



FOR IMMEDIATE RELEASE: 20th October 2003

FSCS will compensate credit union members

The Financial Services Compensation Scheme (FSCS) will provide compensation to members of two insolvent credit unions recently declared in default.

FSCS can pay 100% of the first £2,000 and 90% of the remainder, up to a maximum of £31,700, if a credit union is unable to repay its depositors.

FSCS will send application forms to each credit union's members to enable them to claim compensation from the Scheme. Details of the two credit unions are attached.

FSCS protects deposits, insurance and investments, and can pay compensation when a regulated firm is unable, or likely to be unable, to pay claims against it (described by FSCS as being in default). This is usually when a firm is insolvent, or has stopped trading. Different compensation limits apply to claims against investment and insurance firms.

More information

For more detailed information about the Scheme's work, consumers can visit www.fscs.org.uk or telephone FSCS on 020 7892 7300. The Scheme publishes a short consumer guide, *How we can help*, and a more detailed guide to claiming compensation, *How we handle your claim for compensation: deposits and investments*. Copies can be downloaded from its website at www.fscs.org.uk or can be requested by telephoning FSCS on the above number.

FSCS can only pay compensation to customers of authorised firms. FSCS was set up under the terms of the Financial Services and Markets Act 2000. The Scheme is independent from the Financial Services Authority (FSA), although accountable to it.

Consumers can check whether the firm they are dealing with is authorised by the FSA, the UK's regulator for the financial services industry, by phoning the FSA's Helpline: 0845 606 1234.

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FSCS DEFAULT DECLARATIONS

The following credit unions have been declared in default by FSCS:

Shepherds Bush Social and Welfare Credit Union Limited, 11-13 Uxbridge Road,
Shepherds Bush, London W12 8LH

Croydon Branch Union of Communication Workers Credit Union Limited, 1
Addiscombe Road, Croydon, Surrey CR9 6AB