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**Family Loan Frequently Asked Questions**

**What is a Family Loan and how does it operate?**

Our 'Family Loans’ allow all families/individuals in receipt of child benefit to have a loan of up to £750 from the Credit Union (subject to member status). This will be conditional upon child benefit being paid directly into your account with the Credit Union.

**Who can apply for a Family Loan?**

Anyone who lives or works in Derbyshire and received Child Benefit can join Derbyshire Community Bank (DCB) and apply for a Family Loan.

**What happens to my Child Benefit when it arrives at the Credit Union?**

The whole of your child benefit will be paid to your account with DCB. Part of it will be used to make your loan repayment and a small amount (£2pw) will be held in a savings account for you, which cannot be withdrawn until your loan is paid in full. You can decide what happens to the 'surplus' amount. If you chose to have some of your Child Benefit paid back to you we will transfer this at 10:00am on the day we receive the money.

**My Family Loan has been approved how long will the funds take to be deposited into my account?**

If your loan application is approved, you will need to sign a loan agreement, this is now done electronically! – As long as the agreement is signed before 13:30pm Monday – Friday your funds will be in your account by the end of that working day. If the document is signed after 13:30pm it will be the next working day (please note we do not operate during weekends).

**Can I apply for more than £500 or have more than one Family Loan?**

Your Family Loan balance can never be more than £500 if you’re a new member. However, if you are an existing member and have applied for a Family Loan previous you will be eligible to apply for up to £750.

**Can I “Top Up” a Family Loan?**

You can Top Up your Family Loan when you have repaid 15% of your original loan. If you had a £500 this means you will be able to top up when your balance is below £425. You can track the balance of your Family Loan by registering for a DCB online account.

**Can I get a standard loan with the Credit Union?**

Once you have repaid 15% of your original Family loan, you will be eligible to apply for a standard DCB loan. The amount we can lend you will depend primarily on your income and expenditure. This loan application will also be subject to a credit check.

**How do I apply for a Family Loan Top Up?**

You can make a Top Up application by registering for a DCB online account. We will process the top up and send you your agreement to sign electronically, if you are approved.

**How can I access my savings?**

Your savings with the credit union are covered by the Financial Services Compensation Scheme (FSCS), so your money is just as safe as it is in a bank or a building society. If you want to withdraw some of your savings you can arrange this yourself by registering for a DCB online account.

**If I have requested a withdrawal when can I expect the funds to be available?**

We have two transfers per day – the times for these are 10:00am and 14:00pm so we will always try our best to get your request added to the next available transfer time.

**Can I pay my loan back early? Are there any fees for this?**

Members can clear the balance of a loan at any time and we do not charge any early settlement fees for this.