

Terms of the Agreement

1. The lender (Smart Money Cymru Credit Union Ltd) will lend, and the Borrower (Member) acknowledges that they have received, the sum borrowed under this agreement. The Borrower will repay the Loan (the Total Amount Owing) by the repayments set out in the Loan Details overleaf.
2. Until such time as the loan is repaid, the Borrower will save with the Lender the sum set out in the savings detailed overleaf. Only savings in excess of the outstanding loan balance can be withdrawn
3. Interest will be charged monthly on the unpaid balance of the Loan and any unpaid interest at the rate set out in the Loan Details overleaf.
4. The Borrower has the right to settle this Agreement early, at any time, by paying the full balance of the Loan and any unpaid interest outstanding. The Lender will, on request, provide the Borrower with a written statement of the sums which have been paid and any which remain outstanding under this Agreement.
5. The Borrower acknowledges that the details given on the Loan Application for this Agreement are correct and will inform the Lender immediately of any change in financial circumstances that may reduce their ability to repay the Loan, or of any change in their address.
6. The Borrower should contact the Credit Union at the first signs of any difficulties in repaying their loan; the Credit Union will arrange a suitable agreement for both parties.
7. If the Borrower fails to pay any amount due to the Lender under this Agreement, or breaches any of its terms, the Lender has the right to demand early repayment of all or part of the balance of the Loan outstanding together with any unpaid interest. The Lender will give the Borrower written notice not less than seven days before taking any action to recover any such sum. The Borrower acknowledges that, if any loan repayments are not paid, or are paid after the agreed time, this may result in the Total Amount Payable under the Agreement being greater than the sum set out in the Loan Details.
8. The Borrower will be liable for any costs the Lender incurs in recovering sums due under this Agreement.
9. **The Borrower agrees to assign to the Lender all paid shares and future payments in to their Share 1 Account as security for payment of the loan and for interest or expenses which may become due and the Borrower authorise the credit union to set off or apply any or all such shares towards payment of the loan, interest or expenses owed by the Borrower. Shares up to the value of 100% of the loan, interest and expenses can not be withdrawn for the duration of the loan (All other share accounts held can be withdrawn with the required notice period)**
10. The Borrower "I agree that if I default on repayments, information about my loan may be passed on to the Department for Work and Pensions for their consideration of deductions from the benefits that I am or will become entitled to".
11. Any Guarantor under this Agreement will be liable for any sums due under it that the Borrower fails to pay.
12. The Borrower has a right to request a statement from the Secretary of their outstanding loan and share balance.

Signatures:

This is a legally binding agreement; sign it only if you want to be bound by its terms. If you do not understand any part of this agreement please ask the credit union for clarification. Alternatively, you should take independent advice, for example, from the Trading Standards Office, Citizens' Advice Bureau, Law Centre, or solicitor.

	Borrower	Witnessed by	For the Lender
Signatures			
Full name			
Date			

NOTE: The Borrower (Guarantor if used) should receive a copy of this Loan Agreement.