

# Loqbox Save Terms and Conditions

Document Version: v4.8-en\_gb

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## 1. WHAT IS LOQBOX SAVE?

1.1 Loqbox Save enables you to save whilst building your credit score at the same time. You buy a digital voucher (a 'Loqbox Save voucher') from Loqbox Technology UK Limited ("us", "we", "our") for a fixed cash value (chosen by you). This is the amount you want to save over 12 months. Your Loqbox Save voucher gives you access to the Loqbox Save education, credit building and savings service. You pay for the voucher using an interest-free loan, repayable over 12 months (the 'Loqbox Save period'), provided by our sister company, Loqbox Finance UK ('Loqbox Finance'), the trading name of DDC Financial Solutions Limited. As part of your application for Loqbox Save, you will need to enter into a credit agreement with Loqbox Finance.

## 2. HOW DOES IT WORK?

2.1 You can apply for Loqbox Save in the Loqbox Members' Area or via the Loqbox website.

2.2 Loqbox Finance passes us the money you borrow from them to buy the Loqbox Save voucher, which has a fixed cash value. As you make your repayments to Loqbox Finance, the amount due back to you (when you redeem your Loqbox Save voucher) increases.

2.3 In order for Loqbox Save to work, while you have a credit agreement with them, Loqbox Finance will give us information about your loan, including the payments you are required to make, and whether or not those payments are being made on time. We will use the information we receive from Loqbox Finance to administer Loqbox Save and will hold and use this information as described in paragraph 8 of the Member's Agreement.

2.4 If you exercise your legal right to cancel your credit agreement with Loqbox Finance in the first two weeks, you authorise them to tell us that you have done so. We will take this as you providing to us notice that you no longer wish to have Loqbox Save, and we will end this service. Any payments that you may have made to Loqbox Finance under the credit agreement (which have been credited to Loqbox Save), will be refunded to you by Loqbox Finance and the credits will no longer appear in Loqbox Save.

2.5 If you have Loqbox Grow and

1. Loqbox Finance is unable to collect a Loqbox Grow monthly repayment when it is due;
2. you are, or have been a Loqbox Save user; and
3. when your Loqbox Grow monthly repayment becomes due, were you to redeem your Loqbox Save voucher, you would have a sufficient Balance (see paragraph 3.2 below) to cover the outstanding repayment,

then, we will settle your Loqbox Grow repayment to Loqbox Finance on your behalf. The total of all repayments settled by us on your behalf will be deducted from your Balance when you redeem your Loqbox Save voucher (see paragraph 3.2(d) below). By doing this, your Loqbox Grow repayments will continue to be reported to the credit reference agencies as having been made on time.

2.6 If you have a Loqbox Membership and do not have Loqbox Grow and:

1. we are unable to collect your membership payment when it is due;
2. you are, or have been a Loqbox Save user; and
3. when your outstanding membership payment becomes due, were you to redeem your Loqbox Save voucher, you would have a sufficient Balance (see paragraph 3.2 below) to cover the outstanding payment,

then, the total of all your outstanding membership payments will be deducted from your Balance when you redeem your Loqbox Save voucher (see paragraph 3.2(d) below). By doing this, you can continue to enjoy the benefits of your membership.

2.7 In the circumstances described in paragraphs 2.5 and 2.6 above, the payments will show on your Loqbox Save payments page as 'Loqbox Grow payment'. The 'amount available' to you on your Loqbox Save will reflect the amount you have saved less any Loqbox Grow or Membership payments collected from your Loqbox Save account. This does not affect your Credit Agreement or any other terms relating to Loqbox Save.

### **3. HOW DO I UNLOCK LOQBOX SAVE?**

3.1 You can unlock Loqbox Save and redeem your Loqbox Save voucher by following the steps outlined as part of the redemption process "Unlock Loqbox Save" in the Loqbox Members' Area. This will send a notification to us letting us know that you wish to redeem your Loqbox Save voucher.

3.2 When you redeem your Loqbox Save voucher, we will first work out the 'Balance'. This is:

- (a) an amount equivalent to the fixed cash value of the Loqbox Save voucher;
- (b) LESS the amount still to pay to Loqbox Finance under your loan;
- (c) PLUS any additional amounts that have been credited to Loqbox Save as a result of other promotions, services or products you have with us;
- (d) LESS any other fees set out in the Loqbox Tariff that you owe us, or other deductions.

3.3 We will use the amount in paragraph 3.2(b) from the proceeds of your Loqbox Save voucher to settle your loan with Loqbox Finance in full, and then we will tell you your Balance.

3.4 You can redeem your Loqbox Save voucher before the end of the Loqbox Save period and for three months after the end of your Loqbox Save period, when your Loqbox Save voucher will expire. We will remind you of your expiry date before it happens. Once your Loqbox Save voucher has expired, automatic redemption will no longer be available - please visit your member's area for more information on what to do in these circumstances.

3.5 If your Loqbox Membership is cancelled for any reason before the end of your Loqbox Save period, we will go through the process described above as if you had redeemed your Loqbox Save voucher.

3.6 There may be circumstances where you enter into a debt management programme or other solution or become subject to bankruptcy proceedings. If this happens, and an insolvency practitioner, trustee, official receiver or similar has been appointed ('appointed third party'), we ask that you notify us in writing and provide their details. Where we receive notification directly from the appointed third party, we will verify this before we liaise with the appointed third party. We will unlock your Loqbox Save, deduct the Flexi Unlock charge where applicable (see paragraph 4.3

below) and make the funds available for redemption. The funds will be paid to your nominated account unless we are advised otherwise by the appointed third party in line with the terms of your legal agreement with the appointed third party. Should you have any questions about this, please don't hesitate to contact us.

#### **4. HOW DO I RECEIVE THE PROCEEDS WHEN I REDEEM MY LOQBOX SAVE VOUCHER?**

4.1 Unless one of paragraphs 4.2 or 4.3 applies, when we tell you your balance, we will present to you a panel of accounts offered by banks and other financial institutions which includes providing you access to their financial and credit products and services (such as instant access accounts, savings bonds or ISAs). We receive a commission from the institution you choose which allows us to offer Loqbox Save free of charge.

4.2 In the unlikely event that you do not get accepted by any of the panel of accounts presented to you, and you can show this to our reasonable satisfaction, we will transfer the Balance to a UK bank account of your choosing within 3 business days without charge.

4.3 If you decide not to open any of the accounts presented to you, you will be able to tell us to transfer the Balance to a UK account of your choosing. This is called Flexi Unlock. The charge for Flexi Unlock is set out in the Loqbox Tariff. The charge will be deducted from the Balance where applicable. You may be eligible for a free Flexi Unlock if you make regular weekly payments as a Loqbox Member, as set out in the Loqbox Tariff.

#### **5. WHAT IF I DON'T DO ANYTHING?**

5.1 If, 3 calendar months after unlocking Loqbox Save or 3 calendar months after coming to the end of your Loqbox Save period, you have not taken any of the steps to receive your proceeds outlined in clause 4 above, in line with paragraph 3.4 above, the Loqbox Save voucher will expire. Once your Loqbox Save voucher has expired, automatic redemption will no longer be available - please visit our website for more information on what to do in these circumstances.

#### **6. WHAT HAPPENS IF I DIE BEFORE UNLOCKING MY LOQBOX?**

6.1 If you die, your Loqbox Save voucher will become an asset of your estate. If we are told that you have died, this will automatically cancel your Loqbox Membership, including your use of Loqbox Save. Once we have received or seen an executed and certified copy of a death certificate, we will go through the process in paragraph 3.2, and send the Balance to the executor of your estate. If your Loqbox Save does not have Flexi Unlock, we will add Flexi Unlock to your Loqbox Save and pay out the balance as instructed by your executor after deducting the applicable charge.

#### **7. WHAT HAPPENS TO MY MONEY IF LOQBOX GETS INTO DIFFICULTY?**

7.1 We want your money to be safe throughout your Loqbox Save journey in case the worst happened and any of the Loqbox companies got into financial difficulties. To do this, we keep the amount which is due to be paid to you, less an amount necessary to provide you with the Loqbox Save feature, which we deduct from your first Loqbox Save payment (your "Loqbox Funds"), completely separate from our own money by putting it into either:

- (a) a client account with a bank authorised by the Prudential Regulation Authority or the Jersey Financial Services Commission; or
- (b) an electronic money account held with an electronic money institution (EMI) that is authorised and regulated by the Financial Conduct Authority.

We have agreed with the relevant banks and EMIs that the money in these accounts belongs to Loqbox Members, not any Loqbox company or any of our creditors. This means that, from the point at which we transfer your Loqbox Funds into the relevant third party trust account until the expiration of your Loqbox Save voucher, you will not lose the value of your Loqbox Funds, even if one or more Loqbox company became insolvent. While your Loqbox Funds are being transferred in and out of the relevant third party trust account (as they are being received from or paid back to you) they are not protected..

7.2 You agree that we have permission to move funds in and out of any of the accounts we have set up with banks and EMIs for the purpose of keeping your money separate under this paragraph 7, as long as we never mix the money with our own.

7.3 If we are subject to an insolvency event, and if you have not already qualified for a free Flexi Unlock (see paragraph 4.3), we will automatically unlock your Loqbox Save and deduct the Flexi Unlock charge when we calculate the Balance (see paragraph 3.2).