

# Membership Terms & Conditions

These Terms and Conditions set out the standards by which Kent Savers Credit Union operates and by which members agree to abide when joining.

They should be read with the Kent Savers Rulebook which will be sent on request and is available to view on our website.

## Introduction

1. Kent Savers Credit Union (“KSCU”) is a not-for-profit financial cooperative, run and controlled by its members. It was set up in 2010 and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

2. KSCU offers financial products, in particular savings, loans and banking to members joining under a range of criteria.

3. Credit unions work by lending the money that members are saving with us. The interest that we charge on loans helps to pay our running costs and in making loans available.

4. Any surplus made by KSCU at the end of the year is retained within the credit union to develop the business or may be distributed to members and savers (by way of a dividend). We have no external shareholders. For more details please refer to the ‘Dividends’ section.

5. Credit unions are owned by their members, who are able to have their say on how we are run, most noticeably at the Annual General Meeting (AGM), when officers are elected, accounts are presented and any dividend is proposed. Each adult member (aged 18 years or over) gets one vote, regardless of how much they hold in savings.

6. Adult members can receive a copy of the Annual Report and Accounts on request and will be invited to attend the AGM as a voting member (although there is no obligation to attend).

7. Credit unions are limited as to whom they can accept as members. Please see the section on ‘Eligibility’ for details.

8. Savers in KSCU are protected by the Financial Services Compensation Scheme (“FSCS”). The FSCS will pay compensation to savers if a credit union is unable to meet its financial obligations. In respect of deposits (savings), an eligible depositor is entitled to claim up to £85,000 from FSCS. That limit relates to the total of all the eligible depositor’s accounts with KSCU, and not to each separate account. For further information about the scheme (including the amounts covered and eligibility to claim), please refer to the FSCS through their website ([www.fscs.org.uk](http://www.fscs.org.uk)). An FSCS document is also available to view on our website.

9. KSCU is a proud member of the Association of British Credit Unions (ABCUL). The trading body is a good source of information on all aspects of credit unions ([www.abcuk.coop](http://www.abcuk.coop)).

## Membership

10. Everyone who opens a savings account with Kent Savers will become a ‘member’. We have a minimum age of 18 for adult membership; those under 18 are classified as ‘Junior Savers’. All members are issued with a member number upon joining, please quote this in all correspondence.

11. All members are given a simple savings account (the “share account”) when they join. If you would like to open an additional account, e.g. a Christmas account, please use one of our

application forms available on our website, or contact the main office.

12. When you receive your membership number, you can activate your online account and access the 'Members Area' on our website. This enables you to login and view your balance and manage your account: such as make withdrawals, view documents, and change your contact details. Please refer to 'Safeguarding Personal Information' when accessing online.

13. You can also download our mobile phone app for managing your account on the go – search for the 'Incuto' app and download it to your smartphone.

14. Engage is the Kent Savers current account, and also doubles up as a budget account. To open an account, please complete an application form to receive a debit card. You can view your Engage account online or smart phone. To view your account online, access the Engage website or use the Engage app.

15. If you use social networking why not find Kent Savers on twitter, @KentSavers and facebook.com/KentSavers, for regular news and updates.

16. The Friends of Kent Savers run a monthly lottery. Entries cost £1 each and the lottery is drawn on the first business day of the month. To participate, you must be an adult member of KSCU and complete a Lottery Application Form and return it to the main office. Your lottery number will be the same as your Kent Savers membership number.

17. All of our forms can be downloaded from the KSCU website. To receive forms by post, please contact the main office.

## Paying into Savings

18. We encourage all new members to start saving regularly straightaway. You can save as much or as little as you like weekly, fortnightly, monthly or ad-hoc, but the maximum you are

able to hold with us (total of all savings accounts) is £18,000.

19. We provide a number of methods for members to make payments into their savings accounts.

20. Regular savings can be made by Direct Debit, Standing Order, Benefits or Payroll Deduction.

21. For Direct Debits (a regular payment we set up on your behalf), you will need to complete a Direct Debit Mandate. If you have not completed one already, you can download this form from the Payments section of our website. If you wish to change or cancel your Direct Debit, please inform the office. We will require at least 10 working days' notice before your Direct Debit is due, in order to change it on time. If any of your bank details change, you will need to complete a new Direct Debit Mandate. Alternatively, you can ask your new bank to switch your payment.

22. For Standing Orders (a regular payment that you set up), you will need to inform your bank/building society and provide them with Kent Savers' bank details: sort code **60-83-01** account number is **20239149**. The payment reference that you need to provide to your bank/building society is KS.MEMBER NUMBER.SURNAME, e.g. KS.9876.EDWARDS. If you need a Standing Order Form, it can be found on the Payments section of our website, which you can complete and take to your bank, or standing orders can usually easily be set up through your online banking with your bank/building society.

23. If you would like to pay your child benefit into your Kent Savers account, you need to advise HMRC directly and provide them with Kent Savers bank details sort code **60-83-01** account number is **20239149**. The payment reference will be set by HMRC. Please contact our office for further details.

24. If you wish to set up a Payroll Deduction for savings or loan provision, your employer must

be signed up to the Kent Savers scheme. Please enquire through your employer and complete a Payroll Deduction Mandate and return it to our main office.

25. Ad-hoc savings can be made into your savings by Online Payments, Card Payments (for allpay see Clause 28 below), or as a last resort by Cheque.

26. If you wish to make payments using internet/online banking, you will need to use Kent Savers bank details sort code **60-83-01** account number is **20239149**. Please use the following reference when making transfers: KS.MEMBER NUMBER.SURNAME, e.g. KS.9876.EDWARDS.

27. If you wish to make a payment into your savings using a bank/building society debit card, please call our office to make a payment over the phone.

28. With an allpay card, you can make payments into your savings via the allpay website [www.allpayments.net](http://www.allpayments.net) (you will need to quote your 19-digit payment card number). With an allpay card, you can pay cash in at Post Offices and Newsagents displaying the PayPoint sign. You can also use the allpay mobile app on your mobile phone to make payments into your Kent Savers account anytime if you have an allpay card, anywhere [www.allpay.net/allpay-payment-app](http://www.allpay.net/allpay-payment-app). Please note there may be a charge for the allpay card and if any replacement cards are required.

29. If you wish to pay by cheque, please make cheques payable to 'Kent Savers Credit Union', noting your membership number and name on the reverse. You can pay cheques in by post to the main office.

30. If you have several accounts with Kent Savers (e.g. savings, Christmas savings and a loan) when you make a payment, that payment will be allocated between your accounts as follows. Kent Savers' policy is to process each payment in the same way as the previous

payment, e.g. if a member had paid £40 into their Christmas account by standing order then we will assume that any further payments of £40 by standing order are for the Christmas account unless we have information that supersedes this. When you make a new payment please let us know how to allocate that payment between your accounts.

## Making Withdrawals

31. In order to make a withdrawal, you will need to have set up a payee i.e. you need to tell us the bank details of another account in your name that you wish to withdraw to. These bank details will be kept on your account so that you can continue to withdraw to this account if required.

32. You can check if you have a payee set up on your account by logging into the Members Area on our website, or by accessing your account on the Incuto mobile app.

33. If you do not have a payee set up, then the first time you make a withdrawal, you will need to complete a Share Withdrawal Form as found on our website and return it to the office and provide proof of bank as requested on the form. If you need to amend your nominated payee, then you must also complete a Share Withdrawal Form.

34. Once you have a payee set up, you can then make withdrawals through the Members Area on our website, or via the Incuto app anytime. These withdrawals will be paid to your nominated payee by bank transfer.

35. Please note that you cannot yet transfer between savings accounts in the Members Area and so will need to complete a Share Withdrawal Form for this. You can also ask that we transfer money onto your Engage card using the Share Withdrawal Form.

36. You may withdraw a minimum of £10 per occasion from your savings, subject to the conditions regarding any loans you may have

with us. Withdrawals for Christmas Savings Accounts are limited to November and December. If you want to withdraw at other times of the year, the Christmas Savings Account will be closed and funds will be transferred to your Share Account.

37. Please bear in mind that £3.00 must remain in your savings (share) account in order to maintain your membership. We also require a £3.00 minimum for Junior Savings accounts.

38. Withdrawals requested by 1pm on a working day will be processed on the same day, otherwise they may be processed the following working day. Whilst we aim to process withdrawal requests on the day that we receive them, please allow up to 3 working days for a withdrawal to be processed.

39. Please note that our savings accounts are not current accounts, and so they are not designed for members who wish to move money into and out of their accounts on a regular basis. If you would like a current account, we offer the Engage account and more details on this account can be found on our website.

40. Please note that we do not support cash withdrawals currently.

## Dividends

41. Please refer to the 'Introduction' about how dividends are distributed.

42. A dividend is not guaranteed each year and may be 0%.

43. Although it is called a dividend because it is a discretionary payment from our profits, the money you receive from Kent Savers is treated as interest for tax purposes. We pay our dividends gross, i.e. they do not have tax deducted from them when we pay you.

44. The dividend is therefore taxable, although from April 2016 the government introduced several schemes for people on lower incomes

such that they can receive some interest and dividends tax free.

45. If you complete a tax return it should be included as Untaxed Interest in your return.

46. If you do not prepare a tax return already, receiving the untaxed dividend from Kent Savers does not necessarily mean you will have to submit a tax return in future as there are minimum reporting limits for untaxed income, but if you are in any doubt you should talk to HM Revenue & Customs (Helpline 0845 900 0444) or seek the advice of a suitably qualified Professional Accountant or Tax Advisor.

47. Please note that any dividend you receive from KSCU may also count towards your income for tax credit and other purposes.

## Our Commitment to Members

48. We operate our services responsibly and aim to provide products that are affordable and suitable for your needs, based on the information that you have provided to us.

49. We will always look after the interests of our members and treat you fairly by offering products that are designed to meet your needs. We will deliver our services, provide clear information and to keep you informed, to allow you to change products and to complain if we do not perform.

50. We will give you information about our products and services and how they work in a clear and understandable way, so that you can decide what is best for you and your needs.

51. Borrowing money to buy something is more expensive than saving for what you want. It is very important that before you borrow money you think about whether you really need the loan and whether you will be able to repay it.

52. We will never pressure you into taking a loan (or any other products).

53. We run the credit union for the benefit of members. Decisions are made based on what is best for all – or the majority – of members and are governed by our Rules and a framework of regulation.

54. We are proud to offer services to everyone within our common bond (see ‘Eligibility’ below). Anyone may join and save with us if they meet our eligibility criteria. Aside from making the checks outlined below for eligibility, anti-fraud and anti-money laundering purposes, we do not conduct checks on your finances, circumstances or status for the purposes of joining and opening savings accounts (further checks are carried out for loan applications, details of which are provided when you apply for a loan).

## **Financial Advice and Debt Counselling**

55. We are not able to offer any general advice regarding financial products, nor can we recommend any particular provider. We suggest seeking independent financial advice if required.

56. The guidance that we as a credit union are able to provide on your finances is limited to that related to our own products. In specific cases, e.g. where a member is having payment difficulties, we can also refer you to free budgeting and money advice.

57. We are not licensed to provide any debt counselling or advocacy services and suggest seeking free advice from a debt charity if required, such as your local Citizen’s Advice, StepChange or the Money Advice Service. We recommend against the use of commercial debt advisors.

## **Eligibility**

58. To join KSCU, you must be eligible at the time of applying. Our eligibility criteria are collectively known as our ‘common bond’, which contains various ways in which you may be

eligible for membership (only one need apply), including where you live or work. Up-to-date information on our eligibility criteria can be found on our website under Join Us.

59. We are obliged by law to satisfy ourselves as to your identity and place of residence. We may collect this evidence manually or obtain your permission to electronically verify your details. We will store copies of documents obtained or the results of the verification as necessary (see below for information about how we look after your personal information).

60. We will take reasonable steps to ensure that you are part of our common bond and will contact you if we need further information.

61. Once you are a member of KSCU, you can remain a member even if the original eligibility criteria no longer apply (for example, if you move out of the area or change your job). We are keen to retain members that remain out of the area, subject to credit union regulations.

## **Charges**

62. KSCU have no hidden charges for the services that we provide to our members. Any charges are clearly set out and are intended to cover the cost of providing that service.

63. Interest is calculated daily on the reducing balance of loans; the interest rate will be fixed for the whole repayment period.

64. We will not charge commission or early redemption fees on any of our loans.

65. We reserve the right to require you to pay our reasonable costs and expenses if we have to take action to collect payments owed, including legal costs.

66. Our services are provided on a ‘reasonable usage’ basis. Where applicable, we reserve the right to charge for services that are not being used as intended. This will be communicated to you, with details of how to avoid these charges.

## Services Provided by Third Parties

67. We work with other organisations to offer services that we would not be able to provide on our own.

68. We will do our best to provide up-to-date information and charges for these services.

69. Some services are provided to the credit union by authorised third parties to help us with processing, fraud prevention, anti-money laundering, identification verifications, affordability assessment or for other compliance and regulatory reasons. These may warrant the disclosure of more than just your basic contact details. By becoming a member you agree that personal information held by the credit union may be disclosed on a confidential basis, and in accordance with Data Protection legislation, to any such third parties for this purpose as set out in detail in the Data Protection Privacy Notice on our website, or provided on request.

## Discussion of Your Account by a Third Party

70. You can authorise us to communicate with a trusted third party regarding your account, for example, to interpret information into British Sign Language or another spoken language. This must be authorised in writing and does not give the other person permission to carry out transactions on your account, unless you have specifically authorised them to do so (see below).

71. You can authorise another person to operate your account(s). You will need to provide authorisation in writing. You can also do this by signing a power of attorney but you should take legal advice before doing so. If you authorise another person to operate your account then you will be responsible for their actions or omissions as if they were your own.

## Dormancy

72. We understand that at times you may wish to reduce the amount that you are saving or even stop payments altogether. Please call us as soon as possible (some payment methods require notice) and we will help you to do this.

73. Maintaining KSCU membership requires that a minimum balance of £3 is held in your savings (share) account. We also

74. At the discretion of the Board of Directors, member accounts that persist in not meeting the minimum balance requirement may be closed and any remaining balance transferred to the property of KSCU.

75. An account may be deemed as 'dormant' when there have been no transactions for twelve months or more.

76. Under the terms of our Rulebook, we have the right to charge dormant accounts an annual dormancy fee. When the balance reaches zero, the account will be closed.

77. At our discretion we will take steps to find members whose accounts are dormant so that we can pay them any balance held. We will take any costs incurred (e.g. of using a tracing agency) from the amount paid.

## If you are concerned about loan repayments

78. Please get in touch as soon as possible if you think that you will not be able to keep up with your repayments. We have dedicated staff available to discuss your circumstances, who may be able to arrange a temporary reduced payment plan. The sooner you do this, the more likely it is that we will be able to find a way to help you. Please contact us by email at [support@kentsavers.co.uk](mailto:support@kentsavers.co.uk).

## Change of Personal Details

79. You must let us know as soon as reasonably possible of any changes to your personal details (including name, address, home or mobile phone number and/or email address). You can do this by contacting us or via the Members Area of our website, or on the Incuto app.

80. If you write to us about a change of name and/or address, please email or write to us to our office with proof of the new details, such as a utility bill for change of address (photocopies are accepted). We do not require the proof of change of address if you update your address via the Members Area, or via the Incuto app.

81. If you change address to outside the UK or become an overseas taxpayer, please complete an Overseas Taxpayer Form, which is available on our website.

82. With any details you send to Kent Savers please quote your Member Number.

83. If you would like to change your beneficiary, please complete a Beneficiary Form and return it to us. The form is available on our website.

## General

84. Failure by KSCU to follow any of the procedures set out herein shall not invalidate the remaining terms.

85. Regular statements of your account(s) are available online via the Members Area of our website. Annual statements are not typically issued but can be requested. Additional statements can also be requested at any time. There may be a small charge to cover the cost of statements issued by post. You can check your balance at any time in the Members Area of our website, or on the Incuto mobile app.

86. You can choose how you wish to be contacted when you open your account or change your preference at any time by contacting us, or by updating your

communication preferences in the Members Area of our website, or on the Incuto app.

87. We have the right to offset any amounts you save with us against any amounts you owe to us. This means that we have the right (for example) to move money from your savings to pay loan arrears, or other amounts which are due.

88. For more information about KSCU's products, please visit our website, contact us on the phone number or email address above.

## Account Closures and Withdrawal of Services

89. A member may leave the credit union at any time without penalty, providing no loan balances are outstanding.

90. Any Junior Saver accounts, for which you are nominated as a responsible adult, may be moved to the control of an active member or closed, as preferred.

91. As a private membership organisation, we have the right to suspend or withdraw services at any time from any member who does not abide by our Rules (in spirit or letter), or if we suspect fraudulent activity.

92. Our staff, whether paid or voluntary, are here to help you and have the right to go about their work safely. We have a zero tolerance policy on abusive language and behaviour and will not hesitate to withdraw membership from anyone who makes them feel threatened in any way, regardless of the intent.

## Use of your Information

93. Information on the data we hold on you, how we use and store it can be found in our Data Protection Privacy Notice on our website, or provided on request.

94. You have the right to request from KSCU access to all the information held on you (a "subject access request"). There may be a charge for this.

## Changes in Terms and Conditions

95. We reserve the right to adapt or amend these Terms and Conditions at any time.

## Information Security Precautions for Members

96. Members may receive emails appearing to come from the credit union, asking for confirmation of your personal details (known as Phishing). These emails can be very convincing. Typical characteristics of phishing emails include:

- Unrealistic or urgent threats or demands and poor spelling or grammar.
- The email address will not be genuine which can be spotted by hovering over the email address to see who really sent it to you.
- Being asked to click on a link (which may look genuine but be fraudulent).

97. Please note that KSCU will never ask for your details via email. If you encounter such an email, delete it immediately and do not open any attachments.

## Safeguarding your Account

98. Never reveal your KSCU membership number or account details to anyone.

99. When in the Members Area, always click the Logout button when you are done, and preferably close your browser.

100. Do not allow passwords for websites you access to be saved, especially from a computer or device that others may use.

101. Choose PINs and passwords carefully, so they cannot be guessed by others

102. Further information regarding dealing with online scams can be found at <https://www.citizensadvice.org.uk/consumer/scams/get-help-with-online-scams/>.

## Disputes and Complaints

103. Our staff and volunteers work hard to provide members with a high-quality service. Should we fall short, please let us know and we will try to put it right.

104. If you are still not satisfied, you can make a complaint. Details of how to do so can be found on our website, or please contact us for details.