



# Membership terms and conditions

## General Terms and Conditions

NEFirst credit union is a membership organisation, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and all activity is undertaken in accordance with their Rules registered with the relevant Authorities.

Please ensure that you read both the general terms and conditions and the specific terms and conditions for the savings account(s) that you are looking to open.

The terms and conditions described below apply to members of 18 years of age and above.

To be eligible for membership of NEFirst Credit Union you must live or work in our common bond area (see our website for the latest details).

- All members of NEFirst Credit Union must have a Savings Account and maintain a minimum balance of £1 in it at all times. A one-off joining fee of £4.00 will be charged when you join online which covers the administration cost of the identification check. You can alternatively join at one of our offices or service points by bringing two forms of identification one being photographic wherever possible, and further evidence with proof of address. In this instance you will not be required to pay the £4.00 admin fee. There is no minimum duration for this account.
- You can save any amount and your savings are protected by the Financial Services Compensation Scheme (FSCS) currently up to £85,000 (but subject to change by the Bank of England). For further information about the scheme (including the amounts covered and eligibility to claim) please call us on 0330 055 3666 or ask at any of our offices, visit the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk) or call 0800 678 1100. Any deposits made may be subject to money laundering verification.
- We have the right to suspend your account if we suspect fraudulent activity.
- If you decide to close your Credit Union account you have donate the £1 minimum savings deposit to the Credit Union, this will be used to: contribute to the alleviation of poverty within

the community; and/or to contribute towards the economic regeneration of the community this is at your discretion.

- Your account is for personal use only. If you need an account for business purposes, please request details of the appropriate business account from us.
- You must call us on 0330 055 3666 or write to us at NEFirst Credit Union Ltd., Unit 12 Jackson House, Jackson Street, Gateshead NE8 1ED immediately on any change of name or address, change of e-mail address or change of telephone or mobile number. If you do not do this we may charge your account with the cost of locating you. Proof of change of name or address will be required.
- Statements are available on request. We will provide statements either by post or via the secure login area of our website. You must inform us immediately if any incorrect item appears on your statement.
- You have a right to cancel your account 14 days from our receipt of your signed agreement or when you have started to transact on the account. You can cancel by writing to us at NEFirst Credit Union Ltd., Unit 12 Jackson House, Jackson Street, Gateshead NE8 1ED. You will have to repay us any amount you owe us including any interest and charges.

## Deposits

Money can be paid into your accounts in the following ways:

- By standing order
- By Direct Debit (it is your responsibility to ensure that the bank details provided are correct)
- By Payroll Deduction (from participating partner employers)
- By Benefit payments
- By Cheque payable to NEFirst Credit Union only
- By Debit Card over the telephone or at one of our offices
- By cash at any of our offices or service points
- By Paypoint card
- By using the mobile App

## Direct Debit payments

There is a two-day clearing system in place for all Direct Debit payments and 10 days for any cheque deposits. This is to ensure that the payment clears and is not returned unpaid by your bank. Funds will be placed in your Savings Account for this period and as such will accrue dividend. It is your responsibility to ensure that the bank details provided are correct.

## Dividend payments and tax declarations

- Dividend payments, as referred to in the product terms and conditions below, are automatically added to your account savings balance. Payments are made without the deduction of income tax and members should therefore declare dividend payments to Her Majesty's Revenue and Customs (HMRC) as part of any tax return submissions. Please contact HMRC for advice.
- The dividend will be paid annually and gross of tax and is subject to surplus and approval by members at the AGM (not guaranteed).
- The dividend is declared at the Annual General Meeting, to which all members aged 18 and over are invited.
- Dividend or interest will only be paid to those in membership at the time the dividend is declared or when interest is due to be paid.

- The dividend is paid gross therefore you should consider any personal tax implications and refer to HMRC if necessary.

## Withdrawals

The minimum savings withdrawal is £5.00, money can be withdrawn from your accounts in various ways:

- By BACS transfer to another bank account (We must hold a current BACS authority on your account)/ By the mobile App you will get one free withdrawal per month any subsequent withdrawals will be charged at 30p per withdrawal.
- By transfer to another NEFirst Credit Union account
- By loading onto an Engage card
- By visiting one of our offices for a cash withdrawal

## Annual Membership Fee

As we are a financial co-operative, the success of NEFirst Credit Union, lies with its members and their use of the products and services on offer. We are continually striving to improve and develop these services through modern technologies. An annual membership fee of £5 is charged during September of each year, to all accounts with a balance of **over £200. Children's savings accounts and Corporate business accounts are exempt from this charge.** The annual membership fee and associated exemptions are subject to change by agreement of the Board of Directors.

## Dormant Account Fee

A fee of £5 will be charged annually on any account where there has been no activity on the account for a period of more than 12 months. (extended to 24 months for year 2020/2021 due to service points and office closures under the Covid-19 restrictions). Such an account will be deemed to be dormant.

## Stopping payment or changing your deposit

- If you want to cancel or change a direct debit or similar arrangement, you are required to maintain any loan or budget payment arrangements that you hold with us.

For your protection, we reserve the right to suspend access if:

- We suspect fraud or money laundering
- Incorrect customer security details are used to attempt to access your account.

We may make changes to this agreement at any time. If any changes are made, we will notify you personally via letter or email at least 30 days before we make the change. At any time up to 60 days from the date of the notice you may, without notice, switch your account or close it without having to pay any extra charges or forfeit any dividend for doing this.

### **Savings Account Terms and Conditions**

- The Savings Account is the primary savings account operated by the credit union. Under the terms of membership, all members of NEFirst Credit Union must open an Instant Access Savings Account. The minimum account balance is £1.
- Regular deposits can be made into the account by Standing Order, Direct Debit, by payroll deduction if you work for one of our sponsoring employers, or by Benefits.
- Additional deposits can be made into the account by cheque or debit card deposit. Cheque deposits require five full working days for clearance from the date of deposit.
- Withdrawal or transfer requests can be submitted at any time.
- Daily cut off times are in place and, as long as you meet the deadline for a particular day, your withdrawal request will be processed that day and the funds paid into your nominated bank account, appearing as cleared funds within 24 hours.
- Loans from NEFirst Credit Union will be secured against the savings held in this account.
- An annual dividend may be paid, gross of tax, on all sums deposited in the Savings Account, subject to surplus. Any dividend payment is based on your lowest monthly balance.
- The dividend rate to be paid will be recommended by the Board of Directors and approved by the members at the Annual General Meeting each year.
- Any dividend due will be paid into the account following the Annual General Meeting.
- Should you cancel your membership of NEFirst Credit Union before our AGM is held in January, the funds in your Savings Account will be paid out as part of our standard procedures. In these circumstances, no dividend will be payable.