

Loan Application Form

Before applying for a loan, read the information and rules below:

- In general, you need to save a regular amount per week / month over at least 13 weeks.
- After the initial 13 weeks, you can at any time apply for a loan of **no more than 3 times the amount of your savings up to a maximum of £5,000 for your first loan, and an absolute maximum of £10,000 for subsequent loans, subject to a credit assessment.**
- Emergency loans will also be considered. Proof of the nature of the emergency will be required. If the Credit Committee (and/or the Loans Officer) is satisfied that the money is required for a genuine emergency, then a loan (maximum £500) can be granted even if you do not meet the standard 13 weeks' savings requirement and/or you need to borrow more than 3 times your share balance.
- When you apply for a loan, the Credit Committee (and/or the Loans Officer) will assess your credit worthiness and your ability to repay the loan. This could involve an interview, perhaps over the phone. Evidence of income and expenditure will be required. Evidence of entitlement to remain in the UK for the duration of the loan repayment schedule will be required.
- All loans must be paid back within a maximum of 3 years (1 year for emergency loans). The interest charged is 1% per month on the decreasing balance of the loan. (12.7% APR) on the last day of the calendar month.
- You will be encouraged to save whilst repaying your loan and cannot withdraw an amount that would reduce your share balance to less than one third of your loan balance.
- All loans are subject to availability of funds and at the discretion of the Credit Committee. The excess of loan balance over share balance for any member will not exceed 5% of the credit union's total assets.
- A decision on a loan application is usually made within 7 working days.
- On receipt of a loan, you must sign the loan agreement, which is a legal document in which you undertake to pay the amounts specified by the dates specified. There is no penalty for repaying extra amounts at any time.
- Agreed loans are normally paid by bank transfer, but you can have a cheque if you prefer, or (by agreement) cash for small loans.
- You can apply for a top-up loan **only if at least 50% of your existing loan has been paid off.**
- The Credit Control Officer follows up all loan repayments that fall into default and if necessary the credit union will start a process of legal action. Any related charges incurred by the credit union can be added to the amount owing by the defaulter.

I have read the information and rules above signed: _____

Please ask if you need any help in completing this **2-sided** form or the financial assessment form.

Complete all sections of the form in BLOCK CAPITALS. If a list of options is given, please circle the option that applies to you, showing your choice clearly. **Please also enclose your last 3 payslips and/or proof of other income AND the last 3 months' bank statements for all accounts. Copies or internet printouts are acceptable, or you can collect originals on completion.**

Full Name _____	Membership No. _____
Address _____	
Postcode _____	
Time at this address _____	Date of birth _____
Home Telephone No. _____	Mobile No. _____ - _____
Email address _____	
Occupation _____	National Insurance No. _____
Employer's Name and address _____	
Time with this employer _____	Payroll No. _____
Work telephone No. _____	Can you be contacted there? Yes / No

Loan Application details:

Present Share Balance £ _____ Present Loan Balance £ _____ (if known)

I am applying for a loan of £ _____ to be added to my present loan balance, if any.

[OFFICE USE ONLY: EXACT present loan balance is £ _____, so **total loan** applied for is: £ _____]

The purpose of the loan is _____

I would like to receive the money by _____ (latest possible date)

I would like the loan paid to me by bank transfer / cheque / cash (by special arrangement, to be discussed)

Bank details: account no. _____ sort code _____

name(s) of account holder(s) _____

Cheque details: cheque to be made out to _____

I will start repaying the loan on _____ (date)

I can afford to repay £ _____ per week / fortnight / month

I also agree to save £ _____ per week / fortnight / month while repaying the loan.

I will pay by standing order / cash / cheque / bank transfer / payroll deduction

I have provided: A completed financial assessment form Entitlement to stay in UK

Payslips / proof of benefit

Bank statements

Formal Declaration:

I declare that

1. I have received and read a copy of the Watford Credit Union's information sheet "Loan Protection Insurance and Life Savings Insurance" (available on website: www.watfordcreditunion.co.uk)
2. I am legally entitled to remain in the UK for the entire period of repayment of this loan.
3. The information on this form has been provided by me for the purpose of obtaining a loan.
4. To the best of my knowledge and belief, all the statements on this form are true.

Signed: _____ Date _____

Official use only:

Date received _____ Loan Number _____

The loan of £ _____ for a period of _____ is Approved / Refused

BACS/cheque/cash amount £ _____ Amount of existing loan cleared £ _____

The following comments are to be made to the applicant _____

Approved by the following Credit Committee Officers _____

Reasons for refusal – if appropriate _____
