



Sound Practices for the Management of Members' Savings in Credit Unions

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Singapore


The Credit Co-operative with a Heart




Agenda

1


Introduction

2


Risks Types

3


Protection - The 3Ps

4


Challenges

5


Q&A






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The Credit Co-operative with a Heart




Who are we?

- ❖ A Credit Co-Operative, a not-for-profit financial institution
- ❖ In operation since 1928, with 90 years of services (started as the Oriental Telephone Company Thrift & Loan society)
- ❖ A Credit Co-Operative with a Heart 
- ❖ It is structured & well-managed






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The Credit Co-operative with a Heart



Vision

To be the First-Choice Credit Co-operative that provides innovative, fair and family-oriented financial services of quality and value.

Mission

Our Mission based on our Co-operative values is to provide the best possible financial and related services to our members and their families






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Core Values


- Caring
- Convenient
- Fair
- Flexible
- Honest
- Nurturing
- Reliable
- Responsible
- Responsive






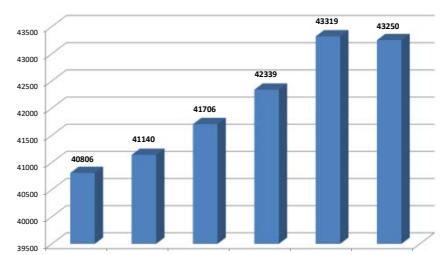



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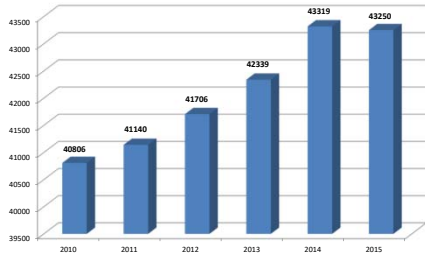



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Growth in Membership from 2010 to 2015





Year	Membership
2010	40806
2011	41140
2012	41706
2013	42339
2014	43319
2015	43250



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What do we do?

- Provide financial services to our members
- Provide with a safe alternative for their savings
- Access to credit facilities at affordable interest rates
- Extending credit to the average workers with financial alternatives to meet their needs



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Why are we here?




We exist for one purpose.
To serve our Members.
Social Mission as a People's Bank

Destined to Be Different
Not for profit. Not for charity. For service.
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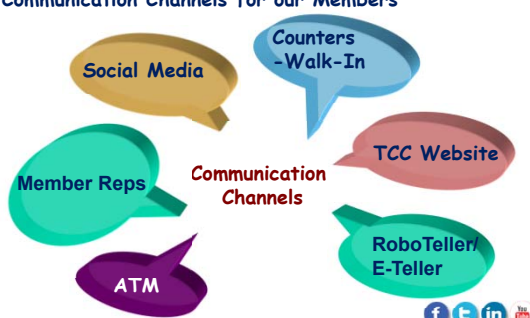






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Communication Channels for our Members







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Where we are?

Address :
95 Killiney Road Singapore 239537
Main Line: 6319 3700
Fax : 6738 1977
6737 0735
Website: www.tcc.org.sg
Email : info@tcc.org.sg
TCC's E-Teller : www.tcc.org.sg

Office Operating hours :
Monday to Friday : 8.45 am till 6.00 pm
Saturday : 9.00 am till 1.00 pm
Closed on Sun & public holidays

Contact Centre Operating Hours :
Monday to Friday : 8.45 am till 6.00 pm
Closed on Sats, Sun and public holidays











[Membership](#)
[Savings](#)
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LOAN

TCC Credit Co-operative is a family-oriented and not-for-profit financial institution that provides members a safe repository for savings and access to credit at affordable interest rates.

At TCC, we strive to assist every member and their families by rebuilding their lives through providing them with alternative financial assistance. Therefore, we are here to help. We provide members with easy access to credit at affordable interest rates when they need it.

LOAN CALCULATOR

Name :

SAVINGS

Types of Savings


Subscription Savings

Super Saver


SAVINGS

TCC makes every effort to offer the best interest rates on your savings. There are no administrative charges or annual fees associated with TCC savings accounts. With regular savings through Girs, members will enjoy an interest dividend to their savings annually.

Types of Savings



Super Saver Account



Subscription Savings Account

Membership Savings Loan Media Contact Login

MEMBERSHIP

Types of Member

Associate Members

Ordinary Members

Common Good Fund

Privileges

Activities

COMMON GOOD FUND

"Common Good Fund" (the Dividend payment) is an annual allocation of TCC's surplus, designed specifically to assist Members in times of need. Common Good Fund is available to all Members including Family and Associate Members.

In order to be able to enjoy these benefits, members only need to maintain a minimum balance of \$1,000.00 in their subscription (S) account or the minimum balance is not maintained in their subscription account, the member would have to ensure a continuous monthly contribution to the subscription account for a period of twelve (12) months prior to the claim.

Types of CGF

☐ Hospitalization Grant

☐ Funeral Grant

☐ Baby Bonus

☐ Local Membership

☐ Annual Scholarship and Bursary Award

☐ Marriage Grant

☐ Handicap Children Fund




☐ Hears Check-Up Subsidy

☐ Hospital Fruit Basket

Useful Link

Common Good Fund Claim Form

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Types of Risks

Operational

Reputational





Liquidity

Interest Rate

Market

Credit

TYPES OF RISKS



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Operational Risk





- Internal & External Fraud
 - Data Loss, system hacked
- Employment practices
 - Proper Contracts, Sustainability
- Clients
 - Type & Demographics
- Products
 - Types, legality
- Business Practices
 - Referral, ABC









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Credit Risk





Characteristics of Credit

- Character
- Capacity
- Capital
- Conditions
- Collateral








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Market Risk



- Movement on market prices may affect the performance of the whole market economy trade e.g.
- Trade war -sanctions, tariffs, taxes & restrictions imposed
- Changes in major oil output/prices - inflation spill








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Invest Rate Risk

- ❖ Changes to interest rates
- ❖ Deposit placements from members, & by co-operatives with FIs
- ❖ Are we making enough?
- ❖ The low loans rates charged to member
- ❖ The savings interest payable to members
- ❖ Overheads - salaries, rentals, etc

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Liquidity Risk

- ❖ Meeting short term financial demands - debt obligations, interest payments, rentals, utilities, staff salaries
- ❖ Striking a balance
- ❖ Holding cash vs giving out loans, holding equities & bonds, investment in to other financial products, investment in properties/other fixed assets






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Reputational Risk

- ❖ Protect against data breaches
- ❖ Educate & practise cyber security
- ❖ Be vigilant about customer service mishaps
- ❖ Treat all employees fairly
- ❖ Be mindful of ethical conduct
- ❖ Be aware of happenings in the industry. Keep abreast of updates



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Risk Management

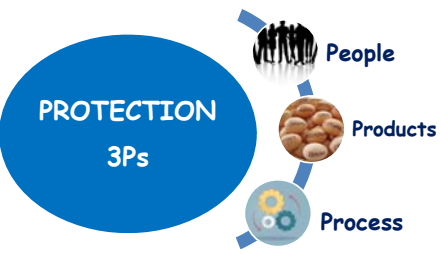
Effective Corporate Governance	Active Involvement by management in control of liquidity risk
Develop an Appropriate Risk Management Environment	Regulatory Compliance *Know the rules *Play the rules *Score with the rules







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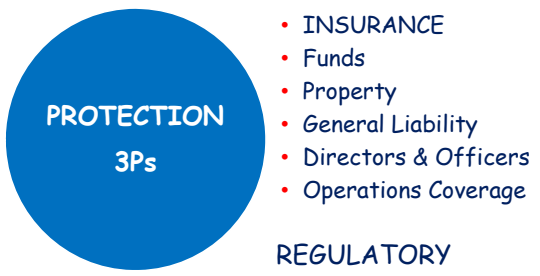







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PROTECTION
3Ps


PEOPLE

- Who forms the Co-Op
- Who runs/manage
- Strong BOD
 - with diverse expertise
 - trustworthy
 - people-focused management with integrity
- Take care of the people who take care of members










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PROTECTION
3Ps


PRODUCT

- Subscriptions & Savings
- Loans
- Common Good Funds
- Others




By-Products - RETURNS







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PROTECTION
3Ps

PROCESS

Capital Adequacy Ratio

- Restricted investment upto 10% of total assets
- Members' approval at AGM for investment upto 20% limit

ISO Certification - ISO 90200
Regulatory Complaint Reporting
Audit Committee, Internal & External Audit

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Regulatory compliance:

- membership growth
- promotion
- reporting

Sustaining membership & growth






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Needs of new generation

- F & E (fast & easy)
- TEAM (Teach, Encourage, Adapt, Make it with YOU!)

Others:

- Market environment - different
- Other options - financial institutions, eg. banks, insurance companies, money lenders, relatives/friends






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Moving with the time:

- **3As**
Availability, Accessibility, Adoption
- **3Bs**
Budget, Balance sheet, Broadcasting
- **3Cs**
Connection, Control, Contribute






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