

**Northumberland**



# Community Bank

## Northumberland Community Bank –Membership Terms & Conditions

These Terms and Conditions set out the standards by which Northumberland Community Bank (NCB) operates and by which members agree to abide when joining NCB. They should be read with our Rules which will be sent on request.

### Introduction

1. Northumberland Community Bank (NCB) is a trading arm of the Credit Union for South East Northumberland Limited which was incorporated in 2008, itself created from an original credit union in 1990. NCB offer financial products, mainly loans and savings to members joining under a range of criteria.
2. 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 of making loans available.
3. 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 gets one vote, regardless of how much they hold in savings.
4. A member of NCB aged 18 years or over 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).

5. Any surplus made by NCB at the end of the year is distributed to savers or used to develop the business. We have no external shareholders.

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

### Our Commitment to Members

7. 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.

8. 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's best for you and your needs.

9. We will never pressure you into taking out credit (or any other products).

10. 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.

11. We are proud to offer services to everyone within our common bond. 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).

### **Financial Advice and Debt Counselling**

12. 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.

13. 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 offer budgeting support from a trained staff member or volunteer.

14. 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 do not recommend the use of commercial debt advisors.

### **Eligibility**

15. To join NCB, 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.

16. 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).

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

18. Once you are a member of NCB, 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).

### **Charges**

19. NCB 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.

20. Interest on loans is charged on the reducing balance of the loan, and the rate will be fixed for the whole repayment period.

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

22. 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.

23. 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**

24. We work with other organisations to offer services that we wouldn't be able to provide on our own.

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

26. Some services are provided to the credit union by authorised third parties to help us with processing or for compliance and regulatory reasons. These may warrant the disclosure of more than just your basic contact details. You agree that personal information held by the credit union may be disclosed on a confidential basis, and in accordance with the Data Protection Act 1998 (and successive Acts and amendments), to any such third parties for this purpose.

### **Discussion of Your Account by a Third Party**

27. You can authorise us to communicate with a trusted third party regarding your account, for example, to interpret information into BSL 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 28).

28. You can authorise another person to operate your Account. 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.

29. It is the account holder's responsibility to ensure that they seek appropriate advice where necessary.

### **Pausing payments, minimum balances, and dormancy**

30. We understand that at times you may wish to reduce the amount that you are saving or even stop payments altogether. Please call us on 01670 522779 as soon as possible (some payment methods require notice) and we will help you to do this.

31. Maintaining an account requires that a minimum deposit of £5 is held in your membership account.

32. At the discretion of the Board of Directors, member accounts that persist in violation of minimum shareholding requirements may be closed and any remaining balance transferred to the property of NCB.

33. An account becomes 'dormant' when there have been no transactions for twelve months or more.

34. We pass the cost of servicing a dormant account to members by way of an annual fee. When the balance reaches zero, the account will be closed.

35. 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**

36. Please get in touch as soon as possible, by phone on 01670 522779 or by email to [enquiries@northumberlandcommunitybank.co.uk](mailto:enquiries@northumberlandcommunitybank.co.uk) if you think that you won't be able to keep up with your repayments. The sooner you do this, the more likely it is that we'll be able to find a way to help you.

### **General**

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

38. You must let us know of any changes to your contact details as soon as you can (including address, phone number and email address). You can do this by contacting us or via the Members Area on our Website [www.northumberlandcommunitybank.co.uk](http://www.northumberlandcommunitybank.co.uk)

39. Postal statements for your accounts with NCB are issued annually. Additional statements can be requested at any time. There may be a small charge to cover the cost of additional postal statements.

40. You can choose how you wish to be contacted when you open your account or change your preference at any time by contacting ourselves or changing your details via the Members Area.

41. We have the right to offset any amounts you deposit to any of the accounts you hold with us against any amounts you owe to us. This means that we have the right to (for example) to move money from your Share account to pay loan arrears, or other amounts which are due.

42. For more information about NCB's products, please visit our website, contact us on 01670 522779 or email [enquiries@northumberlandcommunitybank.co.uk](mailto:enquiries@northumberlandcommunitybank.co.uk).

### **Account closures and withdrawal of services**

43. A member may leave the credit union at any time without penalty, providing no debts are outstanding.

44. Any children's accounts for which you act as trustee may be moved to the control of an active member or closed, as preferred.

45. 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.

46. Our staff, both paid staff and volunteers, 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**

47. More information on what information we hold and how we use and store it can be found in our Privacy Policy on our website or provided on request.

### **Changes in Terms and Conditions**

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

## Complaints

49. 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. If you are still not satisfied, you can use our Complaints Procedure.

50. Complaints about any aspect of our service can be made in person, by post, or by email. More information can be found on our website and our Complaints Procedure is provided on request.

51. If you wish to make a complaint in writing, you should address it to: The Complaints Officer, Northumberland Community Bank, 65 Station Road, Ashington, Northumberland, NE63 8RX.

52. If you wish to speak to someone regarding your complaint, please call us in the first instance on 01670 522779.

53. We are a member of the Financial Ombudsman Service, so you can ask them to look at your complaint, provided you have tried to resolve the matter with us first.

54. Contact details for the Financial Ombudsman Service are: The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

## Statutory Details

Northumberland Community Bank Limited trades from its registered office at 65 Station Road, Ashington, Northumberland, NE63 8RX.

Its telephone number is 01670 522779, and its email address for general correspondence and enquiries is [enquiries@northumberlandcommunitybank.co.uk](mailto:enquiries@northumberlandcommunitybank.co.uk).

Northumberland Community Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration 214298.

Northumberland Community Bank is covered by the Financial Services Compensation Scheme (FSCS). The FSCS will pay compensation to depositors if a credit union is unable to meet its financial obligations.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts, each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000).

The £85,000 limit relates to the combined amount in all the eligible depositor's accounts with the credit union, including their share of any joint account, 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)) or call them on 0800 678 1100.