

Cambuslang Credit Union Limited

At the heart of our Community

Loan Guidelines

Age	Members must be aged 18 or over to apply for a loan.
Saving Period	Members must have saved regularly for 8 – 10 weeks with evidence of regular weekly, fortnightly or monthly savings.
Secure Loans	will be granted (secure is equal to or less than the number of shares held.)
First Loan	will be up to twice the number of shares saved to a maximum loan of £500 or a risk value of £200 .
Payments to first loan	must be fully repaid according to the signed agreement before the second loan can be applied for.
Credit Control	problems with a First loan could affect future borrowing.
Second loans	are up to twice the number of shares up to a maximum of £1000 or a risk value of £300 . Members with a good repayment record will therefore be looked on favourably for further larger Loans , based on their shares and their ability to make repayments. These larger loans will be at the sole discretion of the Board of Directors.
Repayment period	for all unsecured loans is a maximum of 5 years . Secure loans can be repaid over 10 years .
Credit Control Problems	Any member who experiences problems with their repayment plan should contact the Credit Control committee immediately . Failure to do so will mean that subsequent loans will be restricted or only Secure loans will be available.
Share loading	Payments of large sums to Shares immediately prior to applying for a loan (i.e. share-loading) may be discounted for a period of 4 weeks at the sole discretion of the Credit Committee. Until this period has elapsed, any application for a loan will be based on the Balance held before the increased shareholding.
Refinancing	Second or subsequent loans may be topped-up after 50% of the original balance is paid. The top-up is then added to the existing loan and the new repayment calculated. The number of times a loan can be topped up before it is finally paid off is at the sole discretion of the Credit Committee
Share deposits	All loan repayments must be accompanied by regular deposits to Shares . Failure to save during a loan period can lead to future loan restrictions since the availability of money for loans depends on the continued saving of shares by members. Withdrawals of Shares are not permitted when the loan balance is greater than the Share balance.
Loan uplift	must be done by the applicant and will be paid by cheque after the signing of the required Loan Agreement . Suitable proof of identity must be shown. The cashing of cheques at any collection point is not guaranteed and is at the discretion of the Treasury Team, subject to the availability of cash. Cash is available at our bank the Royal Bank of Scotland, Cambuslang if the member requests it.
Confidentiality	The discussion and details of the Loan applications are strictly confidential.

The Board of Directors reserves the right to amend this policy at any time without prior notice.

These guidelines were adopted by the Board of Directors on 21 February 2011

Cambuslang Credit Union Limited – Registered with the FSA Ref No - 213778