

**Xavier University Community Credit Cooperative  
(XUCCCO)**

Policy Title:  Hold Out Loan Against Dividend		Policy Number:	
		Date Approved:	
		Date Effectivity:	
		Date Revised:	
Rationale :	Hold Out Loan Against Dividend Loan is defined herein is offered to members for providential need.		
Purpose:	This loan product aims to address the financial need of the members for providential need.		
<b>Policy Requirements:</b>			
Member Classification	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E		
Maximum Loanable Amount:	5% of the previous year's average share capital		
Deposit Requirement:	none		
Collateral/Security:	<input type="checkbox"/> Post Dated Check <input type="checkbox"/> Chattel/High Value Collateral/Livestock <input type="checkbox"/> Real Estate <input type="checkbox"/> Co-Maker <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Others – Dividend (IOC and PR)		
Maximum Loan Term:	One week before General Assembly		
Allowable Mode of Payment:	<input type="checkbox"/> Payroll <input type="checkbox"/> Over The Counter (OTC) <input type="checkbox"/> Post Dated Check (PDC) <input checked="" type="checkbox"/> Others – Dividend (IOC and PR)		
Interest Rate	none		
Renewable:	<input type="radio"/> Yes                                      # of Payments: <input checked="" type="radio"/> No		
Standard Deductions:	Service Charge      2%, a onetime deduction from the net proceeds of the loan Others                      Accounts receivable (Death Aid, Insurance, Others) and Past due		
Documentary Requirements:	<input type="checkbox"/> Pay slips 2 most recent <input type="checkbox"/> Photocopy of employee's ID front and back <input type="checkbox"/> Financial Literacy <input checked="" type="checkbox"/> Member in good standing		
Deduction	Payment shall be deducted upon release of dividend		
Approving Body	<input type="checkbox"/> Loans Officer <input type="checkbox"/> Credit Committee <input checked="" type="checkbox"/> Manager <input type="checkbox"/> Board of Directors		

Procedures	<ol style="list-style-type: none"><li>1. Member in good standing.</li><li>2. Get a loan application form from the Office or may send to <a href="mailto:xuccco@xu.edu.ph">xuccco@xu.edu.ph</a> or <a href="mailto:xucccolans@xu.edu.ph">xucccolans@xu.edu.ph</a></li><li>3. Accomplish all the documentary requirement/s and sign the documents prepared by the staff.</li><li>4. The loan officer will check and evaluate the loan requirements submitted, and forward the loan documents to the Manager for further evaluation and approval;</li><li>5. The Manager will either APPROVE or DISAPPROVE the loan application. In the absence of the Manager, the Loan Officer will APPROVE or DISAPPROVE;</li><li>6. If APPROVED, the Accounting department will post the transaction; and</li><li>7. Proceed to Cash Department for the release of the loan proceeds.</li></ol>
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Notes:

1. Payment for incomplete payment or past due accounts will be automatically deducted from member's unencumbered savings account
2. Term of Loans shall be subject to RETIREMENT AGE of member/applicant.
3. Excluded in aggregate loan of FIVE HUNDRED THOUSAND PESOS (P500,000)
4. Issuance of Postdated check is allowed **ONCE**, except for SUPERMEAL, Real Estate Mortgage, Vehicle, FAAL and LAD loans.
5. Excluded in the computation of aggregate loan of 2.5M are LAD Deposits on Share, Savings and Time.
6. All loan releases are still subject to availability of funds.

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