

## Bank Transfers Policy

Last updated:	March 2025 by the CEO
Authorised:	March 2025 by the BoD
To be reviewed:	April 2026

### 1. Purpose

- 1.1 This Bank Transfers Policy is designed to:
- Support the business to manage costs and avoid irrecoverable losses on transfer fees where reasonably practicable;
  - Ensure fairness, objectivity, and consistency in how we process bank transfers on behalf of our Members;
  - Provide clarity and parameters for the management and staff in terms of any limitations or charges that should be imposed for bank transfers.

### 2. Context

- 2.1 In May 2023, Bank of Scotland dramatically increased bank charges, introducing significant fees for transactions, including Faster Payments and standard BACS payments which take longer to process.
- 2.2 KCB processes thousands of Faster Payments each month.
- 2.3 Members expect transfers to be reasonably quick and have become accustomed to this service over recent years.
- 2.4 Continuing to process the same level of transactions (particularly Faster Payments) through the Bank of Scotland will have a significant impact on KCB's profitability, reducing the likelihood of being able to pay dividends to members without increasing interest rates.
- 2.5 To maintain lower interest rates, provide a fast and efficient service, and generate profit for reinvestment and dividend payments, directors will periodically review the Bank Transfers Policy and set appropriate limits, conditions, and charges.

### 3. Limitations

- 3.1 One way to reduce banking costs is by limiting the number of transactions. Some members frequently request small, repeated transfers. Introducing upper and/or lower limits can help manage demand while promoting more effective and efficient financial habits, including better budgeting practices.
- 3.2 The Organisation's current Policy position is to impose the following limits:

Limitation	Quantity/Amount	Frequency
Minimum amount to be transferred to a bank or building society account	£5.00	Per transfer
Transfers between Member accounts held with KCB	No limits applied	Unlimited
Volume of transfers	10	Per month

### 4. Charges

- 4.1 Operating within the limits set out in section 3.2 will prevent any charges from being applied to members. For those who stay within these limits — the vast majority of members — there will be no change in the level or cost of service provided by KCB.
- 4.2 Members who – for whatever reason – operate outwith the limits specified at 3.2, the following charges will be imposed:

Limitation	Amount to be charged per transfer
Amount to be transferred to a bank or building society	£0.35

account falls below the minimum set out above	
Each transfer above the monthly maximum set out above	£0.50

4.3 For the avoidance of doubt, some transfers may incur a combined charge. For example, if a member makes a transfer that exceeds the monthly limit and the amount is below the minimum threshold, both charges outlined in the table at section 4.2 will apply.

## 5. Exceptions

5.1 As a community-owned credit union committed to supporting our members, we recognise that members may sometimes face financial challenges, and we aim to respond with sensitivity and pragmatism. Therefore, the CEO shall have the discretion to waive limits or charges in circumstances that they consider to be exceptional.

5.2 In exercising this discretion, the CEO is expected to be fair and impartial and take into account previous decisions taken under Clause 5.1 above. To support this, a record shall be kept of each time the CEO uses their discretion under this Policy. Such record shall consist of – as a minimum – the date the request was received, the member’s membership number, a basic record of the reasons behind the request, the decision taken and the date the decision was taken.

5.3 The CEO’s decision shall be final, and they do not need to provide reasons for agreeing or disagreeing with a request to waive charges.

5.4 If a member has evidence or strong reason(s) to suggest that they have been treated unfairly under this Policy, they may lodge a complaint using our documented complaints process.