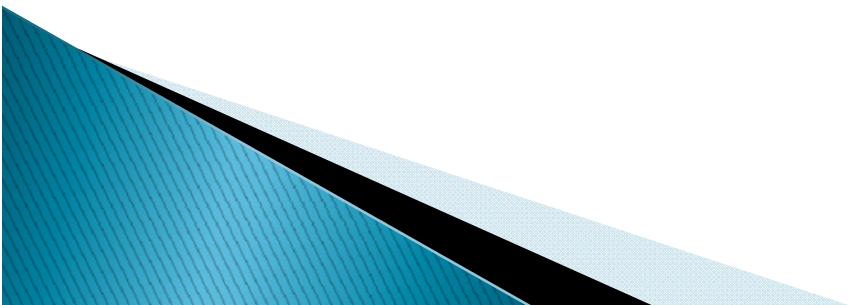


Board Policies on Operation



ACCU Board Policies 1- On Operation

In order to administer the operation of the Association of Asian Confederation of Credit Unions, the Board of Directors decided to establish the following Board-Policies:

1. ACCU VISION

Sustainable Development of Credit Unions in Asia

“The Asian Confederation of Credit Unions responds to the needs and aspirations of members and like minded organization that practice savings and credit based on the International Credit Union Operating principles and work as catalysts towards sustainable development guided by the cooperative values and principles adopted by the International Cooperative Alliance (ICA).”

2. ACCU MISSION

ACCU works in partnership with its members to strengthen and promote credit unions as effective instruments for socioeconomic development of the people.

“ACCU's mission is to assist members promote and strengthen credit unions and similar cooperative financial organization so as to enable them to fulfill their potential as effective instruments for the socioeconomic development of the people in the market place. The confederation encourages and provides forum for the exchange of ideas and information, represent member's interests, and to extend to credit unions and their members education and financial services in areas where they are required.”

3. OPERATIONAL OBJECTIVES OF ACCU

The operational objectives of the Confederation shall be:

- 3.1 To promote the organization of credit unions in Asia.
- 3.2 To represent the interests of the Asian credit union movement before the general public, government entities, public and private international organizations, cooperative institutions and other appropriate groups, and to develop and maintain the best possible relation with them.
- 3.3 To facilitate technical and financial services essential to the establishment, stability, growth and unity of credit unions in the region.

- 3.4 To ascertain the needs of Asian credit unions through research and other means, and to assist those concerned to identify projects and activities designed to meet them.
- 3.5 To assist member organizations in undertaking country projects and activities and to implement or coordinate such projects and activities undertaken at the inter-country or regional level.
- 3.6 To collect useful information of interest to credit unions and to disseminate the same, through publications and other media, to credit union organizations and other groups who deal with credit unions in the ordinary course of their business.
- 3.7 To identify, develop and effectively use available human and institutional resources and to promote the interchange of these resources for the benefit of the credit union movements.
- 3.8 To obtain such provisional orders or legislative acts that will protect and serve the best interests of the credit union movements in Asia.
- 3.9 To enter into arrangement with governments, public or private international organizations, cooperative institutions and other appropriate groups that are deemed consistent with the objectives of the Confederation and its member organizations.
- 3.10 To implement or manage on behalf of members those central functions identified by them as necessary for their common benefit.

4. MEMBER RELATIONS

4.1 Participation, Consultation and Coordination

a) Meaningful Participation

Management and the elected leadership of ACCU shall assume the on-going responsibility of meaningfully involving members in ACCU planning, business and national meetings.

b) Consultation and Coordination

ACCU shall only respond to assistance requests from, or initiate actions in an area after due consultation with the member-organizations from that country. To the extent possible and desired, ACCU activities in the member-country shall be undertaken with the joint participation of member-organizations. The day-to-day activities of ACCU, in the country in which ACCU is domiciled, shall not be subject

to this policy, except when the host country organizations has indicated a desire to be kept informed.

Should the need arise for ACCU to take an action in respect to or in the country of a member organization which is not agreed to by the member organization, such action shall only be taken with the explicit direction/ concurrence of ACCU General Meeting and with the full prior knowledge of the member organization involved.

4.2 Resource Transfer

a) Member Organization Human Resources

To the extent practicable, ACCU shall make every effort to utilize staff and leadership from its member organizations to take advantage of available skills and to assure an expanded understanding of the challenges faced by the international credit union movement and its component parts.

b) Resource Mobilization Coordination

Every effort shall be made to reach agreements with all members and their affiliates on the role to be played by ACCU in coordinating the resource mobilization activities of the movement. ACCU activities shall be oriented towards serving the movement through coordination of efforts and information sharing.

ACCU shall recognize and reaffirm the independence of each of its members to be the exclusive representatives of credit union development within their borders; refrain from engaging in any fund-raising activities from the corporate and private sectors within the boundaries of its members, without prior approval; consult with and inform its members of fund-raising and resource mobilization initiatives from multilateral and international agencies located within national areas; and continue to actively encourage and assist in the development and enhancement of national credit union foundations.

4.3 Communications

a) Communications through Elected Leadership

Elected leadership shall report each of its meetings to all member organizations as one means of ensuring more effective communication. Each delegate of ACCU General Meeting shall be responsible for ensuring that his/her respective organization is

receiving adequate and appropriate information on the programs and progress of ACCU.

b) Communications among Members

To the extent practicable, ACCU shall rely upon its member organizations to share information and communication directly with other member organizations. Close coordination between ACCU and its member organizations shall be maintained in pursuing this end.

c) Distribution of Information on Sensitive Member Issues

The distribution of information on sensitive member issues shall be handled on a case-by-case basis, with the CEO first informing the president and then mutually deciding how best to bring the information forward.

4.4 Planning Process

- a) ACCU shall have a three-year work-plan updated every year to give priority for the changes and needs of members.
- b) CEOs Advisory Meeting or members meeting or Questionnaires shall be used to identify members' needs to prepare the three-year-plan.
- c) The members' need shall be prioritized at the CEOs' workshop to design the project and program for three years.
- d) CEOs Advisory Committee and the Board of Directors of ACCU shall meet annually to finalize the ACCU three-year-plan and to monitor the progress of the plan and measure the impact of the services and product by using measurable indicators.
- e) The progress of the project and program shall be reported to board of directors meeting semi-annually. In similar manner, the progress will be reported annually to the general meeting.
- f) ACCU may employ external consultant to evaluate the projects if donor organization request to have external evaluation.

5. EXTERNAL RELATIONS

5.1 General Guidelines

ACCU External activities shall seek:

- a) making real the vision of ACCU as the recognized and supported international regional organization of the credit union movements in Asia;
- b) positioning of ACCU as a recognized and supported leader development in Asia;
- c) extension of the organizational membership base of ACCU;
- d) identification and use of the resources available through other organizations;
- e) identification and interaction with other organizations in areas of common interest and concern;
- f) attainment of favorable governmental attitudes, legislation and regulation;
- g) promotion of positions on issues formally adopted by ACCU General Meeting; and
- h) development of closer relationships with the various financial cooperative organizations not presently represented in ACCU.

5.2 International Representation

ACCU shall represent the credit union movement as the regional organization of the movement before international organizations with the Chief Executive Officer representing in ACCU. In the event that the Chief Executive Officer is unable to attend a meeting of an international organization and ACCU presence is desired, the ACCU President shall have the exclusive authority to designate the appropriate individual to represent the organization in lieu of the Chief Executive Officer. Where it is mutually agreed that direct involvement by local/national movements would be more effective or cost-efficient, they themselves shall represent. In these cases, close coordination between ACCU and member organization representational activities shall be maintained.

6. SERVICE AND PROGRAM DEVELOPMENT

6.1 General Guidelines

a) Guiding vision

The guiding vision and overall priority governing ACCU services and programs is acceleration of the realization of an international cooperative financial system where human, financial and other resources are made available to areas of need.

b) Socioeconomic Development

ACCU services and programs shall seek to contribute to the extension of savings and credit services to less advanced socioeconomic groups, which do not have access to such services.

c) Self-sufficiency

The programs and services of ACCU should contribute to the financial and technical self-sufficiency of recipients and limit a continued dependence of recipients upon external financial, human or technical resources.

d) Credit Union Level Focus

Unless supported by specific contract, grant or donation funding, the services and programs of ACCU should focus primarily on the federation and league levels of the international credit union system to provide core service such as sharing information and networking with members. The project fund shall be used for credit union development work at every level to address the need to achieve the objectives of the project.

6.2 Criteria for Development of Programs and Services

a) Self-sufficiency

In its work with members, ACCU's emphasis shall be to increase the movements' self-support through:

- i. giving priority to activities that encourage member self-sufficiency;
- ii. increasing the proportion of grant resources raised within the movement;

- iii. creating the structures necessary to intermediate resources within the movement ; and
- iv. providing professional services and value added services to members.

b) General Criteria

ACCU shall seek to develop programs and services which:

- i. have a high demand and can be delivered at a low cost/benefit ratio;
- ii. have a reasonable demand revenue generation potential;
- iii. contribute to credit union expansion;
- iv. develop and expand accessibility to easily adaptable technology;
- v. assure a flow of information to and among member organizations which will permit them to capitalize on the total experience base of the international movement;
- vi. develop the planning capabilities of its member organizations; and
- vii. keep balance services both trade association and development.

6.3 Means of Delivery

To the extent possible, ACCU shall seek to perform the role of facilitator rather than direct provider of assistance in order to avoid the high costs associated with a large operational infrastructure.

CEOs' recommended key result areas:

1) Technical Cooperation

ACCU should play facilitating role in identifying technical cooperation opportunities in the following areas: feasibility studies on national movement entering ACCU; should play a facilitating role in identifying technical broader financial system, the interlending capacity of ACCU

members, auditing systems, insurance programs, and standard financial ratio analysis.

2) Technology Transfer

ACCU shall facilitate the exchange and sharing between developed and developing member movements in the areas of computer software development, income-generation strategies, interlending, financial management analysis, and marketing techniques. ACCU shall coordinate opportunities for face-to-face exchange among members and shall identify human resources and expertise, especially within sub-regions.

3) Training and Education

ACCU shall facilitate the development of training modules on credit union formation, training of trainers, financial management, and gender and development. ACCU is encouraged to collect and share information and coordinate the establishment of learning centers with ACCU members that have specialized expertise. ACCU shall also upgrade members' training methodology through the provision of assessment and evaluation services.

4) Legislation

ACCU shall support members' legislative efforts, not necessarily in an advocacy role, but by providing opportunities for members to exchange legislative experiences and strategies, by tracking legislative development in member countries, and by sharing research conducted by others such as WOCCU or other movements.

5) Networks within Parallel Cultures

ACCU shall work with member organizations to identify parallel cultures and provide opportunities for members to meet. ACCU shall also identify potential donor partners, collecting information on donor targets and approaches and matching with member needs.

6) Marketing ACCU and Building ACCU's Credibility

ACCU shall improve its creditability with member organizations and development agencies to prevent isolation from the international credit union development community.

7) Dues Structure

It is recommended that the membership and dues structure adopted by ACCU shall have the features of (1) flexibility and (2) adequacy, taking into account members' ability-to-pay as well as ACCU's need to cover core costs (governing, operational, and administrative expenses). In the interest of saving costs, the Board might consider locating ACCU operations within the offices of an ACCU member organization.

8) Future Planning and Evaluation

On the basis of the above recommendation, ACCU shall institute a three-year planning and evaluation process, which includes a monitoring mechanism to annually measure the results and impact of implementing ACCU's work plan. This shall facilitate effective self-evaluation on a regular basis.

9) Periodic By-laws Review

A mechanism should be implemented to review ACCU's Bylaws periodically to insure that they are still appropriate as the conditions change. For example, in the interest of Board continuity and institutional project planning, it is recommended that the bylaws be amended such that the Board is selected on a rotational basis. Furthermore, if an ACCU Board member is no longer in a leadership position in his/her own national movement, he/she shall relinquish his/her post on the ACCU Board.

In order to limit its expenses, ACCU shall to the greatest extent possible:

- i) utilize movement staff resources in support of its programs and services; and
- ii) carry out activities on a cost-sharing basis.

6.4 Member Organization Autonomy

In all its efforts ACCU shall respect the autonomy of its member organizations; its primary effort shall be to strengthen the ability of these to support their members.

6.5 Services to Non-Credit Union Organizations

ACCU services may be provided to organizations outside the credit union movement as long as service to the international credit union movement is not adversely affected. Such assistance shall preferably be undertaken

when it is likely to lead to the establishment of a new, or the strengthening of existing thrift and credit organizations. Services to such organizations shall be provided in a manner, which assures recovery of the total real costs to ACCU of carrying these out.

6.6 Indicators to measure the impact of the products and services

ACCU services and products shall be measured to evaluate the impact with the following indicators:

a) Financial Service

- internal operational system/efficiency
- Organizational/Operational Policies towards self-sufficiency
- Financial Management and Reporting System

b) Institutional Development

- By Laws, Operational Policy towards Self-sufficiency
- Appropriate Legislation to Integrate CU Network
- Safety and Soundness of the Credit Union
- Feasibility Studies and Project Development

c) Promotion

- Membership Growth
- Effective Marketing System
- Women Integration to CUs
- Youth Integration to CUs
- New Technology Transfer
- Twinning/Exchange Program

d) Advance Management

- Integrated Strategic Plan
- Strategic Management
- Application of New Technology

7. MOVEMENT SUPPORT OF ACCU SERVICES AND PROGRAM DEVELOPMENT

7.1 Increased Movement Participation

More effective response to the needs and aspirations of the international credit union movement and a greater independence of action shall require that ACCU seek increased movement participation in and support for ACCU programs and services. This participation and support shall be sought through:

- i. increased utilization of the human resource base to be found within the international credit union movement; and
- ii. mobilization of financial support from members other than dues.

7.2 Fees

ACCU shall seek to expand the financial resources available to it through the collection of fees for certain services, which it provides.

7.3 Cost-Sharing

ACCU shall seek to reduce its expenditures through the institution of cost-sharing arrangements with the beneficiaries and recipients of its programs and services. Cost-sharing arrangements shall reflect the ability of its members to pay.

7.4 Credit Union Foundation Support

ACCU shall promote and assist the foundations established within the movement in order to construct a coordinated credit union foundation system capable of providing substantial new flows of resources for credit union development work.

7.5 Special Funding

ACCU shall seek special funding through member organization voluntary contributions to permit the initial investments required to develop new services and capabilities which the movement would like ACCU to have.

7.6 Working relationship with other Agencies

8. FUNDING AND EXTERNAL SUPPORT

8.1 Diversification of Funding

ACCU will seek to diversify its revenue and support sources in order to:

- i) assure and maintain its independence of action;
- ii) diminish its reliance upon any one funding/supporting source;
- iii) expand its revenue base and service capabilities;
- iv) obtain regionally diversified sources of funding to support and expand its activities.

8.2 Independence of Action

Any economic assistance ACCU desires to receive shall not limit its capacity to determine with whom and what types of relations it desires to have with its affiliates, other cooperative institutions, and other public and private sector organizations in any part of the world.

8.3 Others

- i. Funding shall only be received under conditions, which will lead to the development of independent and self-sustaining credit union organizations.
- ii. Economic assistance should only be received from sources having a commitment to the development of credit unions, which follow the philosophical principles observed by the international credit union movement.
- iii. Funding should not be tied to the pursuit of special interests of donors, which are incompatible with the goals and aims of ACCU, nor be in any way tied to conditions that limit the autonomy of the recipients.
- iv. ACCU shall avoid conditions that limit its operational and service ability. In particular, it shall avoid conditions that obligate the utilization of a particular country's goods and services, as well as authorization requirements that put the power of decision over the utilization of resources in the hands of the donor and not in the hands of ACCU and/or its affiliate partner through guidelines mutually agreed upon.

- v. To the extent possible, funding conditions shall be flexible enough to support development work in all phases of operations critical to the self-sufficiency of credit unions in both urban and rural areas serving a diverse mixture of socioeconomic groups.
- vi. ACCU shall attempt to obtain economic assistance for minimum period of time of three to five years, in order to guarantee continuity of ACCU programs.
- vii. To the extent possible, project-funding agreements shall only call for project results and other data, which are of utility to, and do not place excessive burden on ACCU and/or the recipients.

9. FINANCIAL

9.1 Democratic Decision-Making Costs

ACCU shall hold the costs incurred in support of the Democratic Decision-Making function to the lowest amount possible by seeking more effective means of assuring adequate participation of the movement in the direction of ACCU. In the case of budget difficulty to meet democratic cost, airfare related to the Board-meeting of the participant will be paid by the participant himself in his country and the inland cost in the host country will be paid by the host- country.

9.2 ACCU Investment Policy

a) Purpose

The purpose of this investment policy is to establish in writing the parameters within which the Chief Executive Officer and the officers responsible for the investment of funds will operate.

b) Investment Objectives

The major objectives of this investment policy are as follows.

- i) Preservation of capital.
- ii) Maintenance of an adequate cash position to meet liquidity needs.
- iii) Maximization of returns on capital consistent with a low risk exposure.
- iv) Maintenance of investments within the credit union system.

c) Investment Guidelines

The following are the guidelines to be followed in meeting the investment objectives:

- i. Funds required for daily operating cash flow shall be maintained in a short-term investment account that can be withdrawn anytime.
- ii. Funds in excess of day to day operation may be placed in long-term investment.
- iii. The Board shall approved investment instruments with maturity of more than 24 months with an amount of over 20 million Baht.
- iv. The existing market trend and financial plan of ACCU shall be taken into consideration in making investment decisions to maximize income and minimize risks.

9.3 ACCU Reserve Policy

The ACCU organizational reserve shall consist of at least the equivalent of six months of operational expenses. This reserve is comprised of the bylaw reserves and the margin reserves.

ACCU General Meeting under the following circumstances may authorize organizational reserve funds for use:

- a) to offset operational deficits;
- b) to fund special projects or programs intended to expand ACCU interest and services.

The minimum balance in the organizational reserve shall be no less than the amount equivalent to the bylaw reserve, except if approved by ACCU General Meeting, to offset operational deficits.

The goal of ACCU is to maintain an organizational reserve balance equivalent to six months worth of operational expenses.

9.4 Authorized Signatures

ACCU's authorized signatures for the bank accounts are the following:

- a) Any two members of the Board of Directors.
- b) One member of the Board of Directors and one person authorized by the Board of Directors.
- c) The Chief Executive Officer and one staff person authorized by the Board of Directors.

10. DIRECTORS' TRAVEL

10.1 Travel Authorization

The President may travel within the budget to attend the General Meeting of ACCU members upon their official invitation.

If the President travels (on his own business and) visits ACCU members on the way to his original trip, ACCU may pay additional expenses for hotel room and meals for the extended trip from the budget.

If ACCU Directors travel on their own business and are invited by ACCU members to assist them on any specific fields, ACCU may pay the additional expenses for hotel-room and meals from the budget.

10.2 Travel Expense

ACCU shall be responsible for the costs of directors' travel, accommodation and board (at economy rates) related to all Board meetings. The newly elected Board members shall be entitled to receive the above payment for the meetings held not in conjunction with the general meeting which elected them.

Where travel is authorized at the expense of ACCU, such expense shall be approved for payment upon evidence of actual expenditures:

- a) Transportation
 - i. Actual cost of travel at economical class. Advantages of round trip fares should be taken whenever possible.
 - ii. All travel should be by the shortest route to and from the meeting
 - iii. Taxi fares necessary and incidental to official business.

b) Hotel at Meetings

Actual cost of hotel accommodations at reasonable rates.

c) Meals

Actual cost of meals necessary during travels time and while authorization attendance at the meeting.

d) Allowances

ACCU Directors shall be entitled to receive daily allowances at the rate of US\$ 20- per day. A day is defined by 24 hours and its fraction of less than 5 hours is regarded as half-a-day.

10.3 Travel Accident Insurance

Travel Accident Insurance is provided to ACCU Board members when traveling on official ACCU business. The current policy provides a benefit for accidental death, dismemberment or loss of sight; and in some cases a permanent total disability benefit, a total disability weekly indemnity and a limited medical expense benefit may be provided.

11. RISK MANAGEMENT

11.1 Purpose of Intent

To preserve the ability of ACCU to continue to serve the needs of its affiliated members by protecting the assets of this organization to the fullest extent possible and practical against all foreseeable areas of risk, whether insurable or uninsurable. This protection will consist of sound management policies, identifying all areas of risk, reducing hazards where reasonably possible, preventing losses by all practical means available and insuring against risks that are insurable, and commensurate with the exposure and the cost of the insurance involved. It is the policy of ACCU General Meeting that the Chief Executive Officer be responsible for carrying out this purpose of intent and that he submits a risk management report annually to the Board of Directors.

12. RECOGNITION AWARD

12.1 Rationale of the award

ACCU institute a regular and permanent means of recognizing the contributions of individuals to the credit union development in Asia.

This award policy establishes that, on the occasion of the General Meetings, plaques of appreciation be presented publicly and officially on behalf of the Asia-wide credit union movement.

12.2. Nomination

Men and women who have given exemplary service to the credit union idea and its practice nationally or regionally may be nominated. They may be officers, directors or representatives, international pioneers, long-service field technicians or persons who have acted on behalf of the credit union development but are not Directors nor employees of ACCU member-organizations.

Names of persons believed to deserve special recognition by ACCU shall be brought forward by ACCU members. The nomination for any particular year's award shall be made at least five (5) months in advance.

12.3. Criteria

Individuals/Institutions nominated for ACCU's "Recognition Award" shall be considered if each person has demonstrated the following:

- a) a personal history of commitment to credit union development in home country or region ;
- b) a record of technical service to the development of other credit union movements in home country or region ;
- c) an ongoing demonstration of institutional development by playing a leading role in the building of ACCU; and
- d) an ability to locate and mobilize resources needed by ACCU and its members to continue the struggle to establish strong credit union movements wherever they are sought.

12.4. Selection Process

The Board of Directors by itself or through its appointed committee shall consider the names submitted according to the above-established set of qualifications. Nomination does not guarantee automatic selection, and there shall be a limit set by the Board of Directors as to the number of individuals who shall be recognized at one particular General Meeting. Re nomination does not guarantee selection at a later date.

Approved by the board of Directors' meeting on November 14, 1992 and April 24, 1994 with last amendment on March 23, 1998 in Thailand.

13. PRESERVATION OF THE DOCUMENTATION

In order to keep all important and historical records and documents for future references, the Board of Directors decided to set up the following regulation on preservation of the documentation:

13.1 The following documents shall be preserved at all time:

- a) Legal documents such as registration papers, land deeds contracts and agreements on the right and ownership of the organization.
- b) A copy of the yearly audited reports of financial statements i.e. the balance sheets and statements of revenue and expenses of the organization.
- c) All minutes of the General Meetings, the Board of Directors and other committees.
- d) The records of the memberships and the elected officials of the organization.

13.2 The following documents shall be kept for at least 10 years:

- a) The accounts of the organization i.e. the general ledger, ledgers, journals, receipts and vouchers for verifying all revenues and expenses.
- b) All project-contracts and the official reports of the project implementation.

- 13.3 ACCU Secretary and the Chief Executive Officer shall jointly approve and supervise the destroying of any important documents of the organization.

14. ACCU BOOKKEEPING AND FINANCE

In order to sustain the sound operation of ACCU, the Board of Directors decided to set-up the following regulation on ACCU Book-keeping and Finance:

1. ACCU's money shall be kept in banks and other financial institutions as approved by the Board of Directors.
2. The Chief Executive Officer shall be responsible for the safeguard and the good use of the fund according to the budget.
3. The accounts shall be kept in an internationally accepted standard.
4. The management shall produce a monthly financial report of receipts and expenses for the consideration of the Treasurer and quarterly report to the Board of Directors.
5. The management shall prepare financial balance sheets on a quarterly basis for the consideration of the Treasurer and the Board of Directors.
6. The Board of Directors subject to confirmation by the General Meeting shall recommend an auditor. The auditor shall make an auditing report to the Board of Directors for submission to the General Meeting.
7. The Chief Executive Officer shall appoint a responsible person for the petty cash within an amount of Baht 20,000 following an impressed system.
8. The employee who receives an advance fund for any specific purpose shall have to clear it as early as possible but not later than seven days after the mission.
9. An advance fund for any travels abroad may be kept if the next trip is within the next thirty days.
10. The Chief Executive Officer shall approve the usage of all expenses. He shall appoint someone to act on his behalf during his absence from the office.

11. All employees who travel abroad on ACCU mission shall receive reimbursement for their necessary expenses such as meals, hotel-room and transportation at reasonable actual expenses under the practice of austerity.
12. The travel allowance at the rate of US\$ 10 250 per day shall be paid to employees travelling abroad on assignment. A fraction of less than 5 hours shall be regarded as half-a-day.

15. ASIA FUND FOR CREDIT UNION DEVELOPMENT (AFCUD)

15.1 Name:

The name of the Fund shall be Asia Fund for Credit Union Development.

15.2 Purpose:

The Fund shall be used as grants exclusively for educational programs to promote credit unions in Asia in particularly only new area where have potential to develop credit unions.

15.3 Source:

Funds for AFCUD shall be raised through the following:

- a) donations from individuals
- b) contributions from various organisations; and
- c) interest earned out of this fund.

15.4 Administration:

- a) The Fund shall be administered by the Chief Executive Officer
- b) The Chief Executive Officer shall be empowered to decide the use of Funds up to a maximum of US\$ 1000.
- c) In case the amount of grant exceeds more than one tenth of the total Fund, the Board of Directors' approval shall be required.

15.5 Finance:

- a) The Fund of AFCUD shall be kept in a separate bank account.
- b) The Chief Executive Officer shall include the position of fund in ACCU's financial report.

15.6 The Amendment:

These rules shall be amended by a two-thirds of the votes of the ACCU Board of Directors.

15.7. The Plan of the Fund Raising for the Development Projects

On a regular basis, contributions could be raised from ACCU's member organizations, credit unions and individuals for a specific development projects for credit unions in developing countries. This will demonstrate strong solidarity among credit union movements and well wishers under the ACCU network.

15.7.1 Fund Raising Methodology

- a) ACCU management shall prepare a proposal on credit union development project that will be circulated to member organizations requesting for contribution. The progress and impact of the project shall be reported to Board periodically.
- b) The unit of each contribution is minimum of US\$500. Based on their financial capability, member organizations, credit unions or individuals may contribute according to the unit of contribution.
- c) The credit union and individual contributor may deposit their contribution to the respective ACCU's member organization; the latter in turn remits the contributions collected to ACCU account.
- d) A single unit of contribution has to be paid in advance. However, any contribution of more than one unit can place a pledge of which 50% has to be paid in advance and 50% in 6 months thereafter.

15.7.2 The Recognition of the Contributors:

ACCU shall recognize at the Open Forum the contribution of member organizations, credit unions and individuals according to the following criteria:

- a. The contributors for minimum US\$ 100 to one unit (US\$500) would be given a Certificate of Recognition
- b. The contributors of 2 units (US\$1,000) per project plan would be given the Silver Medal plus a Certificate of Recognition
- c. The contributors of 4 units (US\$2,000) per project plan would be given the Gold Medal plus Certificate of Recognition

- d. The contributors of 6 units or more (US\$3,000) per project plan would be given the Platinum Medal plus Certificate of Recognition

15.73 Special Recognition

The names of all contributors will be published in ACCU News, annual report and ACCU website and magazines and websites of ACCU's member organizations. *Approved on September 15, 2004*

16 Policy on ACCU Open Forum and AGM

ACCU shall organize an Open Forum every year as part of regular Leadership Development Education Program at regional level.

The Open Forum is organized on self-financing basis. The expenses of the Open Forum such as accommodation, meals and training cost shall be born by participants.

The theme of the forum shall be decided in accordance with current issues and challenges of the credit unions.

The registration for the Open Forum will be closed 30 days in advance to the Open Forum.

ACCU and the host-country of the Open Forum shall facilitate to arrange field – visits to study credit union development activities of the host-country as part of the Open Forum.

Only the delegates (below) are eligible to attend the Annual General Meeting (AGM) of ACCU as observers on self-financing basis.

Board –member of National League or Regional League of Credit Unions.

Executive of National League or Regional League of Credit Unions.

Government officials as recommended by Member Federation/League.

17. CHIEF EXECUTIVE OFFICERS' ADVISORY COMMITTEE

The CEO Advisory Committee is established to provide inputs on operational matters on ACCU management and to provide inputs on policy

matters to the General Meeting and Board of Directors. It shall have no decision-making power and its recommendation shall not be binding.

The CEO Advisory Committee is intended to help ensure understanding based upon the sharing of information on issues facing ACCU and its member-organisations considered primarily from the operational perspective. The idea is to help with the planning and evaluation process, to facilitate and improve communication, to surface and analyse key issue and to build consensus that shall assist in the implementation of the priorities determined by elected leadership.

Membership is intended to facilitate the participation of the highest-ranking day to day operational manager (who in some area bears the title of the chief executive officer) as their designees of the member of ACCU. Costs of participation shall be borne to the extent possible by each organisation, with ACCU on occasion, assisting with the expenses of those participants from members not being able to assume the full cost themselves.

ACCU shall not use its own budget resource to help defray expenses of participants from member-organisation but shall attempt to assist them to mobilise resource from other sources to cover these cost should be necessary.

18. HUMAN RESOURCE ADVISORY COMMITTEE

Human Resource Advisory Committee set up for human resource development of ACCU member countries. Human Resource Advisory Committee of ACCU shall initiate the network of Human Resources Development in credit unions in Asia. This Committee shall provide broad policy guidelines for HRD development and operation in ACCU.

HRD committee is established to update the concept and approach to HRD system, develop HRD professional on new technology exchange information and experiences of each member organisations and help each other innovative HRD strategies to scope with the Credit Unions /Cooperative environment.

Member-countries and related organisation of ACCU are intended to facilitate the participation high rank day to day operational manager on training and education Directors, Education Director of training institute deputy Chief Executive Officer as their of ACCU Members. The cost of participation will be borne by each organisation such as travel board and lodging accommodation and documentation. ACCU will try to find financial assistance particularly the travel cost, if possible.

The receiving partners in an agreed activity will bear the cost of guest including board and lodging. Internal travel and other services what are necessary to conduct the meeting.

Major component of activities to exchange of faculty members, exchange of curriculum development, training material /type of training to supply information on HRD development and appoint special task force to review and direct ACCU HRD development program.

19. ACCU SECRETARIAT

ACCU leadership should negotiate with member organisation to locate secretariat office within the Member federation / league premises and to cover administrative cost. Further it may reduce administrative cost of ACCU seconding the CEO and technical staff to ACCU from member countries. The secretariat will be rotated to member countries every four to five years. The relocation of the secretariat of ACCU will be decided at the AGM.

Approved by the Board of Directors on November 14, 1992 and April 24, 1994 with last amendment on September 18, 1997.

Chuang Chin-Sheng
President, ACCU

P.M. Sitanggang
Secretary, ACCU

20. REGIONAL WOMEN TASK FORCE COMMITTEE (RWTFC)

Set up for promoting equality between men and women in all decision making and activities within Credit Cooperatives in Asia. Regional Women Task forces Committee (RWTFC) of ACCU shall initiate Task Network of Leagues/CUs women group to provide advocacy to develop appropriate policies on capacity building and training on women.

Member-countries and related organizations of ACCU are invited to participate in the Gender Task Force Meeting. The cost of participation will be born by each member-organizations such as travel cost, board and lodging. ACCU provides secretariat facilities to coordinate the meeting and activities.

The Task Force review Gender Policy in the Regional and Gender elated to Training Activities and provide networking opportunity.

Development activity of ACCU and staff will regularly maintain Gender responsive Participation

21. REGIONAL YOUTH TASK FORCE COMMITTEE (RYTFC)

Set up for promoting youth participation and involvement in the decision making in Credit Cooperatives in Asia. Regional Youth Task Force Committee (RYTFC) of ACCU shall initiate to provide advocacy to develop appropriate policies and product development for the youth.

Member-countries and related organizations of ACCU are invited to participate in the Gender Youth Task Force Meeting. The cost of participation will be born by each member-organizations such as travel cost, board and lodging. ACCU provides secretariat facilities to coordinate the meeting and activities.

The Task Force review products, services and marketing strategy. Regional Youth Task Force provides networking opportunity also.

22. SUPPORTES MEMBERSHIP CATEGORY

ACCU provides an opportunity to Credit unions to involve and participate credit union development activities in Asia. Any individual credit unions or any business organizations or any individual support to the activities of ACCU by providing financial support to ACCU at the level of US\$ 400 or more annually shall become a supporter of CUs development activities. The application of supporters could be sent to ACCU along with the annual contributions. The

Secretary /Treasurer /Chief Executive Officer of ACCU acknowledged the contributions and application.

Supporters receive ACCU News, Annual Report and the Report of Development Activities. They are invited to participate In-country activities and Regional activities at their own cost. They will be recognized in an appropriate manner every year.

Approved by the general meeting on Sept 23, 2000 in Kuala Lumpur Malaysia

Chuang Chin-Sheng
President, ACCU

P.M. Sitanggang
Secretary, ACCU

23. ACCU MEMBERSHIP BENEFITS:

Regulars	Affiliates
a) Entitled to send delegates to the General Meeting with voting rights.	Entitled to send delegates to the General Meeting with no voting rights.
b) Delegates may be elected as Director/ Board members.	Not eligible to the Board.
c) Delegates attending in AGM: hotel and accommodation paid by ACCU.	Self-paid for everything.
d) Entitled to nominate the annual Recognition Awards.	Not eligible.
e) Entitled to send participants to all ACCU seminars workshops/training programs on discounted registration.	Quota given upon request with normal registration fees.
f) First privilege to host ACCU functions.	Third privilege to host ACCU functions.
g) Entitled to send CEOs/Chief Executive Officers to CEOs annual meeting. Accommodation paid by ACCU.	Participation upon request and at own expenses.
h) Entitled to receive “ACCU News and Highlight” in proportion to membership 10–50 copies.	Entitled to receive 1 copy. Additional charge per extra copy.
i) Entitled to receive “Technical Report” in proportion to membership 3–5 copies.	Entitled to receive 1 copy.

ACCU President

ACCU Secretary

24. RULES AND PROCEDURE ON STAFF LOAN FACILITY

The following rules and procedures for Staff Loan is prepared part of the Board Policy on Staff Welfare.

- i) The objective of the Loan is to provide deserving staff a loan facility benefit to meet his/her financial needs in cases of emergency.
- ii) The staff that has worked for at least three years shall be eligible to use the Staff Loan Facility. The amount of loan is limited to maximum of his/her accumulated severance pay with a repayment period of maximum of three years and monthly installment shall not exceed 40% of his/her salary.
- iii) The staff-borrower shall be required the following collateral/guarantor to secure the loan:
 - Staff member of ACCU as Guarantor or
 - Staff of CULT or FSCT subject to the approval of the Chief Executive Officer
- iv) Any of the following cases shall cause to the immediate repayment of the loan plus opportunity cost that accrue without considering the terms written in the Loan Contract:
 - When Borrower is no longer a staff or employee of ACCU for any reason.
 - When Borrower misuse of the loan i.e. used not in accordance with the purpose applied for,
 - When Borrower does not want to follow any agreement mentioned above.
- v) A staff who wishes to have loan must submit a completed Application Form to the Chief Executive Officer and agrees to sign a Loan Contract.
- vi) The staff shall pay the opportunity cost for the loan in which rate shall be decided by the Chief Executive Officer based on the current market rate of a promissory note plus 2%. Opportunity Cost shall be charged to cover the opportunity of placing the fund in the Promissory Note. This shall be computed on a monthly basis based on declining balance of loan principal.
- vii) The loan fund shall be financed from the Staff Mutual Aid Fund, which is an accumulated reserve fund for the payment of staff's severance

pay. The interest received from loan shall be taken up as ACCU's income and consequently shall be part of the Reserve Fund.

- viii) The Chief Executive Officer must ensure consistent implementation of this regulation and eligibility of every loan as stated in this policy.
- ix) The CEOs and one board member will approve the staff loan. President and on board member will approve the CEO's loan application.

ACCU has right to change and cancel any of the Rules and regulation whenever it is deemed necessary.

Approved by the Board of Directors meeting on September 20, 2001.

Jin Woo Park
President

Michael Koisen
Secretary

24.1 Loan Agreement

Association of Asian Confederation of Credit Unions (F.052) Loan Agreement

Date: _____

This is a contract between the Association of Asian Confederation of Credit Unions represented by the _____ Chief Executive Officer authorized to act for and on behalf of ACCU, herein called "Creditor" as one party and _____, _____ of age, _____ (Nationality) a _____ resident of _____, herein called the "Borrower" as the other party. Both parties agreed to sign this contract with the following conditions:

- 1) ACCU agreed to grant loan in the amount Baht: _____ to the borrower;
- 2) Borrower agreed to use the loan for the purpose indicated in the loan application
- 3) Borrower agreed to return the principal loan to ACCU within _____ months. The payment will be made on monthly basis in the amount of Baht _____ plus opportunity cost of _____. Borrower also agreed to deduct the loan repayment from monthly salary on the 25th of every month. This deduction will begin on _____ until _____.
- 4) The agreement No. 3) will not be applicable if Borrower resigned from ACCU or Borrower use the full loan or part of loan to other purpose/s not indicated in the application or Borrower has violated any of the conditions written in this contract. Without any prior notice, ACCU will at once demand payment of the principal amount of loan.
- 5) In case that the Borrower does not follow any provision of this agreement, Borrower will be responsible to any cost that will be incurred in collecting the loan.
- 6) If there is any dispute in the loan contract, both parties agreed to use this contract in filing legal case under the Royal Thai Government Law.

This contract is duplicated for each party. Both parties read and understand all the conditions and signed the loan agreement.

Borrower Signature _____ Position: _____

Creditor Signature _____ Position: -----
(Chief Executive Officer or Authorized)

Witnesses Signature: _____ Position: _____

Witnesses Signature: _____ Position: _____

23.2 Guarantor's Contract

Association of Asian Confederation of Credit Unions (F.053) Guarantor's Contract

Date: _____

I, _____ age _____ years, residing at _____
_____ called as "Guarantor" signed in
this contract on the following terms and conditions:

- 1) As Guarantor, I agreed to insure loan payment of _____ (Name of the Borrower) called "Borrower" as per Loan Contract No. _____ dated _____ in the amount of Baht _____) only.
- 2) As Guarantor, I am aware of the terms and conditions of the borrower on the Loan repayment and the agreement of early payment as mentioned in the contract. I agree to guarantee all of the terms and conditions in the contract for Borrower.
- 3) As guarantor, I continue this guarantee to the Borrower till the payment of the contract is completed.
- 4) If the Borrower could not pay to ACCU because of disability, bankruptcy, or disappeared, or death or any cause prohibiting him/her to fulfill the contract, as Guarantor, I agree to take co-responsibility with Borrower for the loan that was written in this contract.

- 5) In case ACCU allows the Borrower to extend the term of payment as indicated in the Loan Agreement, the Guarantor should autonomously agree with additional terms and conditions.
- 6) In case that ACCU use the right to legal action due to Borrower's neglect of obligation as stipulated in the policy, as Guarantor, I agree to attend the court hearings in accordance with Royal Thai Law.

I agree in all of the above terms and conditions read and understood all of the provisions in the contract and affixed my signature.

Guarantor: _____

Witnesses: _____
Name and Signature

Witnesses: _____
Name and Signature

24.3 Staff Loan Application and Analysis Form

Association of Asian Confederation of Credit Unions(F.051) Staff Loan Application and Analysis Form

1. Name of staff _____ Position: _____

2. Date of Employment: Year _____ Month: _____ Day _____
Period of Service: Year/s _____ Month/s _____

3. Current Salary as of: _____ (date) Per Month: Baht _____

4. Net Salary after loan deduction per month: Baht _____

5. Loan from Other organization as of date of this application

- ☐ Vehicle Loan: _____ Organization: _____
- ☐ Computer Loan: _____ Organization: _____
- ☐ Housing Loan: _____ Organization: _____
- ☐ Others: _____ Organization: _____

6. Purpose of this Loan: _____

7. Amount of Loan Required: Baht _____ When: _____

8. Period of Loan Repayment: Year/s: _____ Months: _____

9. Guarantor: _____ Position: _____

Signature of the Applicant

Signature of Guarantor

10. Loan analysis Comments: _____

11. The result of loan Analysis:

Approved Amount: Baht _____ Repayment Period: _____ Months

Amount of Installment per month Principal plus Opportunity Cost:
Baht: _____

Date of First Installment Deducted from Salary: _____ Until: _____

Not approved: _____

Reason/s: _____

Treasurer or Board Member

Chief Executive Officer

25 ACCU Board Policy - On Employees

In order to administer the employees of ACCU, the Board of Directors decided to set up the following regulation on ACCU employees:

1. ACCU Board shall employ a qualified person to be ACCU Chief Executive Officer, and shall allocate to him a necessary number of employees in order to fulfil the objectives as stated in the bylaws and to carry out any assignments as specified by the Board of Directors.
2. The Chief Executive Officer shall have the power and duty to administer, supervise and employ or dismiss all ACCU employees.
3. The Board of Directors shall define the remuneration, fringe benefits and/or any other welfare of the Chief Executive Officer and key employees level 6 and 7.
4. The remuneration of ACCU's employees shall be according to the following classification and table of remuneration:

Level	Type of Post	Remuneration Range US\$ per annum
(1)	Office helper, driver and equivalent post	2,300.00 - 3,700.00
(2)	Clerk-typist, Accountant, Stenographer, Secretary and other equivalent post	3,230.00 - 5,450.00
(3)	Sr. Secretary, Sr. Accountant, Sr. Stenographer, Translator and equivalent post	4,500.00- 6,700.00
(4)	Administrative Assistant Sr. Stenographer, Translator and equivalent post	6,925.00 -11,000.00
(5)	Sr. Administrative Assistant Sr. Specialist, Sr. Technician	9,230.00–17,310.00
(6)	Advisor, Project Officer and equivalent post	12,500.00 – 28,000.00
(7)	Chief Executive Officer	18,000.00 –30,000.00

5. The Chief Executive Officer shall be empowered to define the increment of remuneration of the employees level 1-5 within the budget following this scale:

Annual Remuneration (US\$)		Maximum Increase
below	7,000	10%
7,001 –	14,000	8%
140,001 –	21,800	8%
above	21,801	8%

6. The increase of annual remuneration may be considered at the start of a new fiscal year unless a change of employment contract and/or responsibility takes place.
7. The monthly salary is paid to an employee based on the division of the total annual remuneration by 13. The 13th month salary shall be paid during the last week of June. If an employee leaves ACCU during the year, he/she is entitled to receive part of the 13th month salary in proportion to the period of employment of that particular year.
8. All employees upon their resignation or termination of employment without any charges of dishonesty and crime against ACCU shall receive a severance pay equivalent to one-month salary per year of service. Half of a severance pay shall be paid on the last working day. The other half shall be paid after 30 days of the cease of employment. **Or the staff may be entitled to claim their severance after five years continuous services based on the current salary rate receive during the year of claim. The future severance will be calculated on the remaining period of service not considering the 5 years that have been claimed. (Amendment in September 14 , 2003)**
9. All employees shall be insured against accidents at the maximum insured sum equivalent to their own annual remuneration. The minimum insured sum is US\$ 8,000.
10. All employees shall be paid for an annual normal physical check-up at the hospital or clinic approved by the Chief Executive Officer.
11. All employees shall get a reimbursement for their own actual hospital bills within an amount equivalent to 3% (for staff paid US\$ 13,846.15- and over annually) and 5% (for staff paid less than US\$ 13,846.15 annually) of their annual remuneration in a year if ACCU does not provide any other medical insurance.
12. All employees shall be allowed to take an annual vacation of 10 working days. This vacation shall not be combined with the following year.

13. The Chief Executive Officer may get reimbursement of his personal car expenses within an amount equivalent to 3% of his total annual remuneration if ACCU does not provide an office car.
 14. Employees whose employment are still enforced on the 1st of July 1990 and receiving an annual remuneration below US\$ 8500 shall be entitled to receive family-subsidy for a maximum of 2 children whose ages are not more than 18 at the rate of US\$ 10.00 per child.
 15. All employees shall get a reimbursement for the uniform from office in equivalent to Baht 3,500 per annum.
 16. All foreign staff, who are based in Bangkok shall be entitled to reside in the ACCU dormitory, however, if he/she chooses to reside outside, ACCU shall reimburse actual housing rent but not exceeding Baht 2,500 per month.
 17. The following additional performance incentives for staff is proposed:
 - 17.1 Punctuality Award – for staff without tardiness and absences during the year
 - 17.2 Loyalty Award means rewarding staff with continuous service to ACCU, without any disciplinary actions taken by the management to reprimand on unacceptable behavior or performance. The award will be presented at the General Assembly.
 - 5 years service-Silver Award-Recognition Plague
 - 10 years service –Golden Award-Ring with ACCU Logo plus Plague
 - 15 years service – Platinum Award-2 Baht gold necklace
- Amended on September 15, 2004*

26. Gender and Development

Gender and Development is important element on Credit union development especially female participation on decision-making, training and benefit of ACCU development activities. To ensure gender equality in credit unions, following measures will be put into practice on all ACCU activities:

1. ACCU encourages member country to send female delegates to the ACCU highest decision-making body;
2. ACCU develops framework and encourages member organizations to promote gender development policy at every level;
3. Female leaders participation to national decision-making is encouraged and such effort is recognized;

4. ACCU products and services encourage equal participation and provide privilege for female participation;
5. ACCU training ensures gender responsive participation;
6. All sponsorship of ACCU should ensure equal gender representation;
7. Staff of ACCU should have gender balance representation.

Note

This regulation is approved by the board on November 14, 1992 with the immediate enforcement on April 30, 1993 onwards with amendments on April 24, 1994 Thailand , September 18 1997 in the Philippines, September 22 , 2000 in Thailand ,September 20, 2001 Hong Kong and September 19 , 2004 in Korea .

ACCU President

ACCU Secretary

27 ASIA FUND FOR CREDIT UNION REHABILITATION (AFCUR)

27.1 Name

The name of the Fund shall be Asia Fund for Credit Union Rehabilitation

27.2 Purpose

The Fund shall be used as grant for the rehabilitation of credit unions affected by natural disasters.

27.3 Source

The funds for AFCUR shall be raised from the following sources:

- d) The Balance Fund of December 26, 2004 Tsunami Rehabilitation Fund;*
- e) Donations from individuals;*
- f) Contributions from various organisations; and*
- g) Interest earned from the Fund.*

27.4 Administration

- d) The Fund shall be administered by the Chief Executive Officer*
- e) The Chief Executive Officer shall be empowered to decide the use of Funds up to a maximum of US\$ 3,000.*
- f) In case the amount of grant exceeds more than US\$ 3,000, the Board of Directors' approval shall be required.*

27.5 Finance

- c) The Fund of AFCUR shall be kept in a separate bank account.*
- d) The Chief Executive Officer shall provide report on the financial position of the Fund in the ACCU's financial reporting.*

27.6 The Amendment

These rules shall be amended by two-thirds of the votes of the ACCU Board of Directors.

27.7 The Recognition of the Contributors

ACCU shall recognize the contribution made by member organizations, credit unions and individuals to the AFCUR in accordance with the following criteria:

- e. The contributors of minimum US\$ 100 to US\$ 500 will be recognized with a Certificate of Recognition;*
- f. The contributors of US\$ 500 to US\$1,000 will be recognized with a Silver Medal plus a Certificate of Recognition;*
- g. The contributors of US\$2,000 to 5,000 will be recognized with a Gold Medal plus a Certificate of Recognition;*

- h. The contributors of US\$ 5,001 above will be recognized with a Platinum Medal plus a Certificate of Recognition.*

27.8 *Special Recognition*

The names of all contributors will be published in ACCU News, Annual Report and ACCU website.