

POSTA NA SIMU

SAVINGS & CREDIT COOPERATIVE SOCIETY LTD

REG: DSR NO.118



PROFILE

Message From Chairperson

When we evoke the words “Saccos Pamoja tujenge uchumi” or “build a society economic power” we are not just making slogans. Instead we are expressing the kind of society we seek to build, a society in which economic power really rests with the members.

Through Posta na Simu Savings and Credit Co-operative Society, once again we are giving concrete meaning to the task of building the Saccos economic power.

This is an institution that is created, owned and controlled wholly by the members.

In Posta na Simu SACCOS we aim to introduce a different way of banking from the setting of interest rates to how we provide credit or loan in a none exploitative manner.

Indeed we are building our own economic power and I call upon every member, every employee and public to join us as we build this institution of the Society.

This hand book defines the true picture of Posta na Simu SACCOS Ltd. on how it operates, the functions of the different structures and committees and the rights and the obligations of all members.

It also outlines the role played by the financial co-operative movement to Build the society’s economic power!



R.J. Mwangeni
Chairperson

What is Posta na Simu Saccos Ltd?

Is a cooperative financial institution guided by its members, Volunteers (Board of Directors and Supervisory Committee) and management staff Posta na Simu Saccos was registered on 26th October 1976 with registered No DSR 118 under co-operative law No. 15 of 1971 and reviewed by act No. 20 of year 2003. It is owned democratically and controlled by its members where get together to save money and provide loans, under principles of Co-operative law. It is mutual financial co-operative which is committed to improve the quality of life for it's members, families and the communities. To join Posta na Simu Saccos you need to buy membership shares and be trustworthy. Posta na Simu Saccos does not make profit from their members but it makes surplus for their members. This is best achieved through partnership with local organizations whose focuses align with our specific values: children & families, business/industry/economic, arts & cultural, health, housing, environment and multipurpose organizations that serve one or more of the above.

At the AGM, the members democratically elect a **Board of Directors** and various committees. Only members who are in good standing may be elected. **Every member has one vote**, no matter how many shares they have or much money they have in savings accounts.

A member is in **good standing** as long as they have not broken any of Posta na Simu Saccos constitution and regulations. The Board of Directors decides on the policies, vision, goals and objectives of Posta na Simu Saccos and how these will be carried out. The Board of Directors also makes sure that all funds of the society are safe and every member of the Society is treated fairly and equally.

Simply put-

- It provides Savings and Loan Services
- It is not for profit
- It is owned by its members
- It is controlled by its members
- It is volunteer based

Mission

A strong, member financial cooperative providing value through:

- Meeting members' needs with quality services and products,
- Caring for members at every contact, and
- Enhancing the communities we serve through volunteerism and leadership.

Ultimately, we embrace the credit union difference by bringing people together to achieve a better life for themselves and their communities.

Vision

The most trusted, respected, and sought after financial institution providing value-based innovation, financial education and support to our member-owners, employees, Volunteers, and communities we serve.

Award – Winning Service

Posta na Simu Saccos is consistently recognized for its superior service. According to a recent Ushirika day exhibition held on MUCCOBS grounds in Kilimanjaro region, The Tanzania Federation of Cooperatives (TFC) has awarded the Posta na Simu Saccos a prize of TZS.75,000/= as an overall Winner of Co-operative Societies for year 2008 and also won the first prize of TZS 100,000/=.

Values

Ethics

- We adhere to an uncompromising standard of ethical conduct and integrity, including trust and respect for each other, our members, and their communities.
- We will be financially responsible in everything we do to ensure continued success

Member Driven

- We are fundamentally committed to serving our members, who are our foundation, by providing the highest standard of individualized service and always placing members first.
- We recognize the importance of listening closely to our members and communities to better understand their unique requirements. Anticipating their needs and providing creative solutions are key to our mutual success.

Cooperation

- We seek opportunities to involve members allowing them to contribute to the Society as a member.
- We honor each person's ability to create and contribute toward the goal of delivering quality member service and innovative products, individually or as part of a team, through open communication and mutual trust.
- Our culture encourages fun, friendly competition, and support for one another.
- We believe that our differences as well as our unity build character and strengthen our community, and that diversity adds value to our organization.

Innovation

- We support the courage, creativity, and discipline needed to lead change and bring value to the membership and the Society.
- We encourage creative thinking and continuous improvement because we must be better than our competitors every day in order to attract and retain our members and employees.

Education

- We encourage continuous education and training for members, Volunteers, and employees, recognizing that knowledge builds confidence and enables innovative thinking and wise financial decisions.

Community Minded

- We challenge ourselves to build and support the communities we serve.
- We accept responsibility for our impact on our environment.
- We strive to be a socially responsible organization, recognizing we are all part of a community where our members and employees live, work, and play.

How does Posta na Simu Saccos Ltd. work?

As it is owned by its members, which have minimum of 40 share valued at TZS.5,000/= per share and also their minimum savings contribution of TZS.20,000/= per month. These funds are then pooled and loaned out to other members interms of loans or invested in other financial institutions. After administration costs are deducted and prudent reserves established; any surplus is then distributed back to the members as dividend.

What are the benefits of Posta na Simu Saccos?

Members of a Society enjoy the following benefits

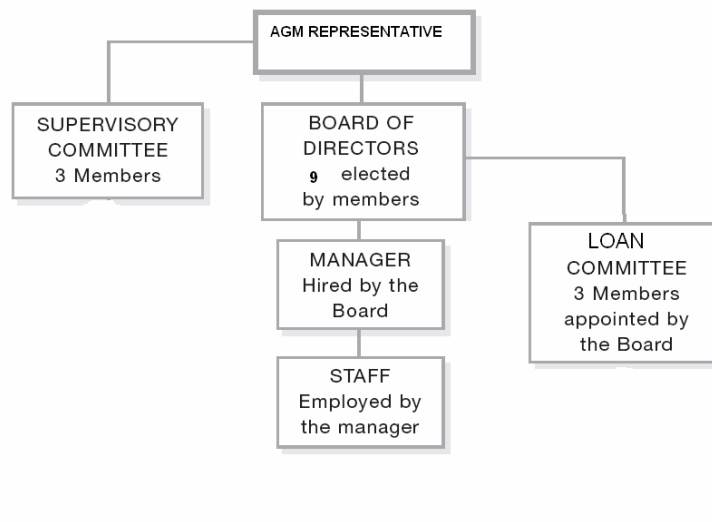
- The ability to save regularly by depositing in the Society bank account
- The ability to meet payments by payroll deduction
- Variety of products including Emergency loan set to 600,000/=
- Flexibility for early repayment
- flexible loan assessment based on each individual (rather than credit scoring)
- savings and loan repayments are designed to suit members income
- lifetime membership.

Who can join Posta na Simu Saccos Ltd.?

The 'Common Bond' of the Posta na Simu Saccos includes all employees of Tanzania Telecommunications Company, Tanzania Postal Bank, Tanzania Posts Corporation, Tanzania Communication Regulatory Authority, The employees of SACCOS and the communities self employed or anyone who is either a trustee, a full/ part-time employee or a voluntary worker of any charitable organisation which is a registered member of Posta na Simu Saccos itself. It also allows for any partner/family member of the above to join provided that they live at the same home address.

Who manages the Posta na Simu Saccos Ltd.?

Management of the Posta na Simu Saccos include Annual General Meeting, volunteer Board of Directors, The Loan Committee, Supervisory Committee and supporting staff



Do I get a dividend on my Shares?

When the Society achieves the level of income from loans and all expenses are paid, any surplus is divided between reserves and a dividend payment. The amount is decided at the AGM in line with our 'not for profit' philosophy.

Membership Fee

A one-time membership fee of TZS.20,000/= is payable by all new members: this amount will be deducted from the first payment.

How we operate?

Because we are a national based Society it is not possible to deal with cash transactions centrally Therefore we offer two alternatives for payment.

- By depositing the amount direct to our bank account and surrender a bank slip to the Society.
- or by check-off system through payroll.

Why you should join our Saccos?

Membership of the Posta na Simu Saccos brings you an exciting opportunity to participate in a unique mutual society established especially for the staff, Trustees and volunteers of the members of the Posta na Simu Saccos for Voluntary Organisations.

Joining the Posta na Simu Saccos will encourage you to develop a planned savings programme and allow you to take out advantageously priced loans to make those special purchases, or perhaps to help spread the cost of a living costs Whatever you decide, you will have the reassurance that by joining this mutual society you can have a direct input into the management of your own Society, working with a 'not for profit' philosophy.

We have made joining the Posta na Simu Saccos easy for you. Simply complete the application form and provide us with a 3 passport size photograph and documents verifying your signature and address. We also require either a direct debit or a payroll deduction instruction form completed and returned to the Society office and your savings will thereafter be deducted directly from your salary or your bank account on the monthly by Direct Debit. In time we expect to become a large SACCOS in Tanzania. We are YOUR SACCOS and need you to help us to grow by joining now and encouraging your colleagues to do likewise.

Eligibility

We welcome you to join Posta na Simu Saccos if you live or work in Tanzania. If you don't meet these requirements, you may join if you are related to eligible individuals. Businesses are eligible for membership if the company is located in Tanzania.

SACCOS Slogan

Posta na Simu Saccos's slogan is "good for you." Our experienced and friendly staff look out for your best interest. We're always happy to provide financial guidance and will explain your accounts and loan choices with care.

Policy

Board of Directors and Supervisory Committee Policies are guidance; are not a contract, are not binding, are subject to change, are subject to exceptions, and do not cover all possible situations or issues.

For what purpose can I borrow?

For any purpose that you require funds for eg. Agricultural household goods, Business, holidays, Educational, car repairs, bill payments, redecoration, and special occasions or emergency assistance.

How much can I borrow and repayment period?

currently you can borrow up to 3 times of your savings balance up to a maximum of loan amounting to TZS.25,000,000/= and 48 months repayment period. All loans are granted at the discretion of the Loan Committee.

How soon can I take a loan?

You have to be a regular savings member of the Posta na Simu Saccos for 6 months before you can apply for a loan.

What is the Loan interest rate?

Under the Cooperative law, the Society provides loan interest rate of 2% per month on the reducing balance.

Type of Service provided, Loan and repayment period

The following are Society's Services

- 1. Shares:** you purchase when you join the Society. The Minimum share you can buy is 40 shares @ TZS 5,000/=
- 2. Deposit:** are usually lump sums of money deposited in Posta na Simu Saccos and can be taken as and when required by depositor.
- 3. Savings:** you can save regularly for a minimum period of six months and you can borrow against them.
- 4. Loan** is granted three time of your savings balance.

The following are the types of Loans we Offer.

- (a) **Emergency Loan**
Not more than 600,000/= and maximum repayment period is 6 month at 2% interest rate
- (b) **Small Loan**
From 1,000,000 to 3,000,000/= and maximum repayment period is 12 month at 2% interest rate
- (c) **Education Loan**
Not more than 1,500,000/= and maximum repayment period is 12 month at 2% interest rate.
Approved amount is Paid direct to the institution.
- (d) **Development Loan**
Not more than 25,000,000/= and maximum repayment period is 36 month at 2% interest rate.

TREND OF LOANS DISBURSED FOR THE PERIOD FROM JANUARY 1993 TO DECEMBER 2009

YEAR	LOANS DISBURSED
1993	639,225,818
1994	734,647,200
1995	1,307,945,650
1996	1,980,283,159
1997	2,621,864,650
1998	3,482,545,575
1999	4,756,916,732
2000	4,542,725,673
2001	4,183,311,999
2002	5,217,419,666
2003	5,140,104,000
2004	4,137,162,903
2005	4,393,435,561
2006	5,250,682,811
2007	4,142,485,060
2008	4,442,880,830
2009	5,034,864,450

Relationship with other institution

The Posta na Simu Saccos has relations with the following institutions:-

Financial Institution

1. Bank of Tanzania (BOT)
2. Tanzania Postal Bank
3. CRDB Bank Ltd.

Members employer institution

1. Tanzania Telecommunication Company Ltd. (TTCL)
2. Tanzania Posts Corporation (TPC)
3. Tanzania Postal Bank (TPB)
4. Tanzania Communication Regulatory Authorities (TCRA)

Cooperative stake holder in Tanzania

1. Ministry of Agriculture Food and Cooperatives
2. Tanzania Federation of Cooperative (TFC)

Other SACCOS

1. Urafiki Saccos
2. Tazara Saccos
3. Wazo Hill Saccos
4. Maktaba Saccos
5. NSSF Saccos
6. Reli Saccos na other.
7. NBC Saccos
8. PPF Saccos

Investment Company where Posta na Simu Saccos Ltd. has shares

1. Tanzania Oxygen Company Limited (TOL)
2. Tanzania Postal Bank
3. CRDB Bank Ltd.

Affiliation to International Institutions

1. International Cooperative Alliance (ICA)
2. World Council of Cooperative Union (WOCCU)

Our Society attends various meetings/seminars conducted by the above institutions by sending some of its members.

Posta na Simu Saccos Ltd. Contact

For more information please advised to communicate with us through following address:

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