

UCO BANK

(A Govt. of India Undertaking)

HONOURS YOUR TRUST

CRN

59/ 2006-07

Head Office-2 :

Personnel Deptt.

3-4, DD Block, 4th Flr.

Sector-I, Salt Lake

Kolkata - 700 064

Circular No. :

CHO/PMG/03/2006-07

Date : 18.05.2006

CIRCULAR TO ALL BRANCHES/OFFICES

Sub : Revised guidelines of UCO Shelter Loan to members of staff/officers

We invite reference to our previous Circular Nos. CHO/ADV/58/2002-03 dt. 3.12.2002 and CHO/PMG/11/2005 dt. 1.6.2005 on the above subject.

UCO Shelter, the revised housing loan scheme, was launched by the Bank vide Circular No. CHO/ADV/18/97 dt. 16.9.1997 essentially as an avenue for credit expansion in mid market segment. The scheme was meant for the members of public with no specific provision for financing the employees of the Bank. Subsequently, the UCO Shelter Scheme was extended to the employees of the Bank. The terms and conditions for availment of the loan were amended from time to time.

On consideration of representations received from members of workmen staff and officers, the Board of Directors in its meeting held on 17.4.2006 approved certain benefits to be extended in the scheme to enable the staff members to avail the loan facility. The terms and conditions with regard to margin, security, rate of interest etc. will be the same as being charged from public, subject to maintaining 40% net take home pay.

With regard to repayment of loan, certain relaxations have been granted to staff members who will retire from Bank's service within 10 years. The benefits extended under UCO Shelter Scheme to staff members are given as under :

1. UCO Shelter Loan for purchase/construction of second house/ready built flat for residential purpose may be extended to the staff members who have outstanding balance in the staff Housing Loan Account at the same rate of interest and terms and conditions as are applicable to the general public subject to the condition that the amount of recovery in respect of such loan as well as all other loans and statutory deductions leave at least 40% of the salary for the employee concerned.
2. Extension of second UCO Shelter Loan to the staff members (workmen and Officers), after one year of disbursement of first loan, may be permitted for repairs/renovation/extension of existing house subject to maintaining 40% net take home pay.
3. The period of repayment of UCO Shelter Loan to the employees who are retiring within the next 10 years may be extended beyond the date of superannuation till attainment of 65 years of age, provided matching fixed deposits against the outstanding loan balance is obtained from the employees and kept under lien to the Bank. Such fixed deposits may be made out of the terminal benefits to be received by the employees at the time of retirement. An undertaking to this effect should be obtained from the

employees and lien over PF and other terminal benefits should be made as per extant guidelines.

All other terms and conditions contained in our previous Circulars shall remain unchanged. Branches and Offices are advised to take a note of the contents of this circular for compliance. They are advised to display a copy of this circular on the Notice Board for information of all staff members.

**General Manager
(Personnel)**