

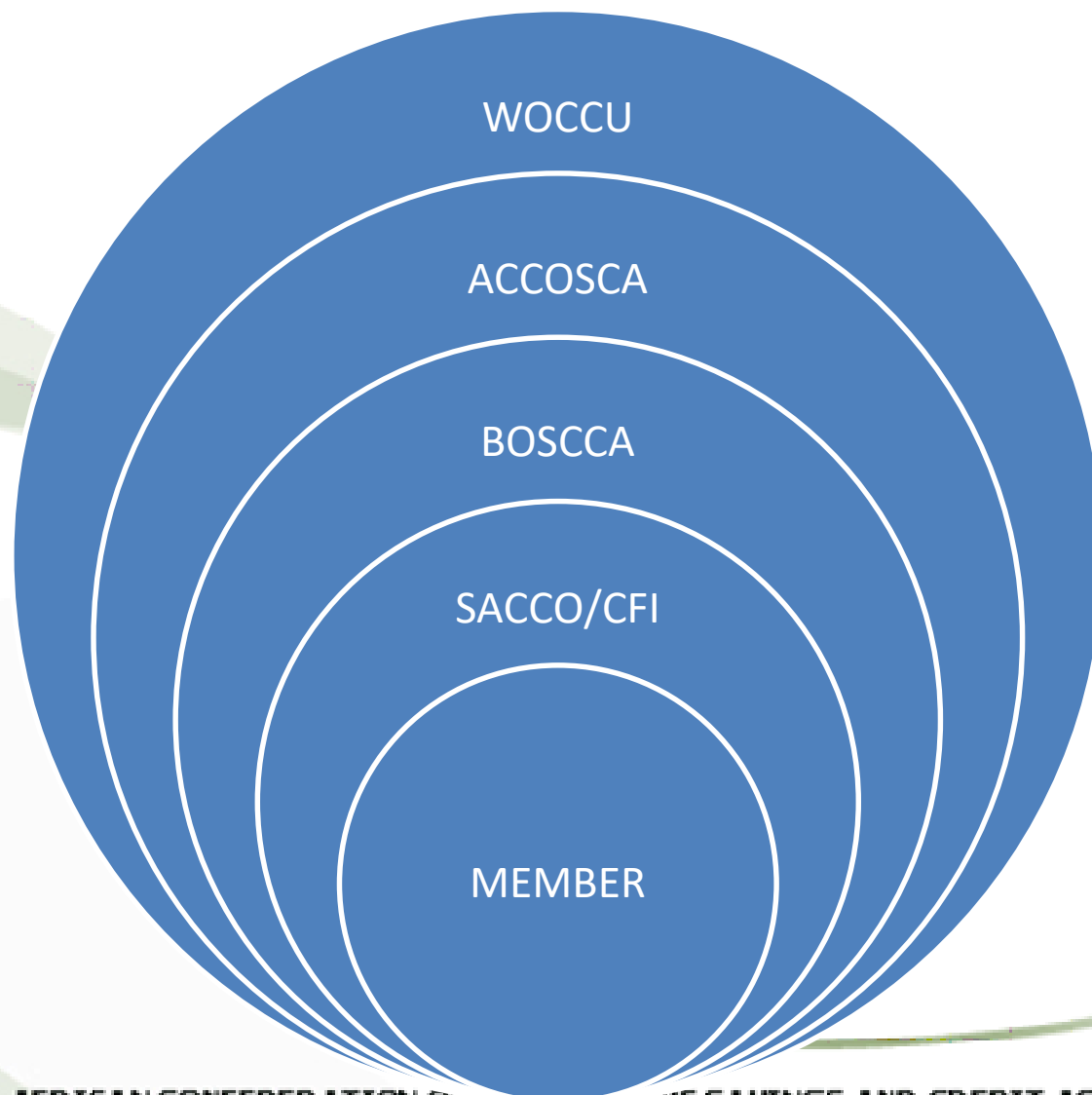


SUSTAINABLE FINANCIAL PERFORMANCE OF SACCOS

THE ONION STRUCTURE &
WOCCU INTERNATIONAL
OPERATING PRINCIPLES



CREDIT UNION UNION





COOPERATIVE STRUCTURE

1. Member Owned

- Credit unions and other cooperative financial institutions are owned by the consumers who use their services. All members are owners of the cooperative financial institution.
- The credit union is an autonomous private enterprise, within the framework of law and regulation, recognizing the credit union as a cooperative, serving and controlled by its members.



COOPERATIVE STRUCTURE

2. Member Controlled

- Credit unions and other financial cooperatives are democratic organizations which are controlled by their members who actively participate in electing their board representatives and participating in the governance of the institutions. Men and women serving as elected representatives are accountable to the membership.



COOPERATIVE STRUCTURE

3. Democratic Control

- Credit union members enjoy equal rights to vote (one member, one vote) and participate in decisions affecting the credit union, without regard to the amount of savings or deposits or the volume of business. The one member one vote principle is designed to ensure that the cooperative institution responds to the demands of its wider membership.



SERVICE TO MEMBERS

4. Financial Inclusion /Non discrimination

- Membership in a credit union is voluntary and open to all within the accepted common bond of association and are willing to accept the corresponding responsibilities. Credit unions and other cooperative financial institutions are non-discriminatory, on all grounds, including but not limited to race, nationality, sex, religion, and politics. Credit union services provide access to affordable financial services to all including the underserved.



SERVICE TO MEMBERS

5. Financial Sustainability

- A prime concern of the credit union is to build the financial strength, including adequate reserves and internal controls that will ensure continued service to membership. The surplus arising out of the operations of the credit union after paying all operating and provision costs, providing a fair rate of interest on savings and deposits and after payment of fair dividends on members shares or equity capital, should ensure appropriate reserve levels.



SERVICE TO MEMBERS

6. Maximizing Member Economic Benefit/Service to Members

- To encourage thrift through savings and thus to fund loans and other services, a fair rate of interest is paid on savings and deposits. While meeting the conditions of financial sustainability of the credit union, the provision and pricing of services seek to improve the economic and social well-being of all members.



SOCIAL RESPONSIBILITY

7. Financial Literacy / Education to Members

- Credit unions provide relevant education to their members, officers, and employees for their economic, social, democratic and professional development. Training and education in financial literacy supports members' informed choices in thrift, debt, wise use of credit and financial planning and budgeting. Providing skill sets and knowledge that allow members to make informed and effective decisions with all of their financial resources are essential in serving member needs. Credit unions also provide education to their members in rights and responsibilities of members.



SOCIAL RESPONSIBILITY

8. Cooperation among Cooperatives

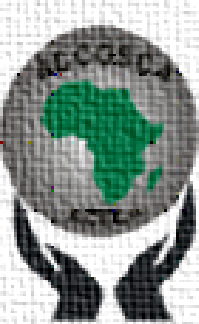
- In keeping with their cooperative philosophy and to benefit from the economic and efficiency advantages of pooling resources and expertise, credit unions and other cooperative financial institutions cooperate with other credit unions, cooperatives and their associations at local, national, and international levels to best serve the interests of their members and their communities.



SOCIAL RESPONSIBILITY

9. Community Responsibility

- The cooperative ethos supports the ideals of self-help, mutual assistance and economic empowerment. The vision of economic empowerment extends both to the individual members and to the larger community in which they work and reside. Credit unions support the growth of a broader just, healthy and prosperous community within which the credit union and its members reside.



FEED BACK/Q&A
THANK YOU