or services to us or help us recover debt; and
- with other lenders or companies to whom we transfer or may transfer our rights and obligations under our agreement with you.

Your credit card operates as a Clubcard and we may share your information with Tesco in connection with the operation of your Clubcard account, for example to set up your account or allocate points or discounts, or where you have agreed to receive marketing, but we don't share more information than we need to. Clubcard accounts are managed separately and you should visit the Clubcard privacy notice at tesco.com/clubcard for further information about how Clubcard uses your information.

16.6 How is information used to make decisions and prevent fraud?

16.6.1 Credit scoring

Credit scoring is an automated system which is used to assess your application and make decisions about your account. It calculates your likelihood of repaying the amount you intend to borrow. We take the information you provide in your application, information from third parties such as credit reference agencies and information we already hold about you in connection with other Tesco Bank products and, in some cases, information held by the wider Tesco group, including Clubcard transactions.

16.6.2 Credit reference agencies

We occasionally make searches at credit reference agencies. We access details about how you manage your accounts, including your account balances, credit limits and any arrears. This helps us manage and make decisions about your account with us. We may also send information to credit reference agencies – they can make this information available to other organisations to help them make decisions about you, your associates and members of your household.

Depending on your financial position, this could affect your ability to obtain credit. The information might also be used for tracing purposes.

Credit reference agencies record any links between you and anyone with whom you have a joint account or similar financial association. All parties' information will be taken into account in future applications. This happens until one of you successfully files a 'notice of disassociation' at the credit reference agencies.

16.6.3 Fraud prevention agencies

In order to prevent or detect fraud, the information provided in the application will be shared with fraud prevention agencies. This information may be accessed and used by law enforcement agencies. This information might be used by us, and other organisations, to prevent fraud and money laundering, for example, when:

- checking applications for credit and other facilities and recovering debt;
- managing credit and other facilities;
- checking insurance applications and claims; and
- checking details of job applicants and employees.

We and other organisations may access and use from other countries the information recorded by fraud prevention agencies. If you want a copy of the information held about you by credit reference agencies and fraud prevention agencies, we can give you their contact details if you write to The Data Protection Officer, Tesco Bank, PO Box 27009, Glasgow G2 9EZ. They might charge you a fee.

16.7 Do you process sensitive personal data?

We may occasionally process data which the Data Protection Act 1998 defines as "sensitive personal data" where necessary, for example where you tell us that you have medical condition which requires special treatment. You may be asked to give your consent before providing the information.

16.8 How will you use my information to contact me?

We may contact you by phone or post and, if you provide us with an email address or mobile phone number, we may send you emails or text messages with operational messages about your application or account. As texts and emails can be intercepted, we will keep confidential information to a minimum and you should never send us any confidential information via text or email.

16.9 Will you send me marketing information?

We will send you tailored marketing information by post, telephone, text and email, but only if you have agreed to receive marketing information via these channels. We only send you information about products that we think you would like to hear about. You can opt out of marketing during the application process or at any time by using the unsubscribe options when we contact you or by calling us on 0345 300 4278*

We may provide you with tailored marketing information through other channels such as at tills when you shop in Tesco, but only where you are opted into receive marketing communications.

16.10 Will you send my information to other countries?

We might do this, for example where our service provider has a data centre overseas, but only when we can be sure your information will be adequately protected. Your information may be accessed by law enforcement agencies and other authorities. They do this to prevent and detect crime, or to comply with other legal obligations.

16.11 How long will you keep my information?

We keep your information for as long as we need to for legitimate business purposes and for legal and regulatory reasons. We will retain your information after your account has closed for these purposes. We may also retain your information for these purposes where you make an application but do not open an account.

16.12 What will happen if you change how my information is used?

We might do this from time to time. If we think you would not expect this change, we will write and tell you about it. If we don't hear from you within 60 days, we'll assume you agree to the change.

16.13 Can I see the information you hold about me or find out more about how you use my information?

Yes, if you would like a copy of the personal information that we hold about you please write to:

The Data Protection Officer
Tesco Bank
PO Box 27009
Glasgow
G2 9EZ

To obtain a copy of the information we hold, you'll have to pay £10. Please include a cheque for £10 payable to Tesco Bank. To enable us to quickly process your request and locate your information, please complete our subject access request application form available on our website privacy and cookie policy. We will respond to your request within 40 days of receiving the request, fee and any details required to locate your information or verify your identity. If any of the details are incorrect, let us know and we'll amend them.