

Loan Information Sheet

COMMUNICATION

WORKERS

FRIENDLY
SOCIETY LTD

150 The Broadway
London SW19 1RX

As a member of the Society you are eligible to apply for a loan. Approval of the loan and the amount will be subject to individual circumstances. The main conditions governing the loans are given below. Full terms and conditions will be supplied with any loan offer made.

- In order to apply for a loan you must be at least 18 and under the age of 64. However if you are over 64 and have an existing qualifying Life & Savings Policy you may be able to take out a loan. You should contact the Society at the address above to discuss this.
- The loan scheme is regulated by the Consumer Credit Act 1974.
- You must have been a member of the Society for at least 12 months and be resident in the UK (England, Northern Ireland, Scotland and Wales).
- You must not have been in arrears in the 3 months prior to your loan application in respect of payments to any policies you hold with the Society or an existing loan facility.
- If you have defaulted on a loan with the Society in the previous 10 years a loan will not be offered.
- As security for the loan, you will need to assign a qualifying CWFS Life and Savings Plan(s) and/or a Tax-exempt Easypay Savings Plan(s) to the Society. The policies assigned as collateral for the loan must have more than 12 months to run until they mature.

The maximum loan that can be provided is 50% of the sum assured of these policies.
- All our loans are repayable over one year. Repayments can be either weekly or monthly.
- The interest rate that the Society charges is fixed for the term of the loan.

You can borrow from £200 to £1500. For example, a loan of £1,000 would require 51 weekly payments of £20.38 and a final payment of £20.62. The total amount repayable is £1060.00. This equates to **12.8% APR** Typical. The last instalment of the loan will differ slightly from the others to make sure the exact amount of the loan is repaid. We will advise you of the amounts of the normal repayments and the last instalment when a loan offer is made.
- The Society can deduct the repayments directly from your wages either weekly or monthly (applicable only to workers of Royal Mail, BT, Parcelforce, and Royal Mail or BT Pensions in Payment). Alternatively, you can make payments by monthly direct debit.
- The Society requires that you have two guarantors for the loan, so that if you cannot meet the repayments on your loan the guarantors are legally obliged to make these payments on your behalf.
- You can repay the whole loan before 12 months if you wish. There will be no additional charge made for doing so.
- The Society may at its discretion ask you to answer additional questions to satisfy itself of your ability to meet the loan repayments.
- There are risks involved with the loan. These include:
 - a If you fail to meet the repayments the Society can:
 - i Cash in one or more of the policies assigned to it in relation to the loan
 - ii Deduct the outstanding amount of the loan from the maturity value of any policies assigned to it in relation to the loan. As a result you may receive back less from these policies than you were expecting
 - iii Ask a collection agency to act on our behalf
 - iv Contact your guarantors to request payment
 - v Seek redress through a court of law which may affect your credit rating.
 - b In the event of a default there are circumstances where your policy proceeds may be insufficient to repay the loan:
 - i If your policy is surrendered early
 - ii If your policy lapses
 - iii If you fail to keep up premiums on your policy/premiums.
- To apply for a loan you should contact CWFS by telephone on **0800 064 0654** or email us at **enquiries@cwfs.co.uk**. You can also write to us at 150 The Broadway, London SW19 1RX.