

Saver Reward Loans

(applicable from 1 October 2016)

Saver Reward Loans offer our best interest rates to members who regularly save with us whilst paying off their loans

Table 1

	Monthly Interest Rate	Repayment method		
		Payroll deduction	Standing Order/ direct Benefits payment	Cash/ Cheque/ PayPoint
		Maximum Amount* £	Maximum Amount* £	Maximum Amount* £
Saver Loan	3% (42.6% APR)**	1,900	1,500	750
Reward Loan	2.5% (34.5% APR)**	2,700	1,800	1,050
Silver Reward Loan	2% (26.8% APR)**	3,500	2,800	1,250
Gold Reward Loan	1.5% (18% APR)**	5,000	3,800	1,750

*Subject to the results of an Affordability Assessment

**Interest is charged on the reducing balance of the loan which means your effective APR is much less

Eligibility

To be eligible for your first Saver Reward Loan you must be a member of Harlowsave and have saved the applicable minimum saving amount with us for at least 8 weeks. Membership is open to everyone living or working in Essex or East Hertfordshire and costs just £5. Loan applications are open to all members aged 18 to 69.

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Minimum saving amounts

In paid employment working 16 hours or more per week	£5 per week (£20 per month)
Unwaged or working less than 16 hours per week	£2.50 per week (£10 per month)

Terms and Conditions for Saver Reward Loans

- Members must meet basic eligibility criteria (see above)
- A member's first loan must be fully paid off within 12 months
- The repayment period of all 2nd and subsequent loans will be between 1 and 5 years, as negotiated
- Members must continue to save at least the applicable minimum saving amount throughout the repayment period of their loan
- All savings balances are held as security on the loan so that only savings amounts in excess of the outstanding balance of the loan may be withdrawn
- No savings may be withdrawn from any share account if Saver Reward Loan repayments are in arrears
- The maximum amounts available as a Saver Reward Loan, subject to further agreement, are the amounts per table 1 above
- If a member receives regular income from welfare benefits, they must complete the appropriate form to ensure payment is received from one or more benefits, sufficient to cover the loan and savings requirement. Failure to comply with this will result in the maximum loan application being restricted to £750.00 regardless of payment method.
- Members will be allowed up to one year between loans to qualify for the next tier of Saver Reward Loans, as long as all other eligibility criteria are met. For periods longer than a year, eligibility for Saver Reward Loans will be at the discretion of the Loans Officer.
- For existing members, eligibility for Saver Reward Loans will be at the discretion of the Loans Officer, and subject to the minimum savings criteria having been met.

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Eligibility Criteria for Reward Loans

- Members must have saved at least the applicable minimum saving amount continuously from the time at which they became eligible for their first Saver Reward Loan
- A minimum of one year's minimum savings must be retained in the member's share account i.e. £120 or £240, as applicable.
- All repayments on previous loans must have been paid on time and without default. In addition to the above conditions:

Table 2

Reward Loan	Available after a Saver Loan has been fully paid off
Silver Reward Loan	Available after a Reward Loan has been fully paid off
Gold Reward Loan	Available after a Silver Reward Loan has been fully paid off

Fees

- All successful Saver Reward Loan applications and Top Up loans will be charged a £5 Loan Administration Fee from the member's share account.
- There are no fees or penalties for early redemption of a loan
- We will immediately investigate defaults on your loan repayments, and will start debt recovery procedures. Defaulting members may then be charged an administration fee of £75 and all third party recovery costs

Please Note

- We will not approve a Saver Reward Loan application if we do not have evidence of the member's ability to fully repay the loan.
- Checks on credit history will be carried out and may affect eligibility for a Saver Reward Loan.
- Applications for Top Up loans will be considered after 6 months of repayments in accordance with loan terms, however the full loan including top up amount must be paid off within the timescale of the original loan
- If a member is granted a loan with a reward interest rate and subsequently defaults on payments and/or stops saving the relevant minimum saving amount they will no longer be eligible for loans at that rate. Subsequent loans, including rescheduled loans, will revert to the Reward loan rate until the required savings and credit status criteria are met.

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- Any member having genuine difficulty making loan repayments who informs us immediately of their situation and enters into a revised repayment arrangement with us, may be eligible to retain the original reward interest rate on any subsequent rescheduling of that loan.
- Members may be eligible for loans in excess of the amounts in table 1 up to a maximum total loan value of £7,500 in excess of the unrestricted balance on their savings account. All loan amounts in excess of the table 1 limits must be fully covered by savings in the member's Share Account.

And remember....

Never spend or commit your Saver Reward Loan until you have received the money from Harlowsave. If you get into trouble with making your repayments, call Harlowsave on 01279 451234