

Key Features

Overdrafts

Important information



Arranged & Unarranged Overdrafts

This document explains the key features of our Arranged and Unarranged Overdrafts

What's an 'arranged Overdraft'?

We agree in advance to provide you with an agreed Overdraft facility that allows you to borrow money on your account up to this agreed limit. Your overdraft is expected to fluctuate each month. The details of the arrangement will be included in a facility letter explaining the terms and conditions of your Overdraft.

Arranged Overdraft interest rates are variable and are calculated using the Bank of England bank rate plus the appropriate interest margin. As lending decisions are based on individual circumstances, the rates we offer may vary between customers.

You can check the amount and rate of your agreed Overdraft within your facility letter. The Overdraft facility can also be viewed within your bank statement.

What's an 'unarranged Overdraft'?

An overdrawn balance on your account which we have not agreed to in advance or a balance that exceeds a limit that we have agreed as an arranged Overdraft facility. This is not a guaranteed arrangement, and we have the right to return items to keep balances within your limits or credit balance.

Advantages:

- An Overdraft provides a short-term safety net when your organisation's cash-flow needs a little extra support. You pay an annual fee, and interest on what you use.

Disadvantages:

- Overdrafts can be an expensive way to borrow compared to other borrowing options. All lending, including Overdrafts is subject to our eligibility criteria and availability.

If we allow unarranged borrowing on your account, you'll incur fees such as an unarranged Overdraft letter fee or you may be charged an unpaid item fee as well as interest on the amount used until a credit balance is restored.

We reserve the right to decline any Overdraft application and all facilities once issued are repayable on demand.

Further details can be found within our [General Terms and Conditions](#) and [Standard Service Tarriff](#).

Key Features

Terminology	Summary Definition
Annual Review fee	This is a fee payable annually for review and renewal of your Overdraft facility. The cost applicable for the annual review fee and renewal will be confirmed in writing. As a regulatory requirement customer facilities with the bank (including Overdrafts) are subject to annual review, which includes assessment of your financial performance.
Arrangement fee	This is an upfront fee dependent upon the amount of your Overdraft. The fee will be agreed with your Relationship Manager and detailed within your Facility Letter.
Eligibility Criteria	Unity will only lend or provide banking services to organisations which deliver positive social or environmental outcomes through their activities and subject to appropriate credit assessments. You must provide a demonstrated need and have a Business Current Account that manages your main transactional banking.
Excess	If you don't have enough money in your account or you have exceeded your arranged Overdraft limit to cover a payment, we may refuse it or if granted you may be charged an excess fee.

Terminology	Summary Definition
Interest Charges	<p>The debit interest rate is variable and is shown in your facility letter. The interest costs accrue daily and will depend on your agreed rate, how much is used by you and for how long.</p> <p>We'll notify you in advance of any changes to the interest rate which will be applied.</p> <p>Fees and debit interest will be pre-notified and taken from your Business Current Account balance.</p>
Overdraft Facility	<p>An agreed amount subject to a credit assessment.</p>
Repayments	<p>Overdrafts are repayable on demand, which means you must repay any Overdraft when we ask you to. We'll usually give you advance warning that your Overdraft must be repaid or its limit reduced, but we may ask for repayment without notice.</p>
Security	<p>Security may be required as each case is considered on its merits. If security is required, legal fees will be payable, and we will give you an estimate of this at the outset. If the security arrangements include a property or assets that you own please remember that these may be repossessed if you do not keep up repayments on your loan.</p>
Term	<p>All Overdrafts are on demand facilities between 2-12 months, with a review undertaken at least annually.</p>
Unpaid items out	<p>An unpaid transaction fee is charged for each transaction that we return unpaid if the payment cannot be met from either funds in your account or any unused arranged Overdraft facility.</p>

Further information

All Overdrafts are subject to status and Terms and Conditions apply.

Unity adheres to the Lending Standards Board's Standards of Lending Practice which set the benchmark for good lending practice in the UK, outlining the way registered firms are expected to deal with their customers throughout the entire product life cycle.

The protections of the Standards of Lending Practice for business customers apply to businesses which at the point of lending:

- Have an annual turnover of up to £25 million in its last financial year (exclusive of VAT and other turnover related taxes), and;
- Does not have a complex ownership structure (for example, businesses with overseas, multiple or layered ownership structures).

More information can be obtained at www.lendingstandardsboard.org.uk

Go Paperless!

You can choose to receive online statements and we'll notify you by email or SMS when they're available. [Contact us](#) to switch to paperless statements.

Financial difficulties

If you would like more information about managing your finances, please speak to your Relationship Manager or call us on **0345 140 1000**.

You can also find more information in the Services section of our website – www.unity.co.uk/debt-counselling or by calling Business Debit Line on **0800 197 6026**.

Get in touch to find out more about applying for an Overdraft:

Please call us on **0345 140 1000**.

Contact us:  Call us: 0345 140 1000  Email us: us@unity.co.uk  Visit us: www.unity.co.uk

Our Commitments to our business customers

As a lender we have committed to follow the Standards of Lending Practice for business customers. By adhering to the Standards, we are demonstrating a commitment to ensuring that our customers are treated fairly.

- We will lend responsibly and treat your business fairly and reasonably at all times.
- We will ensure that all information we provide about our products and how they work is clear and understandable so that you can decide what is best for your business' needs.
- We will provide clear, upfront information on the documents required to support an application. Taking account of this will help to ensure that we can deal with your application efficiently.
- If we are unable to approve your application, we will explain why and provide a referral, where appropriate, to alternative sources of finance.
- If your application is declined you have the right to appeal the decision.

- We will set out any requirements/conditions we may have to support any borrowing in a clear, understandable way.
- We will confirm the conditions of your business borrowing in writing and highlight any covenants or material conditions attached to it.
- We will clearly set out the type and frequency of information we will require to monitor the business' performance.
- If your business experiences difficulties, we will seek to understand the overall circumstances to try and identify suitable and pragmatic solutions. Where appropriate, we will provide details of free debt advice.



What we ask of you:

That, prior to making an application you double check what information we will need to process an application. If you are unsure or have any questions, please contact us.	Yes <input type="checkbox"/>
That all information you provide to us during our relationship is complete, accurate and timely.	Yes <input type="checkbox"/>
We ask you to think carefully about whether the business can afford the product applied for and to be open in your dealings with us.	Yes <input type="checkbox"/>
To make sure that you understand the terms and conditions associated with your product.	Yes <input type="checkbox"/>
That you seek professional advice, where this is appropriate for the needs of your business and the type of product you are applying for.	Yes <input type="checkbox"/>
That the business maintains any commitments it has to us, for example providing information which we may reasonably request to monitor performance.	Yes <input type="checkbox"/>
Take care of any security information to help prevent fraud and protect your account(s).	Yes <input type="checkbox"/>
Tell us as soon as possible if someone is misusing confidential information.	Yes <input type="checkbox"/>
Carefully check your business' account statements/records to make sure they are accurate. If anything isn't right, please get in touch with us.	Yes <input type="checkbox"/>
Please let us know if	
Your contact details change or there is a change in how your business is run for example, ownership/directorships etc, so we can keep our records up to date;	Yes <input type="checkbox"/>
Your business may be about to experience, or is experiencing difficulties. The sooner you do this, the more likely it is we'll be able to find a way to help you	Yes <input type="checkbox"/>



You can download our Key Features and important information from: www.unity.co.uk/business-banking/business-current-account/

Unity Trust Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Unity Trust Bank is entered in the Financial Services Register under number 204570. Registered Office: Four Brindleyplace, Birmingham, B1 2JB. Registered in England and Wales no. 1713124. Calls are recorded and may be monitored for security, training and quality purposes.

U943_1124

For Businesses. For Communities. For Good.

www.unity.co.uk