

## Getting the Right Loan from Gloucestershire Credit Union



### *Why borrow from Gloucester Credit Union*

No matter what you need, we now have a wide range of loans for both new and existing members.

Until recently Gloucestershire Credit Union had only had one type of loan for existing members who had been saving with us. However now we have taken a decision to offer more services to a wider range of new and existing members. This allows more choice than ever before.

We can now lend up to £5,000 over 5 years. The purpose of this brochure is to summarise the different types of loan, the various key features and requirements, and importantly help you decide which is most appropriate for you.

### *Save as you borrow*

Gloucestershire Credit Union belongs to the people that are part of it, which means that when you borrow from us, you are effectively borrowing from the other members. In order to have money to lend, we need our members to save.

Whilst we always encourage all our members to continue saving, even if only a little, while they repay their loans, it is a condition of having a CURight loans We believe that having a pot of savings to fall back on is a valuable financial safety net. Saving alongside your loan repayments helps to build your savings and reduces your need to borrow in the future.

### *How to apply for a loan*

This document has loan summary table which should help you and our friendly volunteers ensure that you choose the best loan available from the options available. This simple process will give your application the best chance of success when it is submitted to our loans assessment team.

### *What you need to do next*

Decide how much you need to borrow

Select the best loan using the table overleaf

Complete an application form available from our office or as a download from our website.

Ensure all the supporting documentation is included. This is listed on the application form – proof of income, bank statements etc.

Send your completed application to us.

### *How we will assess your application*

Once we have received your completed application, our loan assessment team will take over and will keep you informed of progress.

GCU is a responsible lender and will endeavour to ensure that we deliver loans that are affordable and appropriate to your circumstances. While assessing your loan application we will consider:-

- Whether you can afford the repayments

- Any existing loans and savings that you have.

As part of our assessment we may conduct a credit check.

We aim to give you a decision on your loan within a few days, but if we need to ask for any further information this may take longer.

Your personal information within the application is dealt with in strict confidence as per our own policies and the Data Protection Act.

## Gloucestershire Credit Union – Loan Selector

Loan	Savers Loan		CURight Loan		SaversPlus Loan
	This is our standard loan for members who have saved regularly. The amount that can be borrowed is based on the amount of savings.		This is the loan for new members who have not built up any savings. It may also be useful for members wanting to borrow more than they can with a Savers Loan.		This loan offers a low interest rate to encourage members to keep their savings safe in the credit union.
	First Loan	Subsequent Loans			
Membership Criteria	Existing members	Existing members	New and existing members	New and existing members	Existing members
Saving Requirement*	13 weeks	13 weeks	None	None	None
Employments Status	Any	Any	Employed for over 24 hours per week	Employed less than 24 hours per week	Any
Maximum Loan Amount	Lesser of 3 X savings balance or £3,000	Lesser of 5 X savings balance or £5,000	£1,000	£500	Savings balance
Maximum Loan Term	36 months	60 months	18 months	12 months	60 months
Interest Rate	2% per month (APR 26.82%)	2% per month (APR 26.82%)	3% per month (APR 42.58%)	3% per month (APR 42.58%)	0.4% per month (APR 4.91%)
Savings Attachment**	33% of loan granted	20% of loan granted	100% of outstanding loan balance	100% of outstanding balance	100% of outstanding loan balance

\*Members must demonstrate saving in a regular pattern of similar amounts

\*\*Savings attached to your loan may not be withdrawn from the credit union until you have repaid your loan