



CONSULTATION QUESTIONNAIRE (Page One)
Credit Union Debts in Protected Trust Deeds

The deadline for responses is **25 June 2007**

Your details

Name

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Job title (if applicable)

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Organisation (if applicable)

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For the purpose of analysing responses, it would be helpful if you would also indicate the capacity in which you are completing this questionnaire, please tick as appropriate.

Advice Sector

Legal Body

Business

Professional Body

Individual

Statutory Body

Insolvency Practitioner

Other (Please Specify) Credit Union

Questions for Consultation

1a Do you think that cancelling debt in a Protected Trust Deed has a particularly harsh impact on Credit Unions?

Yes No

1b If yes, what evidence do you have to support your comments?

Has resulted in loss of credit union income previously. If increased could result in loss of member savings and possible insolvency

1c Do you think that Protected Trust Deeds should give special protection to Credit Unions?

Yes No

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Credit Union Debts in Protected Trust Deeds

2a Do you think that cancelling debt in a Protected Trust Deed has a particularly harsh impact on any other creditor?

Yes No

2b If yes, what other creditors are affected?

2c Do you think that Protected Trust Deeds should give special protection to any other type of creditor and which ones?

No

3a Do you think that introducing special protection for credit unions (or another type of creditor) would unduly harm the interests of the rest of the creditors?

Yes No

3b If yes, what evidence do you have to support your comments?

4a Which of the following options do you think would be the most appropriate?

Option 1 (Do Nothing) - The intended reform of Protected Trust Deeds will be sufficient to protect the interests of all creditors, including Credit Unions.

Option 2 (Debts not Cancelled) - Debts due to Credit Unions should not be cancelled by Protected Trust Deeds.

4b Why do you think this option is most appropriate?

In many instances credit unions would have been able to help people in emergency situations but due to the person awaiting a TD could not as the money would be lost

4c Do you have any other comments on these options that we should consider?

As you are aware credit unions do not charge higher rates of interest to those on lower income and therefore do not have the reserves other creditors have to cover this.