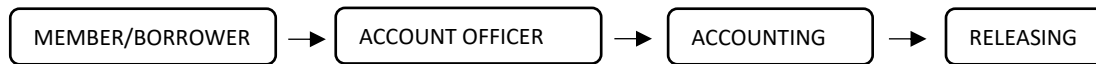


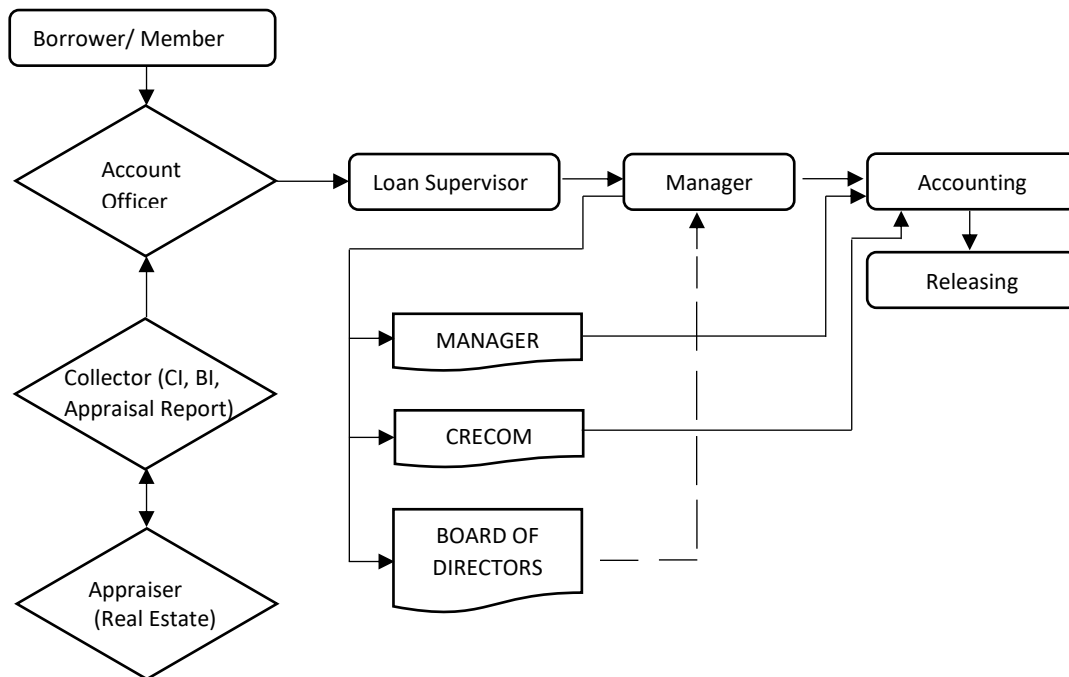
### FLOW CHART OF APPLYING OVER THE COUNTER (OTC) LOAN



Types of Over the Counter Loans:

1. Express
2. Petty Cash Loan
3. E-loan
4. Special Express Loan

### FLOW CHART IN APPLYING FOR PROVIDENT, PRODUCTIVE AND SPECIAL LOAN



**A. ELIGIBILITY**

1. All updated loan borrower with existing loan paid thru ATM with not less than P1, 000 net on its account after deducting loan amortization.
2. Coop members who are pensioners and transacting regularly using ATM thru Point-of-Sale (POS).
3. Borrowers under Barangay Honorarium loan.

**PROPOSED MINIMUM DEPOSIT REQUIREMENT ELIGIBLE FOR LOAN**

Rationale: Minimum of 50 shares at Par Value of P100/Share=P5, 000.00 Per Amended By-Laws

NAME OF ACCOUNT	AMOUNT
Share Capital	5, 000.00
Savings Deposit	1, 000.00
Coopagtulungan Special Savings	240.00
Total	6, 240.00

**Proposed mandatory Regular Capital Build-up (CBU) for members who will avail of a loan****A. Secured Loan (with Collateral)**

Standard Share Capital Requirement	20% of the Loan Availed	Fresh Equity or Loan Retention
Proposed Program Share Capital Requirement	5% of the Loan Availed	To be Amortized all throughout the Loan Term

**B. Unsecured Loan (without Collateral)**

Standard Share Capital Requirement	25% of the Loan Availed	Fresh Equity or Loan Retention

**II. Borrowers' Eligibility**

- Loan shall be granted only to borrower who satisfies Credit Investigation requirements.
- Borrowers with previous credit history below standard may be granted loan with certain credit condition set by the Management, Credit Committee or Board of Directors.
- Loans entered by Directors, Officers, Staff, and Related Interest are considered DOSRI and shall observed credit discipline.

## MODE OF PAYMENT

1. Amortized Payment
  - a. Principal + Interest

- Daily
- Weekly
- Semi-Monthly
- Monthly
- Quarterly
- Semi-annual
- Annual

Term	Principal	Balance	Interest	Total Amort.
12 mos.	Amort.	12, 000	2% dim. bal	
1	1, 000	11, 000	240	1240
2	1, 000	10, 000	220	1220
3	1, 000	9, 000	200	1200
4	1, 000	8, 000	180	1180
5	1, 000	7, 000	160	1160
6	1, 000	6, 000	140	1140
7	1, 000	5, 000	120	1120
8	1, 000	4, 000	100	1100
9	1, 000	3, 000	80	1080
10	1, 000	2, 000	60	1060
11	1, 000	1, 000	40	1040
12	1, 000		20	1020
Total	12, 000		1, 360	13560

## 2. Single or One-time Payment

Principal + Interest = Total Loan Payable

- a. Usually short term (3 months the most) & renewable.
- b. Ideal for borrower with no regular or fixed source of income but with collateral.
- c. Renewal must only be allowed on or before due date, otherwise full payment must be demanded.
- d. In case of renewal, at least 25% of the principal must be paid (clean-up policy).

## 3. Amortized and One-time Payment

- a. Amortized Interest
- b. One-time payment of principal
- c. Short term and renewable but clean-up policy must be observed if loan is renewed.
- d. Renewal is discourage if interest is in default.

Term	Principal	Balance	Interest	Total
6 mos.	Amort.	12, 000	2% per month	Amort.
1	-	12, 000	240	240
2	-	12, 000	240	240
3	-	12, 000	240	240
4	-	12, 000	240	240
5	-	12, 000	240	240
6	12, 000	-	240	12, 240
Total	12, 000		1, 140	

## Manner of Payment

- Over the counter
- Debit Memo or Authority to Debit-against Savings or Time deposit
- Post Dated Check (PDC)
- Salary deduction (with MOA)
- ATM or Credit Card
- Payment thru coop depository bank or remittance (local or abroad) - the coop should be notified if payment has been made thru depository bank.