



FOR IMMEDIATE RELEASE: 10th November 2004

FSCS to protect credit union members

The Financial Services Compensation Scheme (FSCS) is stepping in to protect over 1,100 members of Hackney South Credit Union Limited who may have lost money after the credit union became insolvent.

FSCS is the UK's statutory single compensation scheme covering investments, deposits and insurance. It provides a fund of last resort for consumers who have claims against regulated firms that are unable to pay them (described by FSCS as being "in default").

FSCS has declared Hackney South Credit Union Limited in default. This means that FSCS can now provide compensation to members of the credit union who have lost money.

For deposits FSCS can pay compensation of 100% of the first £2,000 and 90% of the remainder, up to a maximum of £31,700. The average value of claims against this credit union is below £2,000.

"This should be good news for members of this credit union. Most members have less than £2,000 deposited which means they will get back all of their money. We hope to be able to repay members within six months of receiving their completed application forms," says Ron Devlin, FSCS' Interim Chief Executive.

FSCS will send application forms to the members of the credit union to enable them to claim compensation from the Scheme. Members of the credit union who do not receive an application form from FSCS, should contact the Scheme on 020 7892 7300.

More information

FSCS is the statutory fund of last resort for customers of authorised firms, and was set up under the terms of the Financial Services and Markets Act 2000.

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, *A guide to the work of the Financial Services Compensation Scheme: Claiming compensation*. Copies can be downloaded from its website at www.fscs.org.uk or can be requested by telephoning FSCS on the above number.

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

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FSCS DEFAULT DECLARATION

The following credit union has been declared in default by FSCS:

Hackney South Credit Union Limited, 184 Hoxton Street, London N1 5LH