

npower **Additional Terms** **for Security Deposits**

When we will ask for a Security Deposit

In some circumstances we may require you to pay a security deposit (a sum of money) against your gas or electricity supply (or both), in order to protect us against likely loss in the event that you break the terms of your supply agreement with us. This may be as a result of our checks on your credit status, or due to your particular circumstances. We will often ask for a security deposit if:

Your credit status is unsatisfactory

- If you are insolvent
- If you have repeatedly failed to pay your energy bills
- If you have broken an agreed payment arrangement with us
- If we, or an agent acting on our behalf, have to visit you as a result of an unpaid bill
- If you are a new customer and you are unable to provide us with proof of your identity and/or your place of residence for the last 3 years.

If we request a deposit from you, we will explain how the deposit will work.

We will not ask for a deposit if you choose to pay for your gas or electricity (or both) through a prepayment meter and it is safe and reasonably practicable for us to fit one for you to use. We will only ask for a deposit if it is reasonable for us to do so in the circumstances.

If we do ask you for a deposit and you do not pay it, we may be entitled to:

- refuse to supply gas or electricity (or both) to you; or
- cut off your gas or electricity (or both) until you pay the deposit (plus any reasonable costs we have as a result of cutting off and reconnecting your supply).

If you cannot or do not pay a security deposit when requested, we may ask you to consider having a prepayment meter fitted instead (and it's safe and reasonably practicable to fit one).

If we request a deposit from you, the amount you will be required to pay will be based on your average energy consumption over a set period of time, which we will agree with you and which will be no more than the conditions of our energy licences allow.

If you have asked to transfer your energy supply over to us and are asked to pay a deposit and you fail to do so within the time specified, we may cancel your contract for that supply with us and stop the transfer. We will notify you if we choose to do this. We will repay any deposit payments you have made in full unless you owe us any money in which case the additional terms set out below may apply.

If you have moved into a house that is already supplied by us and you are required by us to pay a deposit and you fail to pay that deposit in full, we may use any future payment on your account to top up your security deposit. We will tell you what we have done.

Additional Terms and Conditions applying to the holding of and repayment of any Security Deposits we may request from you.

We will hold the security deposit for a minimum period of 12 months. It is important that during this period you pay all your energy bills on time, as late payments will affect when the deposit is repaid to you.

The deposit will be held separately from your main account with us, and will only be used to settle your energy bills in the following circumstances:

- 1.** When your contract with us ends. This may be due to your changing supplier. If this happens your deposit will be used towards paying off the final balance on your account with us (which, if you are a dual fuel customer, may include paying off the final balance on either of the fuels supplied), and any remaining funds will be returned to you as soon as possible. If your deposit does not pay off your final balance in full then you will be required to pay us any outstanding monies that are due.
- 2.** If you agree to have a prepayment meter fitted instead. Your deposit will be used towards paying off any outstanding balance that may be on your account at the time you have the prepayment meter fitted and any remaining funds will be returned to you as soon as possible unless you ask for that money to be loaded onto your new prepayment meter as a credit. If your deposit does not pay off your account in full then you will either be required to pay us any outstanding monies that are due or the debt will be loaded on to your prepayment meter.
- 3.** If you get into debt with us. If this happens, we may use the deposit to pay off the monies that you owe us. If you wish to continue to take supply from us, you may be required to provide a replacement security deposit. If you fail to provide a replacement deposit we have the right to discontinue your supply. Alternatively, you may be asked to change to a prepayment meter arrangement (which can be forcibly fitted under a warrant if there is a debt on your account).
- 4.** If we already supply you with one fuel and you decide to transfer your other fuel over to us. If this happens and you make payments towards a deposit for that new fuel, if that transfer is subsequently cancelled (by you or us) then we may use any sums paid towards the deposit for that second fuel to pay off the monies that you owe us in relation to the account for the fuel that we already supply.

After 12 months, we will repay the deposit to you in full within 14 days provided, during the 12 month period in question, you have paid all of your bills within 28 days of the date set out on each of those bills and/or where applicable you have kept up with all your payments on any payment plans you may have agreed with us.

If the deposit (or any part of it) was paid using a credit and/or debit card, any repayments will be made back to that credit and/or debit card.

If you have failed to pay your bills on time, or missed any payments during the 12 month period, then we will continue to hold the deposit for a further period until you have a 12 month period of continual regular and on time payment following on from your most recent late payment. We will repay the deposit to you once you have demonstrated 12 months of prompt payment. Continued failure to pay on time resulting in a debt accruing on your account may result in you being required to have prepayment meter(s) fitted.

Additionally, the deposit may be used to offset costs as identified within the Security Deposit section of general Terms and Conditions for supplying electricity and gas to domestic customers.