



# Loan Sharks - FAQs



## What is a Loan Shark?

'Loan shark' is a popular term for an illegal money lender - someone who lends money to people without being authorised to do so by the Financial Conduct Authority (FCA).



## Why are Loan Sharks bad?

Loan Sharks target the most vulnerable people in society and cause them immense misery. They lend money to people who are in a crisis or who feel that they have nowhere to turn for financial support.



## Why do people use Loan Sharks?

To people who are feeling desperate and who don't know where else to turn for help, Loan Sharks can appear to be very friendly and accommodating to start off with. Many people who use Loan Sharks may have been refused loans or credit elsewhere and may be at a crisis point in their life due to financial difficulties.



## When do the problems start?

Loan Sharks don't provide paperwork. This means that it's often difficult for people to keep track of how much they have borrowed and how much they still have to pay back. The repayments can seem neverending and many people end up paying back much more than they originally borrowed, without being sure of what they've already paid.



## Can Loan Sharks be dangerous?

Many Loan Sharks use threatening behaviour to make sure that people repay the money they have borrowed. As they are usually based in the community, they know where people and their families live.



## How can I spot a Loan Shark?

If you can answer yes to one or more of the following questions, it is possible that you are dealing with an illegal money lender:

- **Did they offer you a cash loan?**
- **Did they not give you any paperwork?**
- **Have they added huge amounts of interest or APR to your loan?**
- **Did they change the terms of the loan without warning?**
- **Have they threatened you?**
- **Have they taken your bank/post office card, passport, watch or any other valuables?**



## What can I do if I've borrowed money from a Loan Shark?

- ▲ Call our free 24-hours helpline in **complete confidence** on **0800 074 0878**
- ▲ Text 'loan shark' and the details to **07741 701 325**
- ▲ Email **[stopillegallending@cosla.gov.uk](mailto:stopillegallending@cosla.gov.uk)**
- ▲ Click **[here](#)** to use our secure online reporting form.



## What will happen if I contact SIMLU?

If you're willing, our investigators will talk to you about the money you have borrowed and will take more details about the loan shark. We're not a call center, so you'll always speak to the same people. We take every call seriously and in **complete confidence**.

We can offer you **immediate support** with urgent issues, **longer term support** to move away from using loan sharks and **help to access local services** including debt advice, credit unions, addiction counselling and support groups.



## Is it safe to report a Loan Shark?

You won't be in trouble if you've borrowed money from an illegal lender - they are the ones committing a crime. If you contact us you can remain **anonymous** and don't need to give any details you're not comfortable discussing. We will keep you **safe** while we investigate the loan shark.



## I desperately need money. Where can I find help quickly?

We work with organisations across Scotland that can help you move away from using loan sharks. The following agencies can offer support if you are thinking of using a loan shark or have debt issues:

- ▲ [StepChange Debt Charity](#)
- ▲ [Citizens Advice Scotland](#)
- ▲ [Money Advice Service](#)
- ▲ [Money Advice Scotland](#)

