

Content taken from:

## Terms and Conditions from Blemain Finance Term Plans

### Purpose

Any legal purpose is accepted. However this must be clearly detailed on the Application/Enquiry form on day 1 as the purpose may affect the terms and conditions applied to the facility. Should Blemain Finance establish at any stage the incorrect documentation has been issued we will request that the correct documentation be issued and the relevant regulation be applied.

If the loan is predominantly for consumer purposes (i.e.>50% of the loan will be for personal use), the loan will be CCA regulated irrespective of the amount (FSA regulated if a first charge). The CCA regulated agreement should be used. This is a **“Consumer Loan”**.

If the loan is predominantly for business purposes (i.e.>50% of the loan will be for business use), the loan will be CCA regulated if less than £25,001 and the CCA regulated agreement should be used; If the loan is predominantly for business purposes and the amount is for more than £25,000 the client can apply for a ‘Business’ exemption from the CCA Regulations and an unregulated agreement should be used, this is a **“Business Loan”**. This exemption is included in the terms and conditions on the legal agreements, and so it is imperative that before issuing any documentation a clear understanding of the purpose of the loan is established. As the Business Loan is exempt from CCA Regulation no consideration period is required. A written explanation of the purpose of the loan may be required if the funds are to be used in connection with the business. Loans for any purpose to Business Partnerships of more than 3 persons and Limited companies will always have a Business Exemption.

Where the loan is secured on property and at the time the agreement is entered into, **less than 40% will be occupied by the customer (or a member of the customer’s immediate family) the loan will be unregulated.** This is an “Unregulated Loan”. This includes all loans (irrespective of the amount) that are secured on Buy to Let, semi-commercial and commercial property. There are specific agreements for Unregulated Loans, so before issuing any documentation a clear understanding of the occupancy must be established. As an Unregulated Loan is exempt from CCA Regulation no consideration period is required. Should it be established at any stage the incorrect documentation has been issued we will request that the correct documentation be issued and the relevant regulation be adhered to.

