



1st Class Credit Union

Membership Policy v7

P-MEM001

September 2025



P-MEM001 Membership Policy v7

Introduction

This document outlines the membership policy for 1st Class Credit Union. The policy establishes the criteria for eligibility, the application process, and the responsibilities of members. Our mission is to provide our members with an ethical and affordable service while keeping them at the heart of the organisation.

Qualification for Membership

To qualify for membership of 1st Class Credit Union, the applicant must be within our common bond. Our common bond covers;

- a) An individual who is a member of the following organisation:
 - The Communications Workers Union (CWU).
 - The Public and Commercial Services Union (PCS).
 - UNISON.
 - Unite the Union.
 - Professional Footballers Association.
 - Professional Footballers Association Scotland.
- b) An individual who is otherwise associated with the above trade unions through:
 - Following the same occupation as the above individuals.
 - Being in receipt of a pension as a result of following the same occupation as the above individuals.
 - Providing trade union, social and welfare, ancillary or contracted services to the above occupation.
- c) Family membership:
 - An individual who is related to and resides at the same address as a Credit Union member, who falls directly within the common bond specified above.
- d) A corporate body: an individual in their capacity as a partner in a partnership, an individual in their capacity as a trustee for an unincorporated association, if the body corporate, partnership, or unincorporated association:
 - Is an employer recognised by agreement by the above organisations.
 - Is a branch of the above organisations.
 - Is a provider of social and welfare services to the above individual.
 - Employs individuals providing trade union, social and welfare, ancillary or contracted services to the above individuals.



P-MEM001 Membership Policy V7

Restrictions of Membership

a) Corporate Membership:

- The number of Corporate Members of 1st Class Credit Union should not exceed 10% of the total number of Credit Union members.
- If the number of Corporate Members exceeds the limit prescribed by law, the Board of Directors will follow policy and procedure in order to expel individual Corporate Members.

b) Non-qualifying Members:

- The amount of non-qualifying members must not exceed 20% of the total membership of the Credit Union.

Membership Approval

In order to be approved for membership of 1st Class Credit Union, the applicant must:

- Be within the common bond – evidence may be required.
- Hold permanent UK residency.
- Be at least 16 years of age. Anyone under the age of 18 will not be eligible to borrow from the Credit Union.
- Make an eligible application to join either online via the website/mobile app or by hard copy application.
- Comply with the Credit Union's Money Laundering policy & procedures.
- Agree to make the minimum weekly/monthly contribution as detailed in the terms & conditions.
- Agree to the Credit Union sharing personal information with external Credit Reference Agencies.
- Agree to the Credit Union's Terms & Conditions of membership outlined on the Membership Application.
- Provide relevant forms of identification if required following online verification system. Documentation accepted include passport or driving licence, as well as formal proof of address.
- Corporate members must provide the following necessary documentation:
 - Certificate of Incorporation (if applicable).
 - Business registration number.
 - Proof of business address.
 - Identification for named representative(s) (as per KYC requirements).



P-MEM001 Membership Policy V7

If at any time 1st Class Credit Union believe an individual has fraudulently acquired membership, the Credit Union have the right to cancel their membership.

Promote a Member

1st Class Credit Union have a Promote a Member scheme which allows current members to promote work colleagues and family to join the Credit Union. This will be used as a promotion throughout the year as a tool to boost membership. It may also be used during trade union conferences/roadshows as a way to engage with potential new members. The promoted individual must meet the criteria set out in the above 'Qualification for Membership'.

Benefits

- The current and joining member will both receive a payment £10 into their Share 1 account once the promoted member has been active for 6 weeks.
- There are no limits on how many people a current member can promote.

Limitations

- Board of Directors and staff are not permitted to take part in the scheme.

Promotion

Source	Start	End
Email.	01/03/2022	03/04/2022
Roadshows – Join today and get £10 paid into share account.	n/a	n/a
Ambassador Programme	n/a	n/a

Segregation of Duties

Following the above protocol, applications can be approved by Member Services Officers. The Money Laundering Reporting Officer will check 10% of new membership applications on a monthly basis. Additionally, the Compliance Manager will spot check applications on a quarterly basis to ensure compliance with policy and regulations.



P-MEM001 Membership Policy V7

Depending on where the applicant falls under the common bond, their deductions will be set up by;

- Payroll Deduction – Member Services Team.
- Direct Debit – Member Services Team/Finance Team.

Staff/Associated Accounts

Staff members are not authorised to carry out any amendments or transactions on their own account or any accounts they are associated with. Any transactions or changes to staff or family member accounts, must be carried by another member of the team with prior authorisation from the Director of Operations. These transactions will be verified and recorded by the Compliance Manager. Where the transactions are in relation to the Director of Operations or Compliance Manager, authorisation will be required by another member of the Senior Management Team.

All staff and volunteers will be required to sign an annual declaration of interest document. This is to ensure that the Credit Union is aware of any associated accounts and that staff/volunteers agree to not carrying out any transactions on their own account or associated accounts.

Approved Membership

All members who have been approved for membership will be given a personal membership number. If an individual wishes to close their account and then join again at a later date, they will be assigned their previous membership account.

Former members of 1st Class Credit Union have the option to re-apply for membership at any time, given that they still qualify for membership under the common bond.

Where an individual declares they are an overseas taxpayer, their Country of Tax and Tax Information Number will be recorded. This information will be reported annually to HMRC.

Amendments to Member Details

During the term of membership, if there are any changes to an individual's personal details, it is their responsibility to inform the Credit Union. Members can request to update their address, name or bank details via a Change of Details form. This can be submitted online,



P-MEM001 Membership Policy V7

by Resign or by post. Additionally, members will be requested annually to ensure that all personal details held by the Credit Union are up to date.

Address

To verify a new address, we will run a check via NestEgg. If the checks return a Pass the new address details can be accepted. If the check returns a Fail, contact will be made with the member to provide proof of their new address with relevant documentation.

Name

In instances where a member has changed their name, we will complete a check via NestEgg. If the check returns a Pass, this will be accepted in the member's account. However, where the check returns a Fail, we will require the member to provide us with legitimate documentation as proof of the change.

Bank Details

Members must only provide details that are their own bank details. Joint accounts are acceptable.

To verify bank details provided on a Membership Application, Change of Details or Share Withdrawal Request, we will complete a Bank Standard and Bank Enhanced check via NestEgg. If the checks return a Pass the new bank details can be added to the member's account. However, if these checks fail, we will require proof of the bank details before accepting the member's request. Proof can be submitted by bank statement or a picture of their bank card.

Any Direct Debit mandates are processed electronically, and this will run an online verification of the details provided. If this is unsuccessful, members will also be requested to provide evidence as set out above.

All supporting documentation for amendments will be filed to the members account on Progress Banking.

Interest Rates

Amendments to interest rates on individual accounts are only carried out by Credit Control. This may be part of the credit control procedure to remove the interest from a delinquent account.

Membership Register

Following the initial application process, members details will be entered into the system. The information we hold will include



P-MEM001 Membership Policy V7

- Membership number.
- Full name.
- Address & postcode.
- Date of birth.
- Contact telephone number.
- Email address.
- Employers name & address.
- Payroll/deduction details.
- Beneficiary.
- Bank details.
- Marketing preference.

These details will be held on our system for the duration of active membership, as well as 7 years after any individual closes their account. After the 7 years, all details will be deleted from members accounts with exception to;

- Name.
- Address (and email address where provided & current).
- Date Joined.
- Date left.
- Share balance.
- Other 'property' (loans, deposits etc).

The above information will be stored indefinitely for our members register under the Co-operative and Community Benefit Societies Act 2014 (CCBSA 2014).

Termination of Membership

A member will cease being a member of 1st Class Credit Union if they fail to hold £1.00 in their share account.

a) Voluntary Termination of Account:

- An individual can terminate their membership with 1st Class Credit Union at any time by completing a Termination form. This can be done either in writing or electronically.
- A Member Service Officer will verify the details provided on the termination form. If there are any changes to bank details, the correct procedures will be followed to ensure any details are legitimate.
- The Termination will authorise any money in the members share account to be transferred.

P-MEM001 Membership Policy V7

When a member requests to terminate their account, they will be contacted by a member of the Member Services Team to get a better understanding of the reason for termination. In an effort to retain membership, they will be given the option to pause their account or lower their savings amount to the minimum of £1. This will then be monitored by the Team on a monthly/quarterly basis.

The Compliance Manager will spot check Terminations on a quarterly basis as part of their compliance checks on transactions.

b) Dormant Accounts:

- Members who stop making payments via payroll deduction or direct debit are sent a series of letters asking them to contact the office.
- If an individual fails to make any deposits into their share account within a period of at least 12 months, their account will automatically be transferred to dormant.
 - At 3 months, any active direct debits will be cancelled if no payments have been received.
 - Member Services will attempt contact with all members at six months.
 - 1 month prior to being marked dormant, members will be sent a letter to notify them that they will be transferred to a dormant account.
- Dormant accounts will incur a £20 annual fee which is deducted before the financial year end.
- This individual is then sent correspondence once a year until they have no further funds in their account.
- Dormant accounts are not classified as legally dormant until there has been no transactions for 15 years. Therefore, all of our dormant accounts will continue to be covered under the FSCS until such time.

c) In the event of death:

- Following the death of a member, the members beneficiary will be contacted to provide the relevant documentation for account closure procedures.
- Once all relevant documentation has been received, any shares will be paid directly to the beneficiary (or solicitor where the beneficiary is unavailable) or the members estate dependant on the value.

d) Default on loans held:



P-MEM001 Membership Policy V7

- If a member fails to make the agreed payments to any outstanding loans they hold, the Credit Union will begin credit control procedures.
- If there are no regular payments being made, any shares the member holds in their account will be held as security against their outstanding loan balance. Any shares held as security will be transferred to the members loan following being charged off at 100% provided for.
- The member will then cease being a member of the Credit Union due to not making any payments to their outstanding debt. In these circumstances, an individual will be required to fully repay their outstanding balance before membership will be available to them.
 - Exception – If an individual makes an arrangement with the Credit Union to reschedule their loan, they will have the option to continue to save as a member.

e) Expulsion and withdrawal of membership:

- A member can be expelled from 1st Class Credit Union for a grave or sufficient reason as outlined in Section 24 of the Rules of Credit Union Handbook. Any recommendation for expulsion shall be voted upon by passing a resolution carried by a majority present at a meeting of the Board of Directors.
- If 1st Class Credit Union exceeds the number of non-qualifying or corporate members allowed, the Credit Union is likely to expel the most recent members that fall under this bracket.
- Following expulsion of membership, an individual has the right to appeal the decision. This will then be reviewed at a Special General Meeting within 60 days of receipt of the appeal.

An individual will remain liable for any loans they hold with the Credit Union following expulsion. They will not be able to withdraw money from their share account until any liabilities are paid in full.

f) Corporate Membership:

- If a body corporate, is wound up or goes into liquidation.
- If they are a member in the capacity of the named representative of an unincorporated association or partnership (that is not a body corporate) which is wound up or goes into liquidation.
- They are a member in the capacity of the named representative of an unincorporated association or partnership (that is not a body corporate) which



P-MEM001 Membership Policy V7

removes or replaces them as its named representative, provided the following is adhered to:

- any loans held by the member are repaid in full;
- any non–deferred shares held by the member are repaid in full by the Credit Union;
- any deferred shares are transferred to another member of the Credit Union in accordance with rule 44.

If the partnership or unincorporated association wishes to appoint another named representative, then that representative should make an application for membership.

Policy Review

This Membership Policy will be reviewed annually by the Board of Directors and updated as necessary to ensure alignment with evolving best practices, regulatory changes, and the strategic goals of 1st Class Credit Union.

Name	Paul Chadwick
Position	Chair of Risk & Compliance Committee
Signed	P Chadwick
Date	11/09/2025