

# Savings Cap

## Frequently Asked Questions

### 1. How is meant by savings?

A member's total savings means the total amount held in Shares; Special Shares, CU Cash, Xmas Deposit Accounts and Fixed Term Deposit Accounts.

### 2. How can I save with Member First Credit Union?

There are several ways you can save with Member First Credit Union:

- **Over the Counter** – Call into any branch and pay over the counter. We have a number of branches across North Dublin.
- **Electronic Funds Transfer** – Using your Credit Union account IBAN & BIC you can easily transfer funds into your MFCU account.
- **Direct Debit** – Complete a direct debit mandate form available in-branch or online under our downloads section.

### 3. Why should I save with Member First Credit Union?

There are so many good reasons to save with your Credit Union. When you become a regular saver, you create an invaluable life skill. This creates a rainy-day fund and develops good budgeting and financial habits for life. Know that by saving with Member First Credit Union you are supporting our local community.

### 4. What is the maximum amount I can save with Member First Credit Union?

From January 1st 2025, the maximum level of savings an adult member can hold is €100,000. From 10 December 2020 all juvenile members are allowed to maintain a maximum saving balance of €5,000.

The maximum balance allowable to be held on a Fixed Term Product is currently €25,000.

We recommend all our members to sign up for our online banking in order to allow you to manage your saving balance from the comfort of your own home.

<https://live.cuonline-ebanking.com/screens/MemberRegister.aspx?cuid=30>

## **5. Are my savings safe?**

Our members savings are safe. MFCU have over 387 million in assets and over 70 million in Capital Reserves. In addition, members savings up to €100,000 continue to be guaranteed by the Irish government under the deposit guarantee scheme.

## **6. What is the Deposit Guarantee Scheme?**

The Central Bank of Ireland is responsible for administering the Irish Deposit Guarantee Scheme which provides protection to depositors in the event of a credit institution failing.

Deposits up to €100,000 per person per institution are protected and compensation is payable to eligible depositors within 10 working days. Eligible deposits in banks, building societies and credit unions authorised in Ireland are covered by the scheme. All the savings of our members are guaranteed up to a maximum of €100,000 per member under the Government Deposit Guarantee Scheme. Information on the scheme is available at [www.depositguarantee.ie](http://www.depositguarantee.ie).

## **7. How will I be impacted by the maximum savings limit if I have both a single and joint account with Member First Credit Union?**

The maximum level of savings on a joint account is €100,000 i.e. €50,000 per person. In the case of a member holding a joint and a single account the member is allowed to hold €100,000 spread across all their accounts.

It will be assumed that 50% of the account balance belongs to each named party on a joint account. If your balance across all accounts is in excess of €100,000 you will be notified accordingly requesting that you reduce your balance below €100,000 across all accounts.

An example scenario is set out below.

## EXAMPLE SCENARIO

Norah and Joe hold a joint savings account with MFCU with a balance of €90,000.

In addition, Norah holds a single account with a balance of €60,000. It is assumed that the balance on the joint account is split 50/50 between the name parties on the account. Therefore the individual balances are as follows: Norah holds a cumulative balance of €105,000 across her two accounts ( $€90,000 \times 50\% = €45,000$ ) + €60,000. She will therefore be required to withdraw in excess of €5,000 in order to continue to transact on her account.

Joe only holds €45,000 ( $€90,000 \times 50\%$ ) and therefore no action is required.

However, no transactions will be allowed on either account until Norah withdraws sufficient funds to bring her balance below €100,000.

Similar to above if you hold a joint account and you would like to arrange for some money to be moved from your account now you can do so either online; by calling into any of our branches or by using the online portal at the following link:

<https://live.cuonline-ebanking.com/screens/MemberRegister.aspx?cuid=30>

## 8. What is Free Life Savings Insurance?

This is the life insurance cover that MFCU take out for all eligible members as an additional incentive to save regularly and maintain your savings. There is no direct cost to members.

The insurance is paid in addition to the savings you hold at the time of your death. The amount depends on the member's age and other terms and conditions. The maximum benefit payable to an eligible member is €5,000.

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