

Loan Terms & Conditions

Loan Conditions

- Membership of Lewisham Employees' Credit Union (Crownsavers), or completion of a loan application, does not guarantee a loan will be granted.
- The credit union staff will gladly discuss loans and loan applications.
- Loan Agreements are subject to approval by the Loan Team.
- The Loan Team will not enter into discussions about their decisions. The Loan Team decisions are final and binding.

Disclosure of Information

The information that you provide may be disclosed to a licensed credit reference agency which will retain a record of the search. It may then be used by other lenders in assessing applications from you and other members of your household and for debt tracing and fraud prevention.

You have the opportunity to 'opt out' of the credit union receiving information about members of your household. This is clearly marked on the loan application. Information may be shared with other credit unions.

Please note that by signing the loan application you are giving permission to Crownsavers to share information.

County Court Judgments (CCJ's), Individual Voluntary Agreements (IVA's), Bankruptcy Orders

Loan applications will be considered in the normal way when a member has low-value active CCJ/s. (*see Declined Loans*). Failure to declare a CCJ will result in an application being declined.

Where a member has large CCJs, a Bankruptcy Order or IVAs, the Loan Committee will not approve loan applications if these are not being serviced.

Declined Loans

The Loan Team will decline a loan application if, in their opinion, to make the loan would be against the interest of the credit union or the member. They take into consideration length of membership, savings and loan record, amount requested, a credit reference agency credit report, available funds, current credit union rules and policies and any other information they deem relevant.

We are not permitted to reveal details of a credit report but will give details of the credit reference agency used.

If a loan application is denied, we will indicate the period that needs to elapse before a new application will be considered.

The Loan Teams will not enter into discussions about their decisions and employees cannot overturn such decisions.

Distance Marketing Directive

Under the Distance Marketing Directive members have the right to cancel a loan agreement within 14 days by informing the credit union and returning the money borrowed.

Bereavement Fund

In the event of the death of a member who has an outstanding loan, Crownsavers in partnership with Cuna Mutual will repay the loan (*see [Loan Protection link](#)*).

Loan Interest

The interest on all loans is charged on a daily basis.

Early Loan Repayment

Loans can be partially or fully repaid, at anytime. There are no extra costs or penalties unless it is a promotional loan with its own criteria.

Loan Repayments

Loan repayments can be increased as requested. It may be possible to reduce loan repayments. Please contact the office in the event of missed loan repayments as shares may be transferred to cover the missing repayment.

If the credit union is advised of an impending bankruptcy, or suchlike, shares may also be used to reduce the outstanding loan balance.

Leavers

If a member would like to leave Crownsavers, it is important that contact is made with the credit union as soon as possible. This is to prevent any misunderstanding or any resulting recovery action if there is an outstanding loan.

An arrangement can be made to repay the outstanding loan by, using shares if it covers the loan, debit cards or a BACs payment.

Financial Difficulties

If a member, who has a credit union loan, finds themselves in financial difficulties, it is important that she/he contacts the credit union. We will do our best to help. Further help can also be sought from Citizens Advice.

Delinquent Loans

When loan repayments are missed, a loan becomes delinquent. Every effort will be made to come to a mutual agreement with a member, or leaver, if their loan becomes delinquent.

The credit union is obliged to recover delinquent loans. Shares, and other savings, can be used to recover loan repayments. If our efforts to come to a mutual agreement fail, further action may be taken.

We do take legal action, including applying for County Court Judgements. We do use bailiff services. We do employ debt collection companies and solicitors. Costs are added to outstanding loans.