

POLICY AND GUIDELINES FOR **SM Savings and Loan Association, Inc. (SMSLA)**

- I. **POLICY** – It is the policy of SMSLA to encourage members to save part of their salary for future use and to provide additional income to members through declaration of dividends, subject to such rules and control procedures as the SMSLA may wish to impose.
- II. **ELIGIBILITY** – All employees who have completed the probationary employment period and have been extended regular appointment.

2.1 MEMBERSHIP

- 2.1.1 To facilitate the processing of membership, the employee must accomplish and submit the SMSLA Application for Membership on premiums and regular savings at the Human Resources Office (HRO).
- 2.1.2 The HRO will submit the SMSLA Application Form to the SMSLA Office.
- 2.1.3 A one-time membership fee of Two Hundred Pesos (P200.00) is required upon application. This will be deducted in full from the member's payroll in addition to the member's first capital contribution.
- 2.1.4 The SMSLA Office will issue the BDO Cash Card that will serve as account and identification card of the member one month after the approval of membership application.

- 2.2 **SEMI-MONTHLY CONTRIBUTIONS** – A semi-monthly contribution will be made through salary deduction. Minimum capital contribution for premium is P300.00 per payday and P100.00 on regular savings.

III. DIVIDENDS ON PREMIUMS

- 3.1 Computation – Dividends are declared during the regular Board of Directors Meeting
- 3.2 Distribution – Profits are distributed to members in the form of dividends (tax free), twice a year (February and August) through the BDO Cash Card.

IV. INTEREST RATE ON REGULAR SAVINGS

- 4.1 The savings account shall earn an interest of 2% per annum which shall be tax free.
- 4.2 Depositors will enjoy lower interest rates of 1% per month when availing of a salary loan, provided that the employee has P500.00 minimum savings deposit balance.

V. REGULAR SAVINGS WITHDRAWALS

- 5.1 Unlike the premium contribution, withdrawal is allowed in regular savings.
- 5.2 Withdrawals shall be made by the members using the withdrawal slip, available at the HRO.
- 5.3 The member should fax the withdrawal slip to the SMSLA office through fax number 832-7712 for processing.
- 5.4 To get the withdrawal within the day, cut-off time is until 11:00 AM daily. All withdrawals received after the cut-off shall be processed the following day.
- 5.5 Withdrawals received after 11:00 AM on Thursdays up to Sundays will be credited on Tuesdays of the following week.
- 5.6 The amount to be withdrawn shall be credited to the member's BDO Cash Card or BDO Savings Account.

VI. STATEMENT OF ACCOUNT

Statement of account and loan balance may be viewed or printed out through the SMSLA website (www.smsla.com.ph)

VII. STOLEN/LOST/DEFECTIVE BDO CASH CARD

- 7.1 Stolen, lost or defective BDO Cash Card should be immediately reported to the HRO for replacement.
- 7.2 A card replacement fee of P100.00 shall be charged to the member through salary deduction.

VIII. RESIGNATION

- 8.1 Once a member resigns, membership cannot be re-instated unless there is an amnesty granted by the Board of Directors and Officers
- 8.2 Resignation of member from SMSLA is co-terminus with his employment with FEU-EAC. Total premiums and regular savings contribution will be returned to the employee through check to be picked-up at the SMSLA Office during Saturdays from 9:00am up to 2:00pm.
- 8.3 Resignation of membership from SMSLA is allowed. Total premiums and regular savings contribution will be returned and credited to the employee's BDO Cash Card or BDO Savings Account.
- 8.4 All resignations received by the SMSLA Office until 10th day of the month will be processed and may be released on the following 10th day of the month. Provided, all necessary documents are accomplished.
- 8.5 Resigned member should fill-out a form for a change of Co-maker if in any case he is the Co-maker of other members.
- 8.6 In case an employee resigns or is terminated, any unpaid installment loans shall be collected in full from the total premiums and regular savings. If the member is unable to fully settle his obligations, then his Co-maker will be liable for any unpaid balance.

IX. LOAN APPLICATION – Members can apply for a loan only after contributing for three (3) months for a minimum loan amount of P10,000.00.

9.1 How to Apply for a Loan

- 9.1.1 Fill out the Loan Application Form
- 9.1.2 Get a member who may act as a Co-maker. Co-maker may only co-make for three (3) times for short term loans and only twice for long term loans.
- 9.1.3 Attach the latest payslip of the borrower and the Co-maker
- 9.1.4 Submit the duly accomplished form at the HRO for signature.
- 9.1.5 The borrower may personally submit the loan application form to SMSLA Office, Building D, SM Corporate Office, Pasay City or file it through the College's representative.

9.2 Processing of Loan

- 9.2.1 Loan applications are processed on a first-come-first-served basis
- 9.2.2 Loan applications are processed for 2-3 weeks upon receipt of the SMSLA office.

9.2.3 Approved loans will be credited through the BDO Cash card or BDO Savings Account of the employee.

9.3 Past Due Loans

9.3.1 Loan amortization which is not paid on time through regular salary deduction will earn an interest penalty of 1% per payday.

9.3.2 In order to avoid penalties on past dues, over-the-counter payment is allowed at the SM Head Office, located at the Building D, SM Corporate Office, Pasay City

X. INQUIRIES

| Type of Inquiries | Responsibilities Group | Contact Numbers |
|----------------------------|------------------------|---------------------------------------|
| 1. Loan/ Withdrawal Status | SMSLA Office | 831-8000 |
| 2. Loan Crediting | SMSLA Office | local 4430 up to 4433 |
| 3. Deduction Amount | FEU-EAC HRO | 736-0016 up to 19 local 147 or 118 |
| 4. List of Members | | |