

## LOAN POLICY

1. Members must be 18 years or over, under 18 can join but cannot have loans.
2. Proof of age and address must be given when joining.
  - \*Current signed Passport
  - \*Photo ID card
  - \*Driving Licence
  - \*Benefit Book
  - \*Recent Gas/Electric or other household bill
3. Members pay £1.00 to join.
4. You then save for 6 consecutive weeks (to show that you can save regularly).  
**In order to be able to apply for a loan a member must have saved regularly for 6 Weeks (or 2 consecutive months). After 6 weeks (or 2 months) a member may Apply for a loan up to twice the share balance.** The maximum of £1000 which must be Paid off in 12 months.
5. After 6 weeks you may be entitled to apply to borrow twice your savings.
6. First loans must be repaid within the 1 year, and repayments must be within the Agreed pattern of loan repayments and savings. **Based on savings schedule Repayments must not be more. The weekly (or monthly loan repayments Should be more than the existing weekly/or monthly savings amount, also At least 50p per week £2.00 per month) should continue to be saved in Addition to the loan repayment amount.**
7. Second **subsequent** loans can be up to 3 times your savings subject to approval by The loans committee, again within your agreed pattern. **At least 50p per week (£2 month) should continue to be saved in addition to the loan repayment Amount. Any loan application with account 2-4 weeks in arrears will be Referred to credit control.**
8. Lump sums to boost savings will not be considered as a savings pattern.
9. A certain part of shares cannot be withdrawn whilst a loan is outstanding. Details Will be explained at the time of loan approval.
10. 2 weeks notice should be given for loan applications. **The bulk of loan Applications will be dealt with on a weekly basis, but some applications may Take 2 weeks.**
11. Loans must be repaid in keeping with the signed loan agreement.
12. **DEFAULT OF PAYMENT WILL BE VIEWED VERY SERIOUSLY AND APPROPRIATE LEGAL ACTION TAKEN.**
13. When applying for a loan, you may be asked to provide proof of income, and a Recent utility bill if you didn't supply it on joining (see 2).
14. We reserve the right to consult a Credit Reference Agency.
15. The Board of Directors reserves the right to refuse a loan for any reason.
16. Interest rates are 2% per month 26.8% Apr on a reducing balance. Also secured Loans @ 1% per month 12.7%. These loans apply to new members first loans And other members who's loans are totally secured by their shares.
17. Top-up loans - members must pay off 50% of existing loan and not be in arrears.
18. Senior members (80years+) may take loans which exceed their share value with a Guarantor for the excess value of the loan (ask about this facility).