



Credit Unions

## SAYB LEVEL 1 (Representative examples over 24 months at 42.6% APR)

Loan	Weekly repayment *	Cost of credit	Total repaid	Monthly repayment *	Cost of credit	Total repaid
£200	£5.00	£70	£270	£20	£82	£282
£400	£8.00	£139	£539	£32	£163	£563
£600	£11.00	£208	£808	£44	£245	£845
£800	£14.00	£277	£1,077	£56	£326	£1,126
£1,000	£17.00	£346	£1,346	£68	£408	£1,408
£1,200	£20.00	£416	£1,616	£80	£489	£1,689

\* Includes £2 per week or £8 per month contribution to your savings.

## SAYB LEVEL 2 (Representative examples over 26 months at 26.8% APR)

Loan	Weekly repayment *	Cost of credit	Total repaid	Monthly repayment *	Cost of credit	Total repaid
£800	£12.00	£201	£1,001	£48	£232	£1,032
£1,000	£14.50	£251	£1,251	£58	£290	£1,290
£1,500	£20.70	£377	£1,877	£83	£435	£1,935
£2,000	£27.00	£502	£2,502	£108	£580	£2,580

\* Includes £2 per week or £8 per month contribution to your savings.

## PERSONAL LOAN (Representative examples)

Loan	Term	Monthly repayment	Cost of credit	Total repaid	Interest (APR)
£500	12 mths	£47.28	£68	£568	26.8%
£1,000	12 mths	£94.56	£135	£1,135	26.8%
£1,000	24 mths	£52.88	£269	£1,269	26.8%
£1,500	24 mths	£79.31	£404	£1,904	26.8%
£2,000	24 mths	£99.85	£397	£2,397	19.6%
£3,000	24 mths	£149.78	£595	£3,595	19.6%
£4,000	36 mths	£132.86	£783	£4,783	12.7%
£5,000	36 mths	£166.08	£979	£5,979	12.7%
£7,500	48 mths	£186.64	£1,459	£8,959	9.4%
£10,000	60 mths	£207.59	£2,455	£12,455	9.4%

## LOYALTY SAVER LOAN (Representative example)

£5,000	36 mths	£152.11	£476	£5,476	6.2%
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Please note that the information in this leaflet is a general guide only and is correct at the time of publication. Lewisham Plus Credit Union reserves the right to decline any loan application (or reduce the amount offered) based on any factor that it considers relevant.

v9.1/0318



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## Borrowing from the Credit Union



## Which loan is right for me?

Lewisham Plus Credit Union is a member owned organisation, and aims to assist our members with loans where these are affordable for them.

The information in this leaflet provides a brief guide to help you decide which of our loan products may be right for your circumstances.

**We do not charge a set-up fee for loans. Interest is only charged on the outstanding balance of the loan, and loans are insured up to £5,000 against death at no cost to the member (subject to policy limits).**

**See our website [www.pluscu.co.uk](http://www.pluscu.co.uk) for full details of loan products, and for how to join the credit union, your rights and how to make a complaint.**

## Applying for a loan

Apply for a loan on-line using our website or pick up a loan application form or loan top-up form from one of our branches.

When you apply for a loan in person, you will need to provide proof of your **income, ID, and current address**. You will also need to bring proof of ID and address again when collecting the loan.

If necessary, we may also ask for bank statements, evidence of debts or other information to inform our loan decision.

*Before your loan is issued we will ask you to provide evidence that you have made arrangements for regular electronic loan repayments.*

## SAVE AS YOU BORROW (SAYB) LOAN

One of our most popular loans for members on low incomes or those with a poor credit record. There are two levels, depending on your net income, with **Level 1 up to £1,200 and Level 2 from £800 to £2,000**.

Part of your agreed payment each week or month is added to a separate savings account. You can't touch the savings while you have a loan, but you will have saved **at least £180** when you finish paying back the loan.

## CREDIT UNION PERSONAL LOAN

Personal loans **up to £10,000** are offered to members with sufficient net income to afford the loan and a fair to good credit record.

We also offer a Loyalty Saver Loan, with a reduced interest rate, for members who want to borrow an amount less than their savings.

For more information contact: **Lewisham Plus Credit Union Limited, 262 Kirkdale, Sydenham, London SE26 4RS, or your local branch. Tel: 020 8778 4738 Email: [admin@pluscu.co.uk](mailto:admin@pluscu.co.uk) [www.pluscu.co.uk](http://www.pluscu.co.uk)**

*Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority – Firm Reference 213588*



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## SAVE AS YOU BORROW (SAYB) LOAN

The most popular loan for members on low incomes, or those with a poor credit record, who also want to build up their savings at the same time as repaying the loan. Please see the representative examples overleaf.

You will make an agreed payment each week or month, and part of this is added to a special savings account. You can't touch the secured savings while you have a loan, but you will have saved **at least £180** as a lump sum by the time you have finished paying the loan back.

Net Income (1)	Product	Maximum initial loan	Maximum with Top-Up Loan	Interest Rate
Up to £800 per month	SAYB Level 1	<b>£800</b>	<b>£1,200</b>	3% per month 42.6% APR
Over £800 per month	SAYB Level 2	<b>£1,000</b>	<b>£2,000</b>	2% per month 26.8% APR

- For a Level 1 SAYB loan, we can initially lend up to £800, although first loans are usually less. For members on higher incomes who qualify for a Level 2 SAYB loan, we can initially lend from £800 to £1,000.
- Subject to a satisfactory repayment history, a top up loan can extend borrowing up to £1,200 for a Level 1 loan and up to £2,000 for Level 2.
- The loan term is 90 weeks or 24 months (Level 1) and 101 weeks or 26 months (Level 2). Fortnightly or 4-weekly repayments are also offered.
- Top-up loans may be considered after six months from the original loan date, and each three months thereafter, each subject to a satisfactory loan repayment history and no change to your circumstances.
- If you receive benefits, loan repayment by direct credit of a benefit will normally be required. You will need an Engage Account (Current or Classic) or other bank account to access surplus cash.
- Your loan can be credited to your Engage Account, or transferred by BACS to your bank account. Loans are not normally issued in cash.
- You can make additional repayments to reduce the loan more quickly if desired, but must make your minimum payments on time. There is no charge for early repayment of the loan.

Paying more than the minimum repayment will clear your loan quicker, and reduce the total amount you have to pay, but will also reduce the amount of savings you build up while you repay the loan.

**All loans are legally binding agreements. If you do not keep up with agreed repayments we can take debt recovery actions. These may include transferring your savings to pay off your loan or using debt collectors, County Court Judgements and attachment of earnings, which may affect your credit rating and others in your household.**

## CREDIT UNION PERSONAL LOAN

Personal loans up to £10,000 are offered to members with enough income to afford the loan and a fair to good credit record. We do not usually require regular savings before a loan application can be made.

Net Income (1)	Product	Maximum loan	Interest Rate
Over £1,000 per month	Personal Level 1	<b>£1,500</b>	2% per month 26.8% APR
Over £1,300 per month	Personal Level 2	<b>£3,000</b>	1.5% per month 19.6% APR
Over £1,950 per month	Personal Level 3	<b>£5,000</b>	1% per month 12.7% APR
Over £1,950 per month	Personal Level 4	<b>£10,000</b>	0.75% per month 9.4% APR

- Personal Loans require a minimum net income of £1,000 per month for a loan of up to £1,500. That income may be from benefits, employment, pension or a combination. For a loan of up to £3,000, the net income should be at least £1,300 per month.
- For higher loan amounts, the income must come from employment or a pension. For example, a loan of up to £5,000 requires a net monthly income of at least £1,950.
- Loan repayments must be made by electronic credit of salary, pension or benefit or standing order. An Engage Account (Current or Classic) may be needed if you do not have a suitable bank facility.
- You may be asked to deposit an agreed amount of savings in a secure savings (S2) account while the loan is outstanding.
- Your loan can be credited to your Engage Account, or transferred by BACS to your bank account. Loans are not normally issued in cash.
- You can make additional repayments to reduce the loan more quickly if desired, but must make your minimum payments on time. There is no charge for early repayment of the loan.

## LOYALTY SAVER LOAN

If you have savings with Lewisham Plus that you don't want to withdraw, and want to borrow an amount less than your savings, we offer a Loyalty Saver Loan up to £10,000 at the reduced interest rate of 0.5% per month, 6.2% APR.

(1) Net Income is the amount of pay you receive each month, after tax and any other deductions. Salary, wages and pensions are counted as income, along with most state benefits. However, Housing Benefit / Local Housing Allowance is not counted as income for loan purposes. Household income may be considered if you have a partner. Typical household expenses will also be considered in our assessment. Income from self-employment or 'gig economy' work is subject to additional checks.



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