

What is a Credit union?

It's a locally based savings and loans co-operative; a 'People's Bank'. We save when we can and borrow when we need to.

What are the objectives of the Credit Union?



- To encourage members to save
- To provide low cost loans to members
- To encourage wise money management
- To encourage people to help themselves and each other in their community.

Why do I need a Credit Union?

Almost everybody needs credit at some time or another. The Credit Union offers you the opportunity to save and borrow on your own terms. The anxiety and worry of sudden bills are relieved by the use of low interest loans instead of money lenders and charge cards at interest rates of 30% or more. Why not purchase that item with a loan from the credit union?

Savings

How much do I have to save?

There is no minimum. You can save as much as you like up to a maximum total of £10,000.

How often should I save?

All members are asked to save regularly, weekly/ monthly.

Do I get interest on my savings?

Yes, when possible. Presently our dividend is in the region of 0.5% per year.

Can I withdraw my savings when I like?

Yes, although the aim is to keep your saving intact and borrow the money you need.

Can I get a loan as soon as becoming a member?

No. After you have saved for a short time to ensure you are a reliable saver, then you may apply for a loan. The loan is then arranged with the Credit Committee.

What interest do I have to pay on a loan?

Currently ¾% per month on a decreasing balance (9.4% APR) e.g. £100.00 borrowed over 1 year will cost £5.00 in interest. This compares more than favourably with any other source of lending.

Are there any restrictions on the purpose of the loan?

No, loans are made for many purposes e.g. electricity or gas bills, car repairs, replacement domestic appliances, holidays, etc. If demand is high we have to recognise that some loans are more urgent than others.

How long does it take to get a loan?

About a week, but you may have to wait a little longer if demand is high.

What happens to savings not out on loan?

They are invested in the Unity Trust Bank and other fixed term savings accounts in order to yield interest.

Repayments



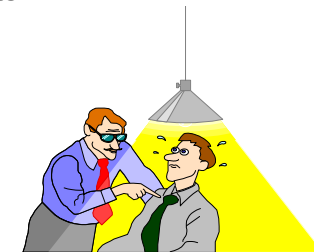
How much do I have to repay?

You will have worked out an amount with the Credit Committee member that is within the law and within your means. Loans must be repaid within three years.

How often and how?

Usually monthly by standing order as agreed with the credit committee.

What happens if I cannot manage the repayments?



The Credit Union is there to help! If your circumstances change, please let someone from the credit committee know as soon as possible. It will almost certainly be possible to work out some new affordable repayments.

How confidential is my business?

All requests for loans, details of shares held, etc. is strictly confidential. Collectors are aware of the confidential nature of a member's business.

Credit Union Management



How is the Credit Union run in our Parish?

The Management Committee meet monthly. We have appointed a credit committee and a finance committee. The management committee is elected at the AGM when the members can call them to account.

Are there legal controls on a Credit Union?

Yes. We are registered under the Credit Union Act 1979. We must provide a set of audited accounts every year - this is a legal requirement. We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Is there external guidance for Credit Unions?

Yes. We are supported by our trade body: UK Credit Unions.

Insurance

Is the Credit Union insured against fraud or robbery?

Yes. It must have this insurance by law.

Am I Insured?

Your shares are covered by the Financial Services Compensation Scheme (FSCS) which means that in the unlikely event of the Credit Union getting into financial difficulties, your shares will be refunded. In addition, your CU is part of a scheme whereby when a member dies their shares will be enhanced

by up to 50%. If the member is over 80 the schemes rules differ slightly.

It is important that you repay your loan as arranged - The insurance cover does not apply if this condition is not fulfilled.

Joining

Who can join?

Any member who lives in the 'Common Bond'

What is a Common Bond?

It is the geographical area or association with an organisation defined by the Credit Union and agreed by the Register of Friendly Societies. Our Common Bond is the members actively involved within the Parish of St. Wilfrid & Mother of God, Sheffield and the St Wilfrid's Centre.

How do I become a member?

By being in the 'Common Bond' and by completing an application form, available on the notice board at the back of church or by downloading an application form from the parish website.

Can I become a member if I live outside the Common Bond?

No, but if you move outside the common bond you can remain a member subject to certain conditions.

What to do now

- Join the Credit Union and start to save
- If you are already a member, pass on this leaflet to someone else who may be interested.

Where can I get more information?

Email mogcreditunion@gmail.com

Contact Elizabeth Corcoran 0114 2369675

Maureen O'Leary 0114 2582611

ST WILFRID & MOTHER OF GOD
CREDIT UNION LTD



.....OVER £250,000 IN ASSETS.

**...OVER 1,000 LOANS ALREADY
GRANTED AMOUNTING TO
WELL OVER ONE MILLION POUNDS**