

Overdraft Information

An overdraft is a borrowing facility provided for a personal current account that is a regulated credit agreement. Overdrafts are primarily intended for short term borrowing and aren't generally suitable for longer term borrowing.

If you have a current account and are aged 18 years or over, you can ask us (dependent on the type of account you have) to let you have an overdraft. Before doing so we'll assess your ability to repay the overdraft which will include considering information from credit reference agencies plus at least one of the following:

- Your income and financial commitments
- How you've handled your finances in the past
- Our internal credit scoring systems.

Arranged overdraft

We provide and you agree in advance that you may borrow money to use when there is no money left in your account. The agreement sets a maximum amount that can be borrowed, and whether you'll have to pay and we will charge any interest to your account when you borrow from us using your arranged overdraft.

Unarranged overdraft

You borrow money when there is no money left in your account (or when you have gone past your arranged overdraft limit) and this hasn't been agreed with us in advance. You'll have to pay and we will charge interest to your account when you do this.

Details of the charges that are applicable for your current account can be found at cumberland.co.uk/current-accounts/fee-information

The risk of using an unarranged overdraft facility is that it may be difficult for you to obtain credit in a situation where you may need it very quickly for a short period of time. You may choose to move money around to cover small periods where you don't have sufficient funds, e.g. moving money from savings to a current account to cover expenditure immediately before payday, whereas if you use an arranged overdraft this would allow you a short term credit facility.

We may not pay a cheque or other debit transaction if it would result in your account going overdrawn or exceeding an agreed overdraft limit.

When there are insufficient funds to enable payments to be made out of your account or if making a payment would take your account in excess of an agreed overdraft limit, we may at our sole discretion decide whether or not to agree to process the payment transaction. We may make a charge for considering whether or not to process the payment and for processing or returning the payment.

Information regarding the status of your account is passed to credit reference agencies. If your account is in an unarranged overdrawn position, this may affect your credit rating and your ability to obtain a loan or credit facility.

Our Cost Calculator allowing you to easily calculate the cost of overdrawing on your personal current account is available via our Website at cumberland.co.uk/current-accounts/overdraft

If and how to request a reduction or removal of an overdraft after an account has been opened.

You can contact us at any time to discuss the reduction or removal of your overdraft facility. Details of when we are available can be found at cumberland.co.uk/opening-times

Customer service helpline – 01228 403141

We aim to make contacting us as simple as possible

Based in our Carlisle head office, our customer service team are here to help and answer any questions 7 days a week.

At any branch

When you're out and about, friendly local branch teams are nearby to help you 6 days a week.

There will be times when your balance exceeds your agreed overdraft or you have requested that your overdraft is removed, however there are sums outstanding under that agreement; on these occasions we retain the right to refuse such a request.