

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

Policy Title: Loan Against Pabaon Deposit		Policy Number:	
		Date Approved:	
		Date Effectivity:	
		Date Revised:	
Rationale :	Loan Against Pabaon Deposit Loan is defined herein is offered to members for providential / productive need.		
Purpose:	This loan product aims to address the financial need of the regular members for providential / productive need.		
Policy Requirements:			
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:	90% unencumbered savings deposit		
Deposit Requirement:	100% unencumbered savings deposit		
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"/> Pabaon deposit		
Maximum Loan Term:	Three (3) years		
Allowable Mode of Payment:	<input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Over The Counter (OTC) <input type="checkbox"/> Post Dated Check (PDC) <input type="checkbox"/> Others		
Interest Rate	10.50% p.a. diminishing per quincena		
Renewable:	<input checked="" type="radio"/> Yes # of Payments: 12 Minimum number of Payments and the remaining balance will be deducted from the proceeds. Renewal of any loans can also be made immediately upon full payment of the previous loan, subject to availability of fund. <input type="radio"/> No		
Standard Deductions:	Service Charge 1%, a onetime deduction from the net proceeds of the loan Others Accounts receivable (Death Aid, Insurance, Others) and Past due		
Documentary Requirements:	<input checked="" type="checkbox"/> Pay slips 2 most recent <input checked="" type="checkbox"/> Photocopy of employee's ID front and back <input type="checkbox"/> Financial Literacy		

Deduction	All loans availed on the 5th day to 19th day of the month will be deducted on the 30th payroll of the current month. All loans availed on the 20th of the current month to 4th day of the following month will be deducted on the 15th payroll date.
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"> 1. Fill Out a loan application form from the Office or may send an online application form via xuccco@xu.edu.ph or xucccoloans@xu.edu.ph; 2. Accomplish all the necessary requirement/s; 3. The loan officer will check and evaluate the loan requirements submitted, and forward the loan documents to the Manager for further evaluation and approval; 4. The Manager will either APPROVE or DISAPPROVE the loan application. In the absence of the Manager, the Loan Officer will APPROVE or DISAPPROVE; 5. If APPROVED, the Accounting department will post the transaction; and 6. Proceed to Cash Department for the release of the loan proceeds.
Notes: <ol style="list-style-type: none"> 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. Non withdrawal of encumbered share deposit until loan is fully paid 4. In case of default, fifteen (15) days after of the third consecutive month of non-payment of the monthly amortization, the loans become due and demandable, XUCCCO has the right to offset the amortization and interest from deposits. 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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