

# FAQs

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### What is a Credit Union?

A credit union is a financial co-operative, offering financial services. It exists solely to benefit who join as members and is owned and controlled by its members.

There are no third party shareholders, who often seem to make a profit from other peoples losses. There is a voluntary board of directors, which oversees the running of the credit union in the interests of the members and they are elected by the members at the Annual General meeting (AGM), where all members have the right to vote.

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### Are there many Credit Unions?

There are about 400 credit unions in the UK and they form part of a much larger international movement. There are 51,000 credit

unions in 79 countries around the world, enabling 118 million members to access affordable financial services. More information about the history and ethos of credit unions is available on the credit union trade association [Abcu1](#) website.

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## Why save with a Credit Union?

Credit unions make it easy to save and even a small amount saved each week will soon mount up.

Credit unions serve the community. When you invest in your local credit union you know it's your neighbours or colleagues who are benefiting, not outside shareholders.

It's easy to deposit savings: at local branches, in shops, by standing order or directly from your wages. See our [savings page](#).

Harlowsave provides life insurance on all loans and savings at no extra cost (subject to terms and conditions).

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## Why borrow from a Credit Union?

Credit unions offer very competitive rates of interest on small personal loans of up to about £2,000 and are equally happy to offer loans on much smaller or larger amounts.

Interest is charged on the reducing balance of the loan. This is important if you want to repay your loan weekly rather than monthly as this is the way credit unions calculate interest, so you'll pay less interest overall.

Credit unions are able to be more flexible than other lenders in helping you through periods of financial difficulty and can offer free debt management advice if needed.

When you borrow from a credit union, you can pay back loans through various channels such as:

- straight from your wages through payroll deduction
- taken from your benefits and paid directly to us via the Department of Works and Pensions (DWP)
- from your bank account
- by standing order or with cash at the local credit union office

Credit union loans come with no hidden charges and no penalties for repaying the loan early and are therefore usually always cheaper than loans from other lenders

When someone borrows from a credit union, they are encouraged to save too, meaning that by the time they finish repaying the loan their savings have grown as well.

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## How safe is your money?

Harlowsave is authorised and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Your money is guaranteed by the Financial Services Compensation Scheme. This is exactly the same as with any bank or building society.

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## How do you become a member of Harlowsave?

Applying for membership is easy. You can drop into our office anytime during opening times and complete our [membership application form](#). You will need to bring with you at least two forms of ID which must include a proof of address and a valid photo ID (Passport, Birth Certificate, FULL Driving Licence)\*. We do also ask for a £6.00, which includes a £5 non-refundable annual

membership fee. When you join you will receive a welcome pack and letter. You will also receive information regarding our full range of products and services.

If you feel you would like to become a member but have further questions please contact us by either phone or complete our [contact form](#) and we will arrange the best time for you to talk to one of our dedicated staff.

### Proof of ID

Please note that we do not currently accept student cards as a method of ID.

For more information and guidance about acceptable forms of identification please refer to the [proof of identity page](#) on the gov.uk website.

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### How do you apply for a loan?

To apply for a loan you will need to become a member. As a general rule you will also need to have saved for a minimum of 8 weeks (starting from as little as £2.50 a week for 52 weeks) but other products are available on request. Existing members can download the [loan application form](#) from this site or pick up a copy from the office.

View our [loans page](#) for more information on available options.

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### What if you have bad credit history?

Even if you have bad credit Harlowsave you may still be able to apply for a loan. Please contact the office if you need more information.

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How much dividend do you earn on savings?

Credit unions aim to pay a dividend on savings once a year to all members. Harlowsave paid 0.5% for the years 2014/15 and 2013/14.

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Does Harlowsave offer other financial services?

SMARTAdvice

Many people find looking after their money difficult. Whether you are one of the lucky to be well off or one of the many who can not always make ends meet, Harlowsave has a money management solution for you. Working in confidence our free SMARTAdvice session will help you set up a CU JamJar Account and make sure you put funds away to ensure bills are paid on time.

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Loan and life savings insurance

Life saving and loan protection is a feature of your membership with Harlowsave.

These benefits are part of a group insurance policy we have with CUNA Mutual.

For more information contact the office or view the [CUNA Mutual website](#).

Terms and conditions apply so please ask for a leaflet from the Harlowsave office or visit the [CUNA Mutual website](#).

CUNA is the the company that arranges our insurance products.

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