

DE LA SALLE CREDIT COOPERATIVE PRIMER ON MEMBERSHIP & LOANS

Our Vision :

A self-reliant, stable and dynamic cooperative that effectively responds to the socio-economic needs of its members and contributes to their human development.

Our Mission :

1. To inculcate a culture of thrift and assist members to attain financial stability through periodic savings and financial discipline among members.
2. To promote the upliftment of the quality of life of its members through mutual and cooperative assistance.
3. To ensure financial and organizational stability through good governance and prudent management of financial, human and other resources guided by the Lasallian values.
4. To continually expand and improve services to members through the use of modern technology and availment of external resources.

Brief Historical Background :

The De La Salle Credit Cooperative was established in September 1963 by fifteen original cooperators from the faculty of De La Salle College. There were twenty-eight original members who subscribed to 2,240 shares amounting to P2,240.

As of December 2008, membership have grown to 3,135 members with a total subscribed share capital of P51,650,000.

REQUIREMENTS FOR MEMBERSHIP:

1. The applicant must be a permanent employee of De La Salle-Member Schools and affiliate institutions.
2. An application form shall be filled out and sent to the Board through the Treasurer.
3. The applicant must attach to the application form a Certificate of Employment from their employer-school, indicating date of permanent employment, position and present salary.
4. Once approved, the applicant must pay the membership fee of P10.00 and the first installment of his/her share capital.

MONTHLY PAYMENT OF SHARE CAPITAL. A member shall determine the amount but it should not be less than One hundred (P100) PESOS per payday.

MODE OF PAYMENT OF SHARE CAPITAL/SAVINGS DEPOSIT. This is done through salary deductions or lump sum payment.

MEMBER'S TOTAL SHARE CAPITAL. A member shall subscribe a minimum of one Hundred (100) Shares with a total value of Ten Thousand Pesos (P10,000). However, the member has the option to increase his/her share capital to P20,000, P30,000, P40,00 up to P50,000.

MEMBER'S SAVINGS DEPOSIT. Payments made by a member in excess of his/her share capital will be considered as his/her savings.

WITHDRAWALS FROM SAVINGS DEPOSIT. As a general rule, only three withdrawals are allowed within a year. Service fee is P10 per withdrawal.

1. To assist the members to better manage their funds, minimum limits are set for the withdrawals:

First (1st) Withdrawal – Not less than P1,000
Second(2nd)Withdrawal – Not less than P2,000
Third (3rd) Withdrawal – Not less than P3,000

2. Fourth and Fifth withdrawals may be granted for the following reasons: for children's tuition fees, hospitalization and medical expenses for immediate family members, death expenses and other unforeseen expenses due to calamities.
3. Service fees for the 4th and 5th withdrawals are P40 and P50 respectively.
4. The minimum limits set for the fourth and fifth withdrawals are:

Fourth (4th) Withdrawal –Not less than P3,000
Fifth (5th) Withdrawal –Not less than P4,000

5. Justification letters should be attached to the requests for the fourth and fifth withdrawals, for approval by the General Manager.
6. A minimum balance of P5,000 will be required of all savings deposits.

FIRST LOAN. The following requirements are a MUST before a new member can avail of any loan:

1. *Payment of P10.00 membership fee;*
2. *Attendance of the educational seminar for new members;*
3. *Three (3) months residency,*
4. *Payment of at least 25% of subscribed capital stock or P2,500 for the availment of a regular and/or emergency loan;*
5. *Payment of 100% of subscribed capital stock or P10,000 for the availment of all the other unsecured loan*

AMOUNT OF REGULAR LOAN. The maximum loanable amount is P180,000.00 plus ½ month salary but not to exceed P250,000.00 provided the sum of share capital and savings deposits is 50% of loanable amount. However, effective January 2008, the loanable amount of share capital amounting to P20,000 and above is 250% of the value of share capital.

AMORTIZATION OF LOANS. Amortization of loans are made through salary deductions every payday. Payments through post-dated checks are not allowed. Deficiency in payments will be charged to savings deposits. A member who incurs two (2) deficiencies will be allowed to borrow up to 150% only of his share capital and savings deposit, upon renewal of his loan.

EMERGENCY LOAN. Presently a member can avail an emergency loan in the amount of Twenty Thousand (P20,000) Pesos for emergency purposes. The loan may be paid in one time lump-sum payment after a period of six months or in installment basis not to exceed ten months. If the emergency loan is not paid upon maturity date, the delinquent member can borrow only Fifteen Thousand when he/she renews his/her emergency loan.

UNSECURED LOANS. In addition to the regular loan of P250,000, the following are the unsecured loans available to qualified members:

- a. **Emergency loan** of P20,000.
- b. **Computer loan** of P30,000 for desktop and P50,000 for laptop.
- c. **Calamity loan** of P30,000.
- d. **Travel loan** of P50,000 for foreign tours and P20,000 for local tours.

- e. **Cell phone loan** of P25,000.
- f. **Medical/Health Equipment loan** of 2000
- g. **Educational loan** of P35,000.00.
- h. **Emergency Medication loan** of P3,000.
- i. **Memorial Plan loan** of P50,000.
- j. **Emergency loan for Caesarian Delivery** of P50,000.

1. To lessen the exposure of the cooperative to unsecured loans, members can avail only of two unsecured loans (emergency loan and calamity loan are not included) at one time. The total of the two loans should not exceed P50,000.
2. If a member has at present two unsecured loans, (ex. Computer loan and travel loan) that are still being amortized and the balance of these loans are above 40% of the loan, the members can not avail of another unsecured loan (ex. Cell phone loan).
3. If 60% of the unsecured loan is already paid then the loan is eligible for renewal and the member can apply for another unsecured loan.

INTEREST ON REGULAR LOAN. Members pay .625% a month interest on loan, deducted in advance.

<u>TERMS OF LOAN</u>	<u>INTEREST RATE</u>
4 months	2.500%
6 months	3.750%
10 months	6.250%
12 months	7.500%
15 months	9.375%
18 months	11.250%
20 months	12.500%
24 months	15.00%

INTEREST ON EMERGENCY LOAN. Interest on emergency loan is 0.5% higher than the regular interest if paid in one time lump sum. So the interest for six months is 5 % instead of 4.5 %.

SERVICE FEES. A service fee is charged to all loans whether regular or unsecured loan and the rate will depend on the term of the loan as follows:

<u>TERMS OF LOAN</u>	<u>SERVICE FEE RATE</u>
From 1 month – 6 months	0
6½ months – 12 months	1.0%
12½ months – 18 months	1.5%
18½ months – 24 months	2.0%

RENEWAL OF LOAN. A member may apply for a loan renewal even before the loan is fully paid provided 60% of the loan has been paid. The balance of the loan, which is 40%, will be deducted from the proceeds of the new loan. An interest rebate will be computed on the balance of the loan. The interest rebate will be determined based on the number of the months still remaining unpaid.

PATRONAGE REFUND AND DIVIDENDS. The members are entitled to an annual patronage refund and dividends on their share capital and interest on their savings deposits.

OTHER GUIDELINES RE LOAN:

1. Emergency loans that are three (3) months over due will be automatically charged to the members' savings deposits.
2. Only faculty members with permanent status are eligible to avail of the computer loan.
3. Only non-teaching personnel who have been members of the Cooperative for at least three years are eligible to avail of the computer loan.
4. Part-time faculty whose certification of term of contract is only one term, can borrow up to a maximum of six to eight months only.
5. Part-time faculty whose certification of term of contract is two terms can borrow up to a maximum of twelve months.
6. The maximum term for part-time faculty is twelve months.