

Please ask for : Jennifer Doherty  
Our ref : K/35/JD/N670K/465/003  
Your ref :



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

28 November 2016

## TO ALL SAVERS AND BORROWERS

Dear Sirs

### **NORTH EAST LINCOLNSHIRE CREDIT UNION LIMITED (IN ADMINISTRATION) ("the Company")**

I write to advise you that Julien Irving and I were appointed Joint Administrators of the Company on 28 November 2016. Attached is formal Notice of our Appointment – Form 2.12b.

The Company's records indicate that you may have deposited savings with the Company or have taken out a loan with the Company, or both.

#### Your savings with North East Lincolnshire Credit Union Limited

Your eligible deposits with North East Lincolnshire Credit Union Limited are protected up to a total of £75,000 by the Financial Services Compensation Scheme ("FSCS"), the UK's protection scheme for customers of authorised financial services firms. Any deposits above the £75,000 limit are not covered by FSCS, although we are not aware of any such instances here. **The FSCS will automatically pay back your savings, you don't need to do anything.** You should not make any further payments into the Credit Union and I would request that you cancel any standing order or direct debits with regards to saving deposits that you have with immediate effect. Further information is available on [www.fscs.org.uk](http://www.fscs.org.uk) or by contacting the FSCS on 0800 678 1100 or 020 7741 4100. **I also enclose a fact sheet produced by the FSCS for your information.** If you get benefits paid directly into your Credit Union account, when informing the Benefits Agency that you want to re-direct the payment to another account they will ask you for the Originators (The Credit Union's) bank details which are: sort code: 08-92-99 account number: 65219771, your National Insurance Number or Benefit Number so they can identify you.

#### Customers with a loan due to North East Lincolnshire Credit Union Limited

Anyone with a Credit Union loan agreement must continue to pay back the loan on the agreed terms. It is important that members do not default on payments as this could affect your credit rating. The FSCS will not deduct or offset any amount owed on your Credit Union loan from your savings described above. There will be outstanding interest to be added to this balance also. This is repayable per your normal repayment terms. Payments of the amount in full or at a higher level of instalments is also acceptable. If appropriate, please confirm your intention to do this in writing.

Payments should continue into the same account as previously; namely:

Account Name: North East Lincolnshire Credit Union Limited  
Account No: 65219771  
Sort Code: 08-92-99

**You should not cancel any standing orders in respect of your loan repayments.**

**Please include your Credit Union reference number where possible with your payment to ensure it is allocated correctly against your account.**

You can view the current status of the Company on the FCA's website: <http://www.fca.org.uk/register/> or <http://www.fsa.gov.uk/register/home.do>

We have also set up a dedicated email address [nelcu@leonardcurtis.co.uk](mailto:nelcu@leonardcurtis.co.uk) and a dedicated phone line **01282 610635** should you have any specific queries. Please only contact us if your query is not answered by the information provided above.

Yours faithfully  
for and on behalf of

**NORTH EAST LINCOLNSHIRE CREDIT UNION LIMITED**

**A POXON**  
Joint Administrator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

Enc.

The Insolvency Act 1986

# Notice of administrators' appointment

# 2.12B

Name of Company
NORTH EAST LINCOLNSHIRE CREDIT UNION LIMITED

Company number
604C

In the
Manchester District Registry of the High Court
<small>[full name of court]</small>

Court case number
3120 of 2016

(a) Insert full name(s) and address(es)

I/We (a)

Andrew Poxon & Julien Irving of

Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, , Manchester M3 3BZ

give notice that \*I was / we were appointed as administrator(s) of the above company on:

(b) Insert date

(b)
28 November 2016

Signed

  
\_\_\_\_\_

Dated

28 November 2016

Joint / Administrator(s) (IP No(s))    8620 / 13092

## **North East Lincolnshire Credit Union Limited**

### **Q&A**

#### **1. North East Lincolnshire Credit Union: what has happened to it and is my money safe?**

North East Lincolnshire Credit Union went into administration on 28 November 2016 and has now stopped trading. Andrew Poxon and Julien Irving, of Leonard Curtis, have been appointed as administrators. FSCS has stepped in to protect customers after declaring the credit union in default on 28 November 2016.

Members do not need to worry as their money is safe. FSCS protects savings held with North East Lincolnshire Credit Union (up to £75,000 or £150,000 for joint accounts) and we don't charge people for using our service. We will automatically pay back savings according to the account information we receive from the credit union.

People with less than £1,000 will receive a letter to get cash over the counter at the Post Office. Please note that the letter you receive will be in an unmarked envelope and will not have FSCS details on it. Anyone with more than £1,000 will receive a cheque. This will also be sent to you in an unmarked envelope. In the vast majority of cases, payment will be made within seven days of the default date but if we need to carry out any detailed investigations, it could take up to 20 days.

#### **2. Why has North East Lincolnshire Credit Union failed?**

That's a matter for the credit union's management team. Our priority is to make sure members get their money back, and we aim to make sure that happens within seven days.

#### **3. What is the Financial Services Compensation Scheme (FSCS)?**

FSCS is the compensation scheme for customers of UK authorised financial services firms such as North East Lincolnshire Credit Union. We can compensate customers if a firm has stopped trading and does not have enough money (or assets) to pay claims made against it. We call this being in default.

FSCS protects savings up to £75,000 per person (or £150,000 for joint accounts) and customers will usually get their money within seven days. The service is completely free.

#### **4. How will FSCS calculate how much compensation I am entitled to?**

FSCS will receive information from North East Lincolnshire Credit Union that shows your individual credit balance. You will receive the balance on your account, including interest, at the date FSCS declared the credit union in default, 28 November 2016.

#### **5. What should I do if I disagree with the amount of compensation FSCS has paid me, and I have not banked the cheque or obtained cash over the counter at the Post Office?**

If you disagree with the amount of compensation paid, please contact the administrators at Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ, tel.01282 610635, email: nelcu@leonardcurtis.co.uk; they will look into your query. Do not return your payment to FSCS unless you are specifically requested to do so.

#### **6. I do not have another bank account. What should I do with my compensation cheque?**

You can arrange to open an account with a bank, a credit union, building society or the Post Office and pay in the cheque.

**7. I can't get a new bank account, what can I do to get hold of my money?**

We are working with North East Lincolnshire Credit Union's administrators to make sure anyone who cannot open a new account elsewhere receives their money as soon as possible.

**8. Why doesn't FSCS pay all members of North East Lincolnshire Credit Union by cheque?**

The cash over the counter option is very flexible and allows people to have access to their money much more quickly than a cheque for a small balance. Also, some people may not have another bank account to pay a cheque into.

**9. Can FSCS make a compensation payment directly to my account with another bank?**

FSCS is not in a position to make electronic money transfers to other banks. We will pay people by cheque or money order for cash over the counter.

**10. I have heard that my North East Lincolnshire Credit Union savings account will no longer operate. What should I do?**

North East Lincolnshire Credit Union savings accounts will no longer operate. If your salary or benefits are paid into your savings account, you will need to open a new bank account as soon as possible. You should contact your employer, pension provider or the Department for Work and Pensions (DWP) to tell them to pay your salary or benefits into your new account.

If you had part of your savings or benefits transferred to your ABCUL debit card you can continue using the card to withdraw funds. The administrators, at the date of their appointment, will make arrangements for any outstanding benefits to be transferred to your existing card. However, you will need to make new arrangements to receive your funds in the future.

**11. My child has a savings account with North East Lincolnshire Credit Union. What will happen to their savings?**

Your child's savings are safe. FSCS will write to you (or the named adult on the credit union's records) with details of the account balance and how you can obtain the money. Once you have received the letter, you can simply take it to a local post office and get cash (for the amount in the account) over the counter. For security reasons, you would also need to bring along some forms of identification – which could include a passport (for you) and a birth certificate (child) – to show that you are related to the child.

**12. I pay regular savings into my account each month by standing order, should I cancel the standing order now?**

Yes, as no further money will be credited to your account. You can cancel the standing order at any branch of your bank or building society, however, you will need to give them a couple of days' notice before the payment is due to come out of your account.

**Note:** if your standing order relates to loan repayments do not cancel it and see question below.

**13. I had a loan with North East Lincolnshire Credit Union, will I have to repay it and should I cancel the standing order?**

Do not cancel any repayments as your loan agreement remains in place and you must maintain them. Loan repayments will be managed by the administrators: Andrew Poxon and Julien Irving of Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ. They will contact you about this.

**14. Can I open up an alternative credit union account?**

Members, including junior depositors, who wish to open a new credit union account, may have the opportunity to do so with other credit unions who have agreed to cover the area served by North East Lincolnshire Credit Union.

The administrators are unable to transfer accounts directly to another credit union; members will have to apply themselves.

**15. A payment was transferred into my credit union account around the time FSCS declared North East Lincolnshire Credit Union in default, but doesn't appear to have been applied to the account. Will the balance on my account be updated to reflect this payment?**

We will receive information from North East Lincolnshire Credit Union that shows individual credit balances of all accounts held by members at the date of default, 28 November 2016. The administrators will tell FSCS of any later deposits or withdrawals that need to be applied to a member's account. Any amounts paid into the account after 28 November 2016 will not be added to your savings balance and will be dealt with by the administrators, Leonard Curtis. You can contact them on 01282 610 635.

**16. Do I need to notify FSCS if I have recently changed address?**

We will send payment to the address North East Lincolnshire Credit Union holds on its database. If you did not notify them of your change of address before 28 November 2016, or you told them, but did not receive confirmation that their records had been updated, we will need to see evidence of the change of address before any compensation payment can be made. You will therefore need to provide an original recent official document that confirms this. Documents we can accept include a council tax or utility bill (not a mobile phone bill), or benefit-entitlement letter, as long as they are fewer than three months old.

**17. Do I need to notify FSCS if I have recently changed my name?**

If you have already received your cash over the counter, or banked the compensation cheque, you do not need to take any further action. If you have not received your compensation payment, we will need to see evidence of your name change before any payment can be made. You will therefore need to provide original documentation or certified copy of an official document showing your change of name, for example a marriage certificate or deed poll, and this will allow us to update our records and process the claim.

**18. I am the executor of a depositor who has recently died; do I need to contact FSCS?**

If the estate has already received cash over the counter, or banked the compensation cheque, you do not need to take any further action. If the estate has not received the compensation payment, you will need to send FSCS the death certificate, grant of probate and a copy of the will – or letter of administration. These should be either certified copies or original documents. These documents are required before we can make a compensation payment.

**19. How will I be able to find out what is happening?**

In the first instance, you should contact the administrators on 01282 610635.

If you have a query about compensation from FSCS, further information can be obtained from the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk), or by calling us on freephone 0800 678 1100 or 020 7741 4100. Our lines are open Monday to Friday, 8.30am to 5.30pm.