



# **FAIRCHILD CEBU COMMUNITY MULTI-PURPOSE COOPERATIVE**



# **LOAN AVAILMENTS AND PAYMENTS**

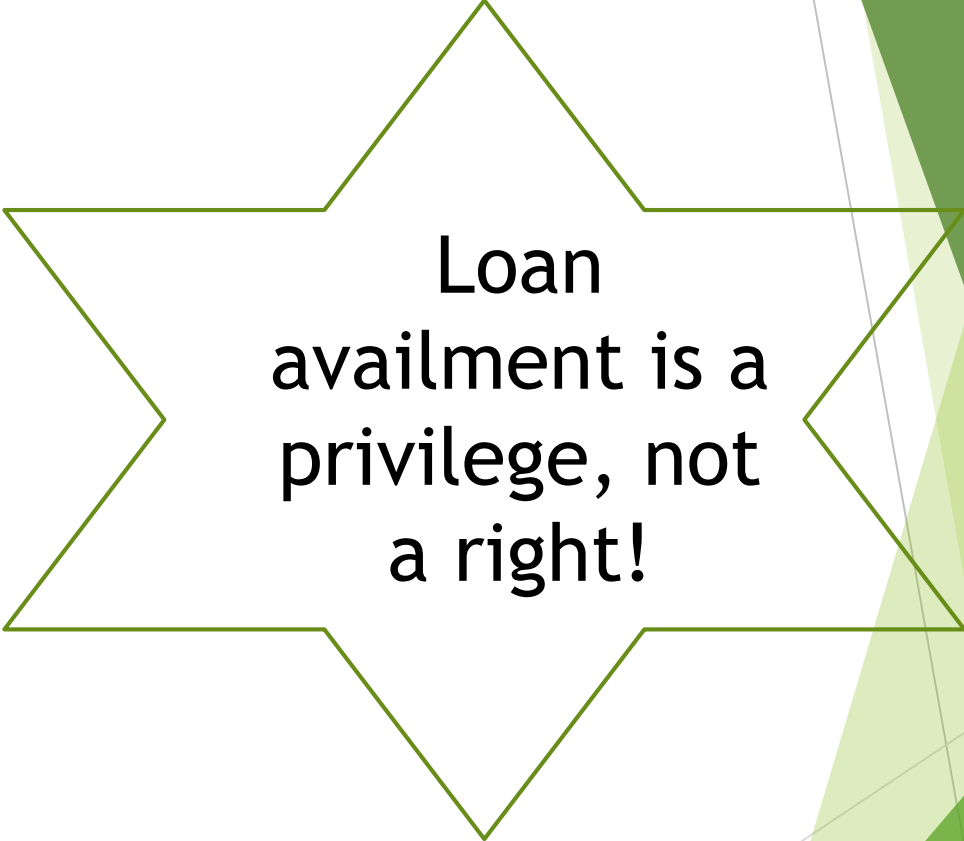
## CLASSIFICATION OF LOANS

### Major Loans:

1. Multipurpose Loan
2. Regular Loan
3. Business Loan
4. Extended Business Loan
5. Preferred Member Business Loan
6. Secured Loan
7. Extended Secured Loan
8. HELP
9. EHELP
10. Mediated Loan
11. Memorial Loan Packages

### Short Term Loans:

1. Case
2. Petty Cash Loan
3. Commodity PO
4. Educational Loan



Loan  
availment is a  
privilege, not  
a right!

## GENERAL LENDING REQUIREMENTS:

1. The borrower must have fully paid the minimum share capital requirement of Four Thousand Pesos (P4, 000.00).
2. The share capital must have at least One-week residency.
3. A surcharge of Three Percent (3%) per month shall be charged for unpaid monthly amortization.
4. Total Credit limit for Regular members shall only be up to a maximum of 80% of his monthly salary multiplied by the total years of service plus 3 years. This requirement excludes Regular and Secured loans.
5. Any loan that does not meet the loan conditions as defined in the specific loan policy shall require a deviation form to be accomplished and approved:
  - For loan amount below One (1) Million, approval shall be required from the General Manager and BOD Chairperson.
  - For loan amount above One (1) Million, approval shall be required from General Manager and BOD
6. For Associate members who are ex-Fairchild employees, loan must not exceed 85% of the members' share capital. The maximum amount to be granted will be depending on his capacity to pay while Post-dated cheque (PDC) or ATM shall be the collateral. This requirement excludes Secured loans and Extended Secured Loan
7. For Associate members who are not ex-Fairchild employees, loan availment shall follow the criteria defined in FC-CR-002 or applicable MOA with Institutions.
  - Credit Department to be involved in the drafting of MOA
  - Credit Department to be provided with a copy of off signed MOA

Prior to Processing the Loan, Credit Officer shall make a thorough Credit Analysis for new loan or re-loan of the member if the amount loan is with-in the capacity of the members to pay.

1. Credit Analysis of the Member should consider the following:

For Regular Employee of the Company

1. Length of Service
2. Payslip/s
3. Paid-up Minimum Share Capital for Maker and Co-Maker
4. Status of Co-Maker
5. Real Estate with no Encumbrances

For Associate / Institutional / Selected Individuals / Ex-Fairchild

1. ATM as Collateral especially for Associate Members
2. Other Source of Income should be stated in the loan form.
3. Any evidence such as Latest Audited Financial Statement, Bank Statement, Purchase Order, Deed of Assignment or Real Estate as Assurance or Collateral for the Loan Tendered.
4. Paid-up Minimum Share Capital for Maker and Co-Maker
5. Status of Co-Maker
6. Real Estate with no Encumbrances

Loan processing shall be dependent on the loan conditions as defined in the specific loan policy.

## **PAYMENTS:**

The loan shall be paid in equal monthly amortization in such amounts as may fully cover the loan obligation. For regular members & Institutional members, payments shall be made thru salary deduction. For voluntary member/individual payors, payment shall be made through post-dated checks(PDC), Auto-debit arrangement with banks, or any other mode of payment that FCCMPC may adopt in the future. A penalty of 3% to unpaid amount shall be charged to the borrower for every month of delay.

**Payment made by the borrower shall be applied in the following order: Penalties/Fines, Interest & Principal**

## **IN CASE OF DEFAULT:**

If borrower fails to pay three(3) consecutive non-full payment of installment or as agreed, the entire unpaid balance of the loan shall immediately become due and demandable. The cooperative shall deduct to borrower's deposits and deduct to co-makers if resigned or AWOL without the necessity of presentment and demand.

**NOTE: Above are also stated in the Loan Form**

## **THE BORROWER SHALL BE CONSIDERED IN DEFAULT IN ANY OF THE FOLLOWING CASES**

- A. Any willful misrepresentation is made by the borrower in any of the documents executed in relation hereto.
- B. Failure on the part of the borrower to pay any three consecutive monthly amortizations
- C. Any violation made by the borrower on existing policies, rules, and guidelines
- D. In the event of default, the outstanding loan balance, all accumulated interest and penalties shall become due and demandable. The outstanding obligations shall be deducted from the DEPOSITS credited to the borrower at the end of the term of the loan. However, immediate offsetting of the borrower's outstanding loan obligation may be effected upon occurrence of any of the following justifiable reasons and upon validation by the coop: Unemployment, total or partial disability, as certified by a duly licensed physician. I/We hereby authorize the FCCMPC to offset the outstanding obligation against Deposits.
- E. In case of membership termination prior to full payment of the loan, no claim for provident benefit shall be paid to the borrower or his beneficiaries until after the full satisfaction of any amount arising from this note which remains unpaid as of the date of such termination.
- F. In case of falsification, misinterpretation or any similar acts committed by the borrower, FCCMPC shall automatically suspend his loan privileges indefinitely. They shall abide with all the applicable terms and conditions governing the lending policies that FCCMPC implemented from the time to time.

**NOTE: Above are also stated in the Loan Form**

## LOAN PORTFOLIO COLLECTION POLICY

### 7.5 Non-full Payment of Loan:

7.5.1 Section C-4 Guidelines and Instruction of loan application states that “if the borrower fails to pay three (3) consecutive non-full payment from the company (Fairchild Semiconductor Company), voluntarily, the entire unpaid balance of the loan shall immediately become due and demandable at the option of the cooperative” and should the cooperative exercise its option granted above, the effects of said option shall be binding upon the borrower and co-makers without the necessity of presentment and demand.

7.5.2 Upon three (3) consecutive non-full payment, the cooperative shall offset from member’s savings deposits and/ or fixed deposit share capital or send reminder notice for 1-3 months and demand notice for 3 months up to maker and co- maker.