

About

The Barbados Teachers' Co-operative Credit Union Limited was formed from the basis of a buyer's club in the early 1950's after a Training Course was held by the Ministry of Agriculture and Education which attracted one hundred and twelve persons who were so enthusiastic, that the government officer conducting the course recommended that they get together and form a Savings Society in compliance with the Laws.

Ten persons affixed their signatures to the document.

Of this ten, Six of them are still members of the Credit Union today.

By 1967, members wanted more than social activities and decided to form a Credit Union.

With one thousand dollars (\$1,100.00) in hand, they met on June 10, 1967 and made their Application to be registered as a Credit Union.

Permission was granted, and Credit Union Number 112 was established and registered.

Mr. John Lovell became its first President.

By 1985, the Credit Union had passed the million-dollar mark in Share Capital and just over one thousand members.

By 1990, membership was 3000 and the Share Capital at \$21,000,000.00.

Soon afterwards the Credit Union showed a negative growth due to the some difficulty that had developed.

The Credit Union then built its own Headquarters, 'The John Lovell Building' on Lower Collymore, St. Michael; where its Office is now located.

The Credit Union Building was named after Mr. John W. Lovell and the Auditorium after Mrs. Juanita Hinkson in recognition of their Sterling Contribution to the Credit Union Movement in general and to the Barbados Teachers' Co-operative Credit Union Limited in particular.

Growth was realized again from 1993, when the Credit Union was able to pay a Dividend of 2 % to members.

The payment of Dividends and Patronage Refund has continued over the following years.

Objectives:

The Objectives of the Credit Union are:

- to promote thrift among its members by providing means whereby Savings can be effected and Shares in the Society can be acquired;
- to educate its members in the Co-operative Principles and Methods and the Efficient Management of its affairs;
- to create out of the Savings of its members, and otherwise a source of credit available to its members on reasonable terms and conditions; and
- to do all other acts and things as are incidental or conducive to or consequential upon the attainment of the above objectives.

Laws & Associations Governing Credit Unions:

The Credit Union Movement in Barbados is governed by:

The Co-operative Societies Act Chapter 378 A of the Laws of Barbados; and

The Co-operative Societies Regulations 1993.

Each individual Credit Union also has its own By-Laws and Loan Policy.

The Government Ministry responsible for Credit Unions is The Ministry of Commerce, Consumer Affairs & Business Development.

The Co-operative Department in the Ministry of Commerce, Consumer Affairs & Business Development; is headed by a Registrar who is responsible for Credit Unions & Friendly Societies.

The National Umbrella Association for Credit Unions is The Barbados Co-operative & Credit Union League Limited.

The Regional Association for Credit Unions in the West Indies is The Caribbean Conference of Credit Unions.

The World Association of Credit Unions is The World Council of Credit Unions.

Organizational Structure of Credit Unions:

There are three Committees in the Organizational Structure of Credit Unions.

Their Roles and Functions are clearly set out in the Co-operative Societies Act Chapter 378 A of the Laws of Barbados; the Co-operative Societies Regulations 1993; and the individual Credit Union's By-Laws.

Organizational Structure of the Barbados Teachers' Co-operative Credit Union Ltd:

The Board of Directors or The Management Committee is made up of seven members.

These members include the President who is the Chairperson of the Committee, the Secretary and Treasurer.

This Committee is responsible for setting the Policy for the Management of the Business and Affairs of the Credit Union.

It should have a properly structured and progressive Loan Policy in place to govern the Lending Policy.

The Board of Directors must operate within the Norms, Principles and Practices of Good Corporate Governance.

The Supervisory Committee, which is made up of five members, is responsible for examining the books of the Credit Union, confirming the Cash instruments, property and securities of the Credit Union and confirming the Deposits of the members.

This Committee which is sometimes called the 'watch-dog' of the Credit Union also investigates written complaints from members and recommends solutions.

The Credit Committee, which is made up of five members, has the responsibility for processing all Loan Application Forms.

It also has the responsibility of checking and reviewing the Delinquency Portfolio.

It can also make recommendations to the Board for changes to the Loan Policy.

This committee is very critical to the proper functioning of any Credit Union, because most members are very interested in accessing loans in a timely manner more than any of the other services available.

The Board of Directors may also appoint other Committees in the Credit Union.

Capital and funds:

The capital and funds of the Society shall be raised by means of:

- The savings of its members received as payments or subscriptions on shares;
- the deposits of members and or non-members; and
- Entrance fees, fines, interest on loans and investments and other contributions received from members.

The funds of the Society may be applied to the following purposes only, namely;

- the expenses of Management;
- Loans to its members for Provident or Productive Purposes; and
- any other purpose authorized by the Act, Regulations and the By-Laws.

Membership:

Every member of the Credit Union shall be:

- Not younger than Eighteen (18) years of age;
- Resident or in occupation of land within the Society's area of Operations;
- Bonafide teachers or ex-teachers or relatives of teachers or members of staff of the Ministry of Education and all other persons other than bonafide teachers or ex-teachers who are at the date of these By-Laws registered as members.
- A body corporate may be a member of the Credit Union, subject to the approval of the membership of the Society and the Registrar.

Any person who has the necessary qualifications and who is desirous of becoming a member shall apply by filling out an Application For Membership Form.

This applicant shall state his Name, Address Age and Occupation and shall contain such other information as the Board may from time to time decide.

Adult members are also encouraged to join their children as Minors and save monthly contributions on Deposits on these Children's Accounts.

If money is to be withdrawn from the Minor's Deposits, the adult member must write a letter requesting such a withdrawal.

When the children reach the age of eighteen (18), the Accounts are then changed to Adult Members Accounts; giving the children all the Rights and Privileges of Members.

A person ceases to be a member:

- On death;
- If he applies for bankruptcy or is declared bankrupt;
- On ceasing to hold at least Sixty (60) shares in the Society; and
- On the withdrawal or transfer of all his Shares.

No member shall resign and withdraw all of his shares while he is a borrower, an endorser (co-maker), or a guarantor on any loan due to the Society.

The Credit Union shall have a lien on the Shares; Deposits, Dividends, Bonus or any amount standing to the credit of a member for any sum due to the Society from the said member or for any loan endorsed by him and may apply any sum standing to the credit of the member towards payment of any such debt.

Members are encouraged to save at least \$100.00 per month towards Shares; and to pay their monthly repayments/remittances by Payroll Deductions from their workplaces.

Loans repayments should be made by the last working day of each month.

A person becomes a fully paid up member after saving three hundred dollars.

(In Credit Union language, that means after he/she has bought sixty Shares).

Members are also encouraged to join their family members, especially the children.

Money saved for children, can go a long way in helping to pay for their Education in the future.

Members can also saved monthly on Special Saving, towards specific situations/events in the future.

A person can enjoy the benefits and apply for any Loan after he/she has been a member for six months and has saved continuously for those six months.

The main area of Business for the Credit Union is to provide Loans for Provident & Productive Purposes.

Eligibility Rules:

A person is eligible to apply for a loan at a Ratio of 3:1, after being accepted as a member.

After One Month of membership, the ratio moves to 5:1

After Two Months of membership, the ratio moves to 8:1

After Three Months of membership, the ratio moves to 10:1

Please Note that the member must make a contribution to Shares every month,

even though her/she might be repaying a loan.

Please Note that the Board of Directors has the Authority to Change any Section of the Loan Policy and Schedule of Loans & Repayment by A Majority Resolution at a Board Meeting.

Other Benefits:

Ordinary Loans up to \$100,000.00 are insured by the Credit Union at no cost to the members. (The Insurance ceases, if the loans are delinquent.)

In the event of the death of a member and that member's loans are not delinquent, the Insurance Company repays the amount of the loans, up to \$100,000.00 to the Credit Union.

In this way, the member's family would not be asked to repay any loans up to \$100,000.00

Medical Loans are not covered by insurance.

Shares up to \$25,000.00 are insured by the Credit Union at no cost to the member.

At the death of a member, fifty-five years and under, the insurance will pay 100 % on the Shares, up to \$25,000.00.

After fifty-five years, the percentage of the payment is reduced.

A Funeral Grant may also be given.

After reading all of the above information, you might be asking yourself if you would be a Productive Member of this Credit Union.

Only you will be able to answer that question.

The Credit Union is always of the view that ALL MEMBERS should use all of the Services that are beneficial to them, so that they can enhance their lives Financially, Socially and Educationally.

This means that members must be very active in as much of the Credit Union's Activities as possible.

You, as participating members, have the abilities to:

Help this Credit Union move forward in all of its ACTIVITIES;

Agitate for More and Better Services;

Repay your loans and also make a contribution to Shares promptly at the end of each month;

Save any money and some of your Profit from Business in the Credit Union;

Offer Constructive Suggestions and Criticisms about the Credit Union's Organization, Culture and Business;

Attend and be punctual at all Meetings of the Credit Union;

Help to spread the Credit Union's Message to your friends and family; and

Encourage as many of your friends and family to become active members; and

Become a Productive Member.