

# THE "IT MAKES SENSE" LOAN

**WHY PAY MORE  
TO A MONEYLENDER?**



**Credit Union**

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**Credit Union**

# THE "IT MAKES SENSE" LOAN

**There are times in life when you need to borrow. When something unexpected happens and you need a loan in a hurry. And if you are in receipt of social welfare, you may think that you have no other option than to turn to a moneylender. But there is another option. Your local credit union.**

A new loan scheme, aimed specifically at those in receipt of social welfare, is now being introduced. The loan is called THE "IT MAKES SENSE" LOAN and it is available in participating credit unions across the country.

Say goodbye to expensive loans from moneylenders and say hello to a lower cost loan at a maximum of 12% (12.68% APR).

## LOAN COMPARISON:

How does the THE "IT MAKES SENSE" LOAN compare to a loan from a moneylender?

For a €500 loan	APR	Term	No. of Repayments	Weekly Repayments	Interest charged	Total Repaid
<b>Sample Moneylender Loan*</b>	187.2% (fixed)	6 months	26	€25	€150	<b>€650</b>
<b>Credit Union THE "IT MAKES SENSE" LOAN</b>	12.68% (variable)	6 months	26	€19.84	€15.84	<b>€515.84</b>

**With an "IT MAKES SENSE" Credit Union Loan, you save €134.16 or more than €5 per week!**

Information correct as at 2nd July 2016. \* Source - Central Bank, Register of Moneylenders

## WHO CAN APPLY FOR THE "IT MAKES SENSE" LOAN?

The scheme is being made available in participating credit unions across the country and is open to those in receipt of social welfare who are over 18 years of age.

For those who receive social welfare in cash (in a post office), the repayment for this loan must be made via the Household Budget Scheme, which is run by An Post. Borrowers must be willing to sign up to and use the Household Budget Scheme to enable loan repayments for this scheme to be made.

For those who receive social welfare electronically (into a bank or credit union account), repayments for THE "IT MAKES SENSE" LOAN must be made by standing order or direct debit, directly from the account which receives the social welfare payment.

## DO YOU NEED TO BE A MEMBER OF A PARTICIPATING CREDIT UNION TO APPLY?

In general, you can join a credit union where you live or where you work. Once you provide the necessary documentation, participating credit unions can sign you up on the spot and accept your loan application.

## HOW QUICKLY CAN YOU GET A LOAN UNDER THIS SCHEME?

Loans can be granted quickly, within a maximum of 24 working hours of making the loan application.

## HOW WILL MY LOAN APPLICATION BE ASSESSED?

As with any loan scheme, potential borrowers must be able to show a capacity to repay. A credit union staff member will talk you through the application process.

## HOW MUCH CAN YOU BORROW AND HOW LONG CAN A LOAN BE FOR?

Loans can be for any purpose, including to repay an outstanding debt. Loans can be for €100 up to a maximum of €2,000. The maximum loan period is two years.

## WHAT INTEREST RATE WILL BE CHARGED?

The maximum rate which credit unions will charge under this scheme is 12% (12.68% APR).

## HOW EASY IS IT TO JOIN THE CREDIT UNION?

To join a participating credit union (if you are not already a member), your credit union will ask you to verify your name, address and PPS number. You will need to bring:

- 1 - Proof of identity** - For example a current passport, driving licence or Public Services card.
- 2 - Proof of address** - For example, recent Government issued documentation or a recent household bill.

## WHAT DOCUMENTATION IS NEEDED TO APPLY FOR THE LOAN?

If you receive your social welfare payment in cash, you will need to provide two consecutive social welfare slips (dated within the previous four weeks). If you receive your social welfare payment electronically, you will be required to provide two recent monthly statements from the account which receives the welfare payment.

## WHICH CREDIT UNIONS ARE TAKING PART?

For a list of participating credit unions, go to [www.itmakessenseloan.ie](http://www.itmakessenseloan.ie) or [www.facebook.com/itmakessenseloan](https://www.facebook.com/itmakessenseloan)



# SUMMARY

## TO BE ELIGIBLE TO APPLY FOR THE "IT MAKES SENSE" LOAN YOU NEED:

- To be in receipt of social welfare.
- If you receive your welfare in cash, you must be willing to sign up to and use the Household Budget Scheme to enable loan repayments to be made.
- If you receive your welfare payments electronically, loan repayments will need to be made via standing order or direct debit.

## TO JOIN A CREDIT UNION, WHERE YOU LIVE OR WHERE YOU WORK, YOU WILL NEED:

- A Passport, Driving Licence or Public Services Card.
- A copy of a recent household bill or letter from a Government body.
- PPS Number.

## TO APPLY FOR THE "IT MAKES SENSE" LOAN FROM A PARTICIPATING CREDIT UNION:

- For those who receive their social welfare payments in cash – Two consecutive social welfare slips from the previous four weeks.
- For those who receive welfare payments electronically - Two recent monthly statements for the account which receives the social welfare payment.

## KEY BENEFITS

- Much cheaper than a loan from a moneylender
- Straight forward loan process
- Speedy decision
- Easy to manage, electronic loan repayments



### ISSUING DETAILS:

Credit Union

This leaflet is issued by the Irish League of Credit Unions in respect of its affiliated credit unions and is for guidance only. Members should always check with their own credit union for further details. Terms and conditions will apply.

Membership of, and all transactions with any credit union are subject to the rules of the credit union, which may be obtained from your credit union.

The hands and globe are seen on credit unions throughout Ireland. The hands represent financial security and the globe stands for the worldwide network of credit unions. At the centre of our logo and of credit unions, are people.

Loans are subject to approval. Terms and conditions apply. If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating. Credit unions in the Republic of Ireland are regulated by the Central Bank of Ireland.

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