

Bank of Ireland (UK) Loans – Borrowing money with a Bank of Ireland (UK) Personal Loan.

Deciding whether you should be borrowing money

There are some very important questions you need to answer before you borrow money. You should ask yourself if you need to spend the money, if you have other ways of financing the purchase and if you can afford to pay back the money you're planning to borrow.

If you really don't need to spend the money today, then you should seriously consider saving some money each month rather than getting into debt. However, if you want to borrow money and pay back an amount every month, a personal loan is one option.

If you do decide you want to borrow money

It's very important to work out how much you can afford to repay each month, as this will affect which borrowing option is best for you. Make sure you are realistic about how much you could pay if your mortgage or rent went up, if you had to spend more on things like energy bills or if your pay was cut.

You should also make sure you choose the right type of credit or loan for your situation. Otherwise you could find yourself paying more than you need to. Shop around and compare deals, looking at:

- the interest rate (APR)
- the cost per month
- how much you will repay in total, and
- any penalties for missed or late payments

Before you sign a Bank of Ireland (UK) loan agreement you must read it carefully. If you are having difficulty understanding any part of the loan agreement, you should contact us, or alternatively you may wish to speak with family and friends.

Here's what you need to think about before you borrow and how to make sure you get the best deal for you.

What is an unsecured personal loan?

Unsecured personal loans are loans that are not secured against any asset such as your home. The Bank of Ireland (UK) Personal loan is an unsecured loan.

Bank of Ireland (UK) Personal loans - features

- You may be able to borrow more than with a credit card.

- Your personal loan repayments **will be fixed amounts**. That means you know your repayment amount is going to be the same every month, so it makes it easier to budget.
- You are able to choose how long you'd like to take to repay the loan. Remember that the length of the loan will affect the amount you are charged in interest.
- You can consolidate several debts into one personal loan, potentially reducing your monthly repayment costs. But be careful, as this may mean that you could pay more charges or a higher interest rate and if you extend the length of the loan you could pay more overall.

Bank of Ireland (UK) Personal loans – keep in mind

- Personal loans may have higher rates of interest than some other forms of borrowing, particularly if you want to borrow a smaller amount, such as £1,000.
- Because the interest rate may reduce the more you borrow, you may be tempted to take out a bigger loan than you need and this should be avoided.

What are debt consolidation loans?

If you've got lots of different Bank of Ireland (UK) debts and you're struggling to keep up with repayments, you may be able to merge these together into one Bank of Ireland (UK) personal loan as a way of potentially lowering your monthly payments.

With a consolidation loan you borrow enough money to pay off all your current debts. Be careful though, as consolidation loans can lead to more debt.

Debt consolidation only makes sense if you use it as an opportunity to cut your spending and get back on track, you can keep up the payments until the loan is repaid and you can afford to pay off any fees or charges to your old lender.

How do we decide whether to lend you money?

Before accepting you for a loan, we will assess whether you can afford to repay the loan and as part of this we will obtain information from Credit Reference Agencies. There are three main Credit Reference Agencies in the UK - Experian, Equifax and Callcredit. The one used for Bank of Ireland (UK) Personal loans is Equifax.

Credit Reference Agencies collect information about your financial dealings, including information about other borrowings and missed payments as well as County Court Judgements (CCJs) where applicable. This way they build up a financial picture of you and this is then shared with banks and building societies, with your permission, to help them decide whether to lend to you. Once you're 18 or over you can request your own credit report from any of the three Credit Reference Agencies for a small charge.

Each time you apply for credit, a 'footprint' is created on your credit file. While credit application footprints are not themselves negative, if you collect a lot of them over a short period it can be a cause for concern. This is because a rush of credit applications very close together can be a sign of fraud, or can indicate that you are experiencing financial difficulties. Therefore applications should be spaced out where possible. If you're simply comparing the market and shopping around for the best deal, you shouldn't submit a full application until you've made up your mind which is the best deal for you.

As part of deciding whether or not to lend you money, fraud prevention agencies are also consulted to ensure the person making the application is who they say they are i.e. someone else isn't pretending to be you.

Fees & Charges

Any fees and charges applicable to your Bank of Ireland (UK) Personal Loan will be laid out in the loan agreement form you will receive before you sign up to the credit. You should make sure you read this carefully and if you are unsure about anything, speak to us before you sign the loan agreement form.

Making payments

Repayments to your personal loan will be on a monthly basis by direct debit from your current account (or an account that accepts direct debits). The amount and number of repayments will be detailed in your loan agreement. Before signing the loan agreement, you should make sure you are comfortable that you'll be able to make the monthly repayments and you are able to leave enough money in your account to do so.

What is the Bank of Ireland (UK) personal loan cooling-off period?

You will have a 14-day cooling-off period during which you can cancel your Bank of Ireland (UK) loan agreement. This will start from the date you sign your loan agreement or when you receive a copy of the agreement, whichever is later. If you cancel, you have up to 30 days to repay the capital and interest.

Any questions?

If you have any other questions relating to Bank of Ireland (UK) Personal loans please contact us on **0800 0850 444***. Open 8.30am-8pm Monday to Friday, 9am to 2pm Saturday, closed Sundays and bank holidays.

*Calls to 0800 numbers are normally free from UK landlines but charges may apply from mobile phones. Calls may be monitored or recorded for training and compliance purposes.

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