

Clockwise Credit Union

safe savings & affordable loans

Family Loan Terms and Conditions

1) Who is eligible?

To be eligible for this loan you must:-

- Be 18 years of age or over
- Meet our common bond requirements (new members)
- Be in receipt of child benefit
- Your Child Benefit must not be due to stop during the term of the loan
- You cannot have an existing Clockwise loan
- You must supply 3 months bank statement or open banking access to main bank account which is receiving Child Benefit
- You must agree to save at least £1 per week and not withdraw those savings for the term of the loan

2) How much can you borrow?

You can borrow between £50 to £500 on your first loan, dependant on your payment history and affordability the maximum loan is £750 for all subsequent loans.

3) How must you repay the loan?

You must make the repayments at the amount agreed on the dates/frequency set out in your agreement via child benefit. Your Child Benefit will be paid into your Clockwise Membership Account and your repayment transferred into your loan and locked savings account.

If there are any remaining funds from your Child Benefit, after your loan repayment and savings have been deducted, it will remain in your Membership Account until you choose to transfer it. Funds held in your Membership Account are available to transfer anytime or you can choose to save any remaining funds also. Please see <https://www.clockwise.coop/savings/instant-access-savings/> for more information on our Membership Account.

You can make overpayments or full payment to your loan anytime without penalty.

After you have made your first repayment, you can change the repayment date if you ask us. We will not be able to change your next repayment date, but we will change all subsequent repayment dates. You can only change the date twice in any 12-month period. Changing the repayment date will not affect the amount of interest on the loan.

4) How much do you have to save?

You must save a minimum of £1 per week or £4 every four weeks. You can save more if you want to however, the saving amount plus loan repayment amount can't be more than your Child Benefit

Savings are secured against your loan and cannot be withdrawn until the loan is repaid. If you decide you would like to borrow more on your family loan or pay it off, your savings become available to withdraw.

5) What happens to any leftover Child Benefit?

This is available to save or withdraw from your nominated account.

6) How long is the loan for?

The agreement will start on that day and will end when you have repaid everything you owe us, the maximum agreed term on this loan however is 12 months.

Head Office:

1 St. Nicholas Place, Leicester LE1 5LB

Tel: 0116 2423900 Email: enquiries@clockwise.coop

www.clockwise.coop

Clockwise Credit Union Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We subscribe to the Financial Ombudsman Service and are members of the Financial Services Compensation Scheme.



We will pay the loan into your membership account with Clockwise Credit Union. This will usually be no more than five working days after the start date or the specific date you asked for.

If the loan is to repay any other borrowing from us (if you choose to “top-up your loan”), the amount we put into your membership account will be what is left over after we have taken away the amount needed to repay your old loan with us.

If you repay more than the total amount payable (if you have overpaid at the end of the loan), we will close the account and return the amount you overpaid to another account you hold with us or by sending you a cheque.

7) What is the cost of the loan?

We charge a fixed rate of interest on the Family Loan of 42.6%, interest is calculated daily on the outstanding principal balance. It's applied to the account either when a loan repayment is due or when a repayment is made.

8) What rate will you get on your linked savings account?

Your linked savings account will receive our standard rate of interest, this can go down as well as up. Please see <https://www.clockwise.coop/savings/> for our most recent rates

9) What should you do if your details change?

If you change your name, address, telephone number or email address you must tell us in writing or by calling us. We will use the most recent details you have given us to send information and contact you.

If there is any change to your Child Benefit income you must tell us as early as you can.

10) Can you repay the loan early?

You can repay all, or part, of the loan early by giving us notice in writing or by telephone. If you give us notice, we will tell you the amount needed to repay the loan in full within the next 28 days (or on a later date you tell us).

If you repay part of the loan early, your monthly repayment will stay the same but you may repay the loan more quickly.

11) What are our rights if you miss a repayment or we have other concerns?

There may be severe consequences if:

- (a) you do not make repayments on time; or
- (b) we find that any information you provided as part of your loan application was materially incorrect or misleading; or
- (c) you are declared bankrupt or have similar proceedings taken against you; or
- (d) we reasonably suspect any fraud or other criminal activity in connection with this agreement and/or any other facility or account that you have with us.

In any of these cases, we can:

- demand immediate repayment of the loan;
- disclose information about you and the conduct of your loan to licensed credit reference agencies (which may make it more difficult for you to borrow in future);
- restrict access on other accounts you have with us
- bring legal action to recover the loan (which could include asking a court to order that, if a property you own is sold for any reason, some of the sale proceeds are used to repay this loan); and
- require you to pay our reasonable costs and expenses for taking action to obtain payment, including legal costs; but we will give you advance notice and (unless the problem cannot be fixed) the opportunity to fix the problem before taking any of these steps.

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If we choose not to enforce our rights under this agreement at any time, we may enforce them at a later date instead.

11) Can we use any other funds to repay the loan?

If we hold any money for you on another account (for example if you have money in a current or savings account), we can use it to reduce or repay any sums you fail to pay under this agreement but only after we have checked that you have enough left in your accounts to cover essential living costs. We will give you advance notice and the opportunity to fix the problem first.

If you do not pay your loan we reserve the right to transfer funds from your locked savings account to cover any missed payments

12) Can we transfer our rights under this agreement?

We may transfer our rights and our obligations under this agreement to a third party, including information about you and how you have managed the loan which the third party needs to know.

13) What law governs this agreement?

This agreement, and everything that happens in relation to this agreement before it is made, are governed by the laws, and subject to the non-exclusive jurisdiction of the courts, of England and Wales. We will communicate with you at all times in English.

14) Right to withdraw

You can withdraw from this agreement (without giving any reason) by sending written notice or calling us within 14 days, starting the day after we confirm that we have signed the agreement. You must repay the loan, without delay, within 30 days, starting the day after you tell us that you want to withdraw, together with interest for each day until you repay. We won't charge any interest if you repay the loan in full within 14 days starting the day we provide the loan.

You can repay by calling us or by visiting one of our branches. If the loan is to repay any other borrowing from us, withdrawing from this agreement will not reinstate your existing agreements. These will end when we sign this agreement and apply this loan to repay everything you owe under those agreements. Important information

15) How to contact us

If you need to contact us e.g. to update your contact details, ask for information about early repayment, tell us that you want to withdraw from the agreement or make a complaint please call 03301755792

16) How can you keep track of what you owe?

You may ask us at any time for a statement of account. This statement will be in the form of a table setting out:

- details (including the amounts) of the repayments you still owe;
- the dates on which each repayment is due; and
- a breakdown of each repayment showing how much comprises capital, interest and, if applicable, other charges.

We will not charge for the statement.

17) How can you make a complaint?

If we do not give the standard of service you expect, or if you think we have made a mistake, please let us know so we can investigate, put matters right and take steps to stop it happening again.

If you are not happy with the way that we deal with your complaint, you may be able to refer your complaint to the Financial Ombudsman Service by writing to Financial Ombudsman Service, Exchange Tower, London E14 9SR, calling 0800 023 4 567 or 0300 123 9 123 or sending an email to complaint.info@financial-ombudsman.org.uk.

18) How can you contact us?

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You can contact us by phone on 03301755792 Monday to Friday 09.30 to 16.00, by email on hello@clockwise.coop or by post at Clockwise Credit Union, 1 St Nicolas Place, Leicester

19) How we are authorised

Clockwise Credit Union Limited, Reg. No. FRN213498 is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Clockwise is a member of the Financial Services Compensation Scheme, the Financial Ombudsman Service and ABCUL. Registered office: 1 St Nicholas Place, Leicester, LE1 5LB. Clockwise Credit Union Ltd is registered in England No. IP00280C

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