FIJIAN TEACHERS ASSOCIATION

CO-OPERATIVE THRIFT LIMITED.

POLICY

Contents

1.0 OFFICE

The registered office of the Fijian Teachers Association Co-operative Thrift Limited (FTACTL) shall be first (1st) Floor, FTA Education House, **68 Knollys Street, Suva**. The contact numbers are telephone **3318156, 8927100, 7194596, fax 3318157, email: ftactl@fta.org.fj.**

2.0 BACKGROUND

FTACTL's structure and function have evolved over time to meet the changing needs of its members and the industry. Initially established as the FTA Housing Scheme (FTAHAS) in 1997, its vision was initially the Teachers Village concept whereby the organization purchase and develop land from members contribution and sell the subdivided land back to members at an affordable cost lower than the current market price. However, the FTAHAS later shifted its focus to providing loans and shares to members. Consequently, the idea of the Teachers village was re-introduced and implemented by the current board in 2020.

In 2011, the FTAHAS was converted into a Co-operative through a resolution passed during the FTA Annual General Meeting. As a Co-operative, members became shareholders and were entitled to annual dividends as per the Cooperative Act. Initially, the Co-operative was managed by the FTA executives operating under the Trades Union Act. In 2017, the Director of Co-operative advised the FTA executives that a separate board was required to comply with the Cooperative Act.

The decision to hold a Special General Meeting to elect the FTACTL Board was a transformative and strategic move as well as a "game changer" that propelled the organization forward. In April 2017, the Special AGM, in compliance with the Cooperative Act, elected six Interim board members. Subsequently, during the Annual General Meeting held on 15 August 2017, nine Elected Board members were elected, aligning with the Cooperative Act.

3.0 CHALLENGES

The Fijian Teachers Association Housing Scheme (FTAHAS) has faced several challenges throughout its existence. One major hurdle was the dispute among members regarding the decision for an across-the-board deduction of $5.00. This disagreement caused tension within the association and required efforts to find common ground among members.

Another obstacle was the need for a country-wide campaign to convince the membership of the long-term benefits of the scheme for both the members and the association. It required extensive communication and persuasion to gain support and ensure the sustainability of the housing scheme.

This newly formulated policy not only allow existing members to enjoy the benefits but also help to attract new members, including those who had previously withdrawn, to rejoin the FTACTL.

Despite the challenges faced, the FTACTL has consistently adapted and overcome obstacles, ensuring the provision of valuable benefits to its members.

4.0 OBJECTS OF THE FTACTL

4.1 The objects of the FTACTL are;

(a) To promote thrift among its members
(b) To receive the Savings of its members either as payment on Shares, Savings, Investments or Deposits
(c) To encourage Thrift, Savings and Investments amongst members, providing them an opportunity to accumulate their Shares, Savings, Investments and Deposits and creating a source of funds from which Loans can be available for provident or productive purposes.
(d) To promote the economic and social interests of its members by providing efficient and effective services to meeting the needs of members and their families.

5.0 MEMBERSHIP

5.1 The membership shall consist of:

(a) persons who are financial members of FTACTL.
(b) persons who have submitted applications that have been approved by the board; retired members of the Fijian Teachers Association cooperative thrift limited who have chosen to continue their membership through membership of RFTA or individuals who have reached retirement age and have invested a minimum amount of ($2,000) into the *Na i Lololo investment* fund.
(c) immediate family members of a current financial member shall include the spouse and children (including legally adopted children).

5.2 Every member of the FTACTL shall be:

(a) a member of the Fijian Teachers Association (FTA) or retired Fijian Teachers Association (RFTA)
(b) of the age of 18 years and above
(c) a citizen or resident of Fiji
(d) of good character and sound mind
(e) not be an un-discharged bankrupt at the time of admission.

5.3 Application Procedures for Membership:

(a) Application for membership shall be made through the Secretary of the FTACTL Board and shall be endorsed by the FTACTL Board who may grant or refuse admission.
(b) Admitted following the procedure provided by the Co-operative; and
(c) Be finalized after the payment of the minimum share capital of $20.00 (Twenty dollars) as directed by the Co-operative that is necessary to be paid on admission according to the By-Laws.
(d) May opt to apply for a new membership incentive loan.

5.4 Rights of members

Every member of FTACTL shall have the right to -

(a) participate in the General Meetings, in decisions taken at such Meetings and in voting;
(b) use the services and facilities of the Co-operative in accordance with its by-laws.

(c) be elected to the organs of the Co-operative namely the Board, the Supervisory Committee and any sub-committees subject to the provisions of this Policy and the By-Laws of the Co-operative;
(d) be informed by the members of the Board during General Meetings or other meetings about the functioning of the Co-operative;
(e) consult, at the Registered Office, the Co-operative's By-Laws, Rules, Registers, Minutes of General Meetings, Annual Reports and Balance Sheets, Audit Reports and the Inventory;
(f) call for a Special General Meeting according to the provisions of Section 56 of the Co-operatives Act;
(g) call for an inquiry to be held into the Constitution, organization, working and financial situation of the Co-operative, according to the provisions of Section 85 of the Co-operatives Act;
(h) participate, under the conditions and according to the modalities set out in the By-Laws, in the distribution of surplus, if any, at the end of the financial year;
(i) withdraw from the Co-operative in accordance with the provisions laid down in this Policy and the By-Laws of the Co-operative;
(j) claim refund of his or her Share or Shares upon termination of membership; and
(k) any other rights provided for in the By-Laws of the Co-operative.

5.5 Duties of Members

It shall be the duty of every member joining the Co-operative to-

(a) abide by the provisions of the Act, the Regulations and the By-Laws of the Co-operative, and with the decisions taken in due form by the General Meeting and by the Board of the Co-operative;
(b) use the services and facilities of the Co-operative for all or part of the transactions that may be carried out through it, if specified in the admission form at the time of his or her joining the Co-operative, or in a contract made in accordance with Section 25 of the Co-operatives Act;
(c) pay the fines imposed upon him or her under the By-Laws for infringement of the By-Laws or of his or her contracts for carrying out transactions with the Co-operative.
(d) subscribe and pay-up shares or make any other payments provided for in the By-Laws;
(e) abstain from any act detrimental to the interests of the Co-operative.
(f) fulfil his or her financial obligations towards the Co-operative in the event of bankruptcy under the conditions and within the limits provided for by this Policy and in the By-Laws.
(g) remain as a member for a period of at least 5 years.

(h) deduct 50 cents as contribution towards *'reguregu'* upon the death of a member. If a member has been bedridden, a deduction of 20c from the initial 50c reguregu benefit shall be utilized for visitation of bedridden member. The remaining 30c shall be accounted as reguregu benefit for the member upon the member's demise.

(i) protect the reputation of the Co-operative and its members information in adherence to the Co-operatives policies by being responsible for all posts and / or comments on social media with the inclusion of the following digital platforms.

   i. Facebook
   ii. YouTube
   iii. Twitter
   iv. Instagram
   v. FTACTL Website
   vi. Any mass media or other digital platforms

5.6 Withdrawal from the Co-operative

(a) A member may withdraw from the Co-operative subject to such conditions and by giving to the Co-operative such notice as prescribed in the By-Laws and Co-operative that shall not exceed one year.

5.7 Expulsion/suspension of member

(a) The expulsion /suspension of a member may be ordered by the Board or by the General Meeting if a member carried out or attempted to carry out an act seriously detrimental to the Co-operative or if he or she failed to respect any or all the duties stipulated in Section 39 of the Co-operatives Act.

(b) The procedure for expulsion of a member shall be set out in the By-Laws and shall include:

   i. a period of notice of at least two months.
   ii. a written notification thereof stating the reasons for the expulsion; and
   iii. the member's right to defend himself or herself before the Board or the General Meeting prior to the decision.

(c) If the expulsion was decided by the Board, the expelled member may appeal to the next General Meeting whose decision shall be final: Provided that such appeal shall not suspend the effects of the decision.

(d) Any member of FTACTL who takes the Cooperative to any Court of Law on any issue, is to be immediately suspended from the Cooperative pending the decision of the court and may re apply for membership after 2 or 3 years should he/she achieve a favorable ruling from date thereof.

   i. Should the member lose his/her case then member may only be entitled for a refund of shares and, invested capital but not the benefits derived.

5.8 Membership shall be terminated by:

(a) Death
(a) Permanent insanity
(b) Expulsion as provided for in the By-Laws.
(c) Withdrawal after application in writing to FTACTL shall be approved no later than one year after giving one year's notice.
(d) Dismissal of membership from FTA.
(e) Migration

5.9 Death

(a) In the event of a member's death, the Co-operative shall follow Section 31 of the Co-operatives Act to transfer the Share or Interest of the deceased member to the nominated person
(b) if there is no person nominated, the person as may appear to the Board to be the heir or personal representative of the deceased member, payment to such nominee, heir or personal representative, as the case may be, a sum representing the value of the member's Share or other Interest in the Capital of the Co-operative as determined in accordance with the regulations or the By-Laws of the Co-operative.
(c) The Co-operative shall pay all monies due to the deceased member from the Co-operative to the heir, legal representative or nominee, as the case may be.
(d) All transfers and payments made by the Co-operative in accordance with the provisions of this Section shall be valid against any demand made upon the Co-operative by any other person.

5.10 Permanent Insanity

(a) Where the member of the Co-operative is or becomes of unsound mind the provisions of Section 30, Sub-Sections (1), (2) and (3) in the Co-operative Act, shall apply.
(b) Every registered Co-operative shall furnish to the Commissioner of Estate and Gift Duties, in the prescribed form, a return of all transfers and payments made by it under the provisions of this Section, without the production of probate or the letter of administration within two months of such transfers and payments having been made.

5.11 Appointment of nominee

(a) Every appointment of a nominee by any member of a registered Co-operative for the purposes of Section 30 of the Co-operatives Act shall be made in writing, signed by the member in the presence of two attesting witnesses.
(b) No member of a registered Co-operative with the Share Capital shall be entitled to appoint more than one nominee, unless that member holds more than one share.
(c) In any case where more than one nominee is appointed by any member, the number of shares to be transferred or the exact proportion of the amount available that is to be transferred to each of these nominees shall be specified at the time of the appointment.
(d) Every appointment of a nominee shall be recorded in the register of members.
(e) For the purpose of a transfer to a nominee, the value of any Share or Interest shall be represented by the sum actually paid for the Share or Interest by the member holding it, unless the By-Laws of the Registered Co-operative provide otherwise.
(f) Where any money is paid to a nominee who is a minor, a receipt given either by the minor or by his or her guardian shall be sufficient discharge to the registered Co-operative.

5.12 Deposits by or on behalf of minors

(a) The Co-operative may receive deposits from or for the benefit of minors and it shall be lawful for the Co-operative to pay such minors the interest which may become due on such deposits. A deposit made by a minor may, together with interest accrued thereon, be paid to that minor; and a deposit made on behalf of a minor may, together with the interest accrued thereon, be paid to the guardian of that minor for the use of the minor.
(b) The receipt of a minor or guardian for money paid to him or her under this Section shall be a sufficient discharge of the liability of the Co-operative in respect of that money

5.13 Contracts with Co-operative members who are minors.

(a) The minority of a person duly admitted as a member of any Co-operative shall not preclude that person from executing any instrument or giving a discharge necessary to be given under the Cooperatives Act or any relevant Regulations, and shall not be a ground for invalidating or avoiding a contract entered into by any such person, with the Co-operative, and such contract entered into by such person with the Co-operative, whether as principal or as surety, shall be enforceable by law or against such person notwithstanding his or her minority.

6.0 GOVERNANCE

6.1 FTACTL BOARD:

The Board shall be the administrative and management organ of the Co-operative and it shall-

(a) Be the authority of the FTACTL and shall be vested in the FTACTL Annual General Meeting in concurrence with the Co-operatives Act. In Between AGMs the FTACTL shall be administered by the FTACTL Board who shall;
(b) meet monthly to scrutinize and receive monthly financial reports of the FTACTL.
(c) receive reports and recommendations from FTACTL Sub-Committees about the activities of the FTACTL and make decisions about operational matters.
(d) has the authority to appoint a manager and other human resources if necessary and have the power to dismiss such a manager as well as other human resource if required
(e) keep, or cause to be kept, precise and accurate accounts and a correct record of the assets and liabilities of the Co-operative;
(f) receive reports on settlement of accounts and the progress reports of office-bearers assigned with special responsibilities such as subcommittees; in particular, the Chairperson, the Manager and the Treasurer;
(g) take all necessary measures to safeguard the funds, assets, stocks and properties of the Co-operative;
(h) ensure that sums borrowed do not exceed the ceiling fixed by the General Meeting.
(i) implement all decisions taken by the General Meeting;
(j) keep members periodically informed of the affairs of the Co-operative;
(k) make recommendations to the Annual General Meeting on policy matters of the FTACTL.
(l) produce an Annual Audited Report of the FTACTL and that is to be presented at the Annual General Meeting for approval and endorsements.
(m) Conduct the General Meeting through remote teleconference platform tool such as zoom or Microsoft teams when deemed necessary during an emergency situation such as an epidemic or global pandemic such as COVID 19 or any disaster that causes prolong school closure.
(n) Comply with the laws in force in Fiji.

6.1.1 Eligibility for Membership of Board

No person shall be eligible for membership in the Board of the Co-operative or remain a member of such if he or she –

(a) is under eighteen years of age,
(b) is an un-discharged bankrupt;
(c) has been convicted of an offence involving dishonesty or moral turpitude and has been sentenced to imprisonment;
(d) has been convicted of an offence under the Co-operatives Act;
(e) has been dismissed as an employee of the Co-operative.
(f) has been found to have previously misused or mismanaged the funds of the Co-operative.
(g) takes part directly or indirectly, permanently, or occasionally in any activity competitive with that of the Co-operative.
(h) does not meet minimum contribution in accordance with the periodic deduction agreement.
(i) is defaulting in his/her loan payments or loan payment period.
(j) has taken a loan beyond his capacity to pay.

6.1.2 Disqualification from Board

A Board member shall cease to hold office if -

(a) he or she falls outside the eligibility criteria prescribed in Section 6.1 (b) of this Policy;
(b) he or she resigns by notice in writing.
(c) except in a workers' Co-operative, he or she accepts any salary or payment from the Co-operative other than an honorarium or allowance authorized by Section 6.0 - 6.4 (b)
(d) such member has absented himself or herself from three consecutive meetings without the approval of the Chairperson (Participating in Teleconference meeting shall be the same as physically attending the board meeting.;
(e) such member has defaulted in payment of his/her loan.
(f) such a member does not have the capacity to pay loan taken in view of amount loaned and net pay and number of years before retirement.
(g) A Co-operative may remove any Board member before the expiration of his or her term of office by a resolution of its members passed at an Annual General Meeting for which due notice was given of the intention to propose the resolution.
(h) A Board member term in office shall be **four** years. At the end of the term, one third of the Board members shall step down from office on a "first in first out basis" however with the endorsement of the board. At the end of the term three board members shall be replaced through election. A Board member shall serve for two Terms. A Board member who has stepped down after the two terms shall be eligible for re-election at least one term after he/she has vacated the office. The FTACTL election procedures shall be used to elect new Board members.
(i) A Board member is also eligible to contest the position of the Supervisory Board if they have completed their Term in the FTACTL Board.

6.2 SUPERVISORY COMMITTEE

(a) Eligibility for Supervisory Committee shall be in accordance with section 6.1.1
(b) Disqualification from Supervisory Committee shall be in accordance with section 6.1.2
(c) There shall be a Supervisory Committee consisting of three members who are elected by the AGM and directly responsible to it under the same procedures and conditions as the Board. One of the members of the supervisory committee shall be the President of the Fijian Teachers Association or his nominee who must be a member of the FTA Executive. The Board members or employees of FTACTL cannot be elected to serve on the Supervisory Committee of the Co-operative.
(d) The Term of four Years before they are re-elected into the post using the FTACTL election procedures. A member may be re-elected after their Term. Board members are also eligible to be nominated for Supervisory after their Term in Office and vice versa.
(e) Supervisory Board are also eligible to contest the Board vacant seat even if they are still holding the Supervisory post and if successfully elected shall nullify his Supervisory position and call for fresh election for his/her replacement during the AGM or any special meeting convened for election.

6.2.1 Functions and powers of the Supervisory Committee

(a) the Supervisory Committee in its professional role as custodians shall be responsible for ensuring that the affairs of the Co-operative are conducted within the ambits of its by-laws and the resolutions adopted at the Annual General Meeting.
(b) supervise the operations of the Board and employees of the Co-operative;
(c) ascertain the authority and validity of all expenditures and approve expenditures above a certain amount to be prescribed in the by-laws of the Co-operative;
(d) examine the accounts of the Co-operative at regular intervals of not less than once every two months;
(e) ensure that all transactions of the Co-operative are properly entered into the respective books, accounts or documents;
(f) reveal to the Board and to the members of the Co-operative at the Co-operatives Annual General Meeting or to the Registrar any discrepancies that may occur in the management of the Co-operative;
(g) ensure the validity of the balance sheet and any other financial statements and returns;
(h) present at the Annual General Meeting a special report on the management and financial situation of the Co-operative, including any violations of the By-Laws; and
(i) approve any loans made to the members of the Board by the Co-operative.
(j) the members of the Supervisory Committee may be present at meetings of the Board.
(k) the Supervisory Committee shall have full access to all the books, accounts and documents, financial or otherwise, of the Co-operative and shall have the power to

summon any person to produce any information or such books, accounts or documents as may be necessary.

(l) the Supervisory Committee may, in the performance of its duties, make use of the services of an expert or a specialized institution for a limited period of time or for a specific task subject to financial resources being available for this purpose.

(m) the rules of procedure for meetings of the Supervisory Committee shall be laid down in the by-laws.

(n) should a serious event threaten the existence of the Co-operative, the Supervisory Committee shall be empowered to convene a Special General Meeting or to order an inquiry in accordance with Section 86 of the Co-operatives Act.

(o) In times of extraordinary circumstances such as a pandemic or epidemic or disasters that prevent the convening of the Annual General Meeting (AGM), the Supervisory Committee shall be empowered to approve AGM Board resolutions to ensure the continued operation and governance of the Co-operative.

(p) the Supervisory Committee shall meet at least four times a year.

6.3 THE SUBCOMMITTEES:

The FTACTL shall have the following Sub-Committees: -

6.3.1 Finance, Policy Review, Investments and Land, Human Resource, Indigenous affairs, and Communication & Publication Committee shall.

(a) **Finance Committee**:

i. meet at least once per month and should the need arise with the prior approval of the FTACTL Board Chair, may meet more than once a month scrutinize monthly accounts and present them to the Board for discussions and adoption.
ii. Oversee financial planning, budgeting, and reporting
iii. Monitor financial performance and ensure compliance with financial policies
iv. Review and approve financial transactions, investments, and expenditures
v. Due to the quantity of task to shoulder for the expansion of the Thrift, subcommittee may branch into small subcommittee that focus on each areas of priority.

(b) **Policy Review Committee**:

i. Conduct regular reviews of organizational policies and procedures
ii. Recommend updates and revisions to policies to ensure relevance and effectiveness
iii. Ensure alignment of policies with FTACTL's mission and values
iv. review and update existing policies and procedures to reflect current structures and functions of the FTACTL as they change in conformity to the Cooperatives Act.
v. review, analyze, and revise policies and procedures to ensure conformity with changes in the FTACTL By-laws and Co-operatives Act.
vi. ensure retention of current policies and procedures with FTACTL in both hardcopy and disk formats.
vii. provide copies of the policies and procedures manual on a limited time basis to FTACTL members upon request. Any member may request a copy of the manual for the cost of copying the contents of the manual.
document policies and procedures of the FTACTL when new structures or functions evolve.
viii. review, analyze, and revise policies and procedures to ensure conformity with changes in the FTACTL By-laws and Co-operatives Act.
ix. ensure retention of current policies and procedures with FTACTL in both hardcopy and disk formats.

x. provide copies of the policies and procedures manual on a limited time basis to FTACTL members upon request. Any member may request a copy of the manual for the cost of copying the contents of the manual.

(c) **Investments and Lands Committee:**

i. Manage and monitor investment portfolios and strategies
ii. Evaluate investment opportunities and risks
iii. Make recommendations for investment decisions to the Board
iv. Manage land-related matters, including acquisitions, leases, and developments
v. Ensure compliance with land-use regulations and environmental standards
vi. Facilitate land-related negotiations and agreements

(d) **Human Resources Committee**

i. Develop and implement HR policies and practices
ii. Oversee recruitment, training, performance evaluation, and employee relations
iii. Foster a positive and inclusive organizational culture

(e) **Indigenous Affairs Committee**

i. Advocating for the preservation of Indigenous language, culture, tradition, land rights, interests, and representation is crucial for promoting diversity, inclusivity, and respect for Indigenous communities.
ii. Recognizing and honoring the unique identities and histories of Indigenous peoples, emphasizing the need to protect their rights and heritage for current and future generations.
iii. Commitment to upholding Indigenous rights and fostering meaningful partnerships with Indigenous communities based on mutual understanding, cooperation, and empowerment.
iv. Support initiatives that advance Indigenous empowerment and participation in business.
v. Advocating for the establishment of a Regulatory Body, such as the Fijian and Rotuman Language Commission, to safeguard Indigenous language, culture, and traditions towards preserving the rich heritage of Indigenous communities. Creating structures and mechanisms that provide support, protection, and promotion for Indigenous languages and cultures, ensuring their long-term sustainability and vitality.

(f) **Communication & Publication Committee**:

i. Manage internal and external communication strategies
ii. Oversee public relations, marketing, and branding activities
iii. Coordinate publications, newsletters, and promotional materials

(g) include the Manager, Finance Officer, Loans Officer and Legal Officer as a member of the committee with endorsement of the Board.

6.3.2 **Loans and Security Committee shall.**

(a) meet at least once per fortnight or may increase the frequency of the meeting to once per week when the need arises in accordance with the loan processing schedule approved by the Board.
(b) scrutinize loans processed internally by the Manager and loans officers and give approval or make final recommendations for approval.
(c) scrutinize and analyze loans and formulate policies to ensure high risk loans are secured.
(d) scrutinize security documents, mortgage items, repayments defaulters and report the same to the Board.
(e) oversight responsibilities, the committee also checks and verify the documents provided by shareholders as securities.
(f) acts with integrity and transparency, promptly reporting any dishonesty on the part of members to the authorities concerned through the board
(g) The committee may include key employees such as the Manager, Finance Officer, and Loans Officer, all of whom are appointed with the endorsement of the Board

6.3.3 **Debt Recovery Committee shall:**

(a) meet at least once per month or meet more than once per month if the need arises with the prior approval of the Board.
(b) focus on recovery and collection of bad debts from defaulting members and provide monthly updates to the board on debt recovery.
(c) follow up members defaulting in payment of their loans,
(d) follow up members who have loaned above their surety covered by FTAWS and other securities offered.
(e) monitor and gauge historic, current and projected levels of bad debt including historic levels of DRC revenue.
(f) gauge the factors and composition of future debt; how the FTACTL will meet debt obligations if the ceiling limit is raised.
(g) assess risk and current situation and recommend reduction measures FTACTL may take to fund obligations if the debt limit is not reduced.

(h) make proposals to reduce the bad debt and a progress report on its implementation.
(i) project the impact an increased bad debt limit will have on future services to members
(j) assess and make projections of the fiscal health and sustainability of DRC services to members.
(k) Include Manager, Debt Recovery Officer, Legal Officer, and Finance Officer as members of the Committee with endorsement of the Board

7.0 LOANS

7.1 LOAN PROCEDURE

7.1.1 LOANS FROM INDIVIDUAL MEMBERS

(a) Applications for loans from individual members must be submitted using FTACTL loan forms, member's online portal, email, and SMS (for rural members), along with all the required relevant documents.

(b) **Loan Process;**

- (i) Loan applications, including Soft, Normal, Special, and discretionary loans, must be submitted by 2:00pm every Wednesday.
- (ii) Applications received on time will be processed and paid out by the following Friday.
- (iii) Applications received after the closing date and time will be processed the following week and paid out on the subsequent Friday.

(c) Incentive loans, Soft loans, normal loans and emergency loans are processed at the earliest time possible
(d) Loan payouts will align with the loan budget set per fortnight to ensure FTACTL sustainability.
(e) For internal financial control purposes, the payout of loans exceeding $3,000.00 may be staggered to ensure compliance with the set fortnightly budget.
(f) Discretionary loans will be processed fortnightly but may be suspended from time to time to meet the loan demands of eligible members.
(g) Discretionary loan applications shall be processed by the FTACTL board chair.
(h) Applications received will be checked internally by Loans Officers to ensure completeness and submission of required documents
(i) Applicants who seek quicker payment of their approved loans may formally request for early release of the approved amount.
(j) All board member loan applications shall be processed by the Supervisory Committee.

(k) Incomplete loan applications shall not be processed.

7.1.2 LOANS FROM FTA AND ITS SUBSIDIARIES

(a) The Loans facility will also be open to the FTA and its subsidiaries, on the condition that these parties to formally apply in writing to the Manager of FTACTL stating carefully the details of their application.
(b) Applications from the FTA and its subsidiaries will be processed by the Board and Supervisory Committee; upon approval, it will then proceed to the signing of a Lending Agreement between the FTACTL and the party concerned. However, previous loans must be cleared before any loans are considered for the FTA subsidiaries.
(c) The loan amount to the FTA and the FTAWS will depend on funds available in the Contingency and Resilience Account and shall not compromise the FTACTL's priority of providing loans and services to its members.

7.2 TYPES OF LOANS

7.2.1 SOFT LOAN:

(a) A member can apply for a soft loan to an amount of $300 over his/her FTACTL shares.
(b) Formula: Total Loan =Total Share FTACTL plus $300
(c) A 10% Interest shall be charged for such loans.
(d) Soft loan above $10,000 shall be charged an interest of 6.5 %. This interest rate shall not apply for members who have attained soft loan status through refinance.

7.2.2 SURETY LOAN (OTHER MEMBERS SHARE)

(a) Total Individual Share plus another Member's (co-maker) FTACTL share.
(b) The member that provides the surety shall sign an agreement confirming that he/she has given his/her approval for his/her share to be used by the loan applicant as surety for the loan.
(c) The member providing the surety (Co-Maker) shall not be able to take any loan until the amount provided as surety has been recovered.
(d) Any member utilizing the surety loan shall not be allowed to take additional loan until all Surety Loan outstanding amount is cleared or when the total Share is above Loan Outstanding.
(e) Surety Loan (individual share plus 50% FTAWS retirement benefit) + Co-maker +Total Share FTACTL.
(f) A 10% Interest will be charged for Special and Normal Loan, and 2 percent of the interest shall be paid to the Co-maker.

7.2.3 SECURED LOANS

The purpose of this loan will enable a member to:

(a) Purchase Land and Property – Land, Property and Housing purchased through the Teachers Residential and Farming Village shall be charged an interest rate of 3.5 to 6.5% on reducing balance.
   i. Purchase Vehicle: Case by Case
   ii. For Retirement Plan: Case by case
   iii. Refinance Case by case
   iv. And Other Large Loan Amount Approved by FTACTL Board Chair or the Board

(b) These members shall have two loan accounts namely Secured loan account and small loans account.
   i. **Secured loan Account** – Continue to be repaid according to the payment schedule payment (refer to 7.5 Table 2, page 26) or Payments above standard loan repayment (refer to 7.5 (b)) with interest of 6.5% on reducing balance.
   ii. **Small loan account** – Small loan facility allowing members to loan a maximum of $1000.00 with 15% interest. Loan must be cleared before taking the next loan

(c) This loan accounts shall be separate accounts created by the IP1 system.

(d) The preferred securities are Ika ni Yabaki (INY), Vavakada (VVK), Compulsory Savings, Kakavaki Total premium and Na I Lololo (nil) investments and land and property sold under the Teachers village project and other projects commissioned by the FTACTL

(e) A client or member may select the term of loan to complete payment.

(f) Members who have reached 55 years or retired and no longer employed shall not be allowed to offer property, house and land as security.

(g) Applicants must also pay for any legal fees associated with the secured loan. Secured Loan for members must be endorsed by the Loans Committee and approved by the FTACTL Board, secured loan for board members must be approved by the Supervisory Committee.

(h) Interest rate may be reviewed by the Board from time to time.

7.2.4 NORMAL LOAN:

In the event that members seek normal loans during their loan repayment period this can be provided on the following conditions.

(a) That the existing loan balance is below $500.

(b) The maximum loan will be equal to the total shares less settlement amount.

(c) A period between the normal loans shall be 3 months and normal to first special loan be 3 months.

(d) A 10% interest shall be charged on all normal loan below $10,000.00.

(e) A 6.5% interest shall be charged on Normal loan $10,000 and above. This interest rate shall not apply for members who have attained normal loan status through refinance.

7.2.5 SPECIAL LOANS

In the event that members seek special loans during their loan repayment period, this can be approved on the following conditions.

(a) That the existing loan balance is above $500.
(b) The maximum loan will be equal to the total shares less settlement amount.
(c) The interest rate for special loans below $10,000.00 shall be 15%.
(d) **The interest rate for special loans $10,000.00 and above shall be 7.5 %.**
(e) **A special dual account structure, special loan $10,000.00 above and small loans account will be implemented if the member wishes to take the option.**
(f) The period between the 2 special loans shall be 6 months. Urgent request with genuine reasons shall be considered on a case-by-case basis on the Discretion of the loans committee or the Board FTACTL Board Chair.

Table 1: Break Period Between Loans

Category	Break Period between loan
Soft Loan to Soft Loan	5 working days
Soft Loan to Normal Loan	10 working days
Soft Loan to Special Loan	2 month
Normal Loan to Normal Loan	15 working days
Normal Loan to Special Loan	3 months.
Special Loan to Special Loan	6 months.
Special Loan to Discretionary Loan	8 months
Discretionary Loan to Discretionary Loan	10 months

7.2.6 EMERGENCY LOANS

(a) **Death of immediate family member**– (Father, Mother, Spouse, son or daughter, brother, sister). Maximum Loan of $1000 annually but application must be submitted with death certificate/notice of death, birth certificates and marriage certificates. The amount of Emergency Loan a member shall be entitled to shall be equal to the amount of shares above the outstanding loan. This Loan shall be exempted from any charges and interest.

(b) **Natural Disasters and Fire:** Damages incurred through natural disasters such as Tropical Cyclone, flood, earthquake, Tsunami, surge or any other force of nature beyond our control. A maximum loan of $1000 annually and application must be submitted with damage assessment report from Principal/Head Teacher, Education Officer, School Manager, Roko Tui or District Officer. The amount of Emergency Loan a member shall be entitled to shall be equal to the amount of the share above the outstanding loan. The Natural Disaster Loan shall be exempted from any charges and interest.

7.2.7 BUCIBUCINI LOANS

(a) This is a loan given to members to cover the cost of preparations before, during and after members' wedding.
(b) Members must provide wedding license.
(c) A maximum loan of $1000 shall be given.
(d) Members' shares must be above their loan balance by $1000.
(e) Interest rate shall be 10%.

7.2.8 SE NA DURUKA LOANS

(a) This is a loan given to female members and to male members whose spouse are about to give birth or have recently given birth.
(b) A maximum loan of $1000 shall be given.
(c) Members' shares must be above their loan balance by $1000.
(d) The interest rate shall be 10%.
(e) Members must provide relevant medical documentation.

7.2.9 EDUCATION LOANS:

(a) **Purpose:** The education loan is designed to provide financial assistance to our members who are pursuing higher education at tertiary institutions or require funding for essential equipment such as laptops to support their studies or work.
(b) **Loan Amount:** Qualified members can access a maximum loan amount of $1000 to support their educational pursuits and acquire necessary equipment.
(c) **Member's Share:** To qualify for the education loan, members must maintain a minimum share balance exceeding their loan amount by $1000. This requirement ensures that members have a vested interest in their education and provides added security for the organization.
(d) **Interest Rate:** An interest rate of 10% shall be applied to the education loan, providing a reasonable and affordable financing option for our members.

(e) **Documentation Requirements**: Applicants are required to provide proper documentation to support their loan application, including but not limited to proof of enrollment at a tertiary institution, equipment purchase quotes, and any other relevant documentation as determined by the organization.

7.2.10 MICROFINANCE LOAN

(a) The purpose of the microfinance loan is designed to empower our members by providing financial support to establish small businesses, thereby creating a sustainable source of income.
(b) Members are eligible to apply for a maximum loan amount of $1,000 to kick start their entrepreneurial ventures.
(c) To qualify for the microfinance loan, members must maintain a minimum share balance exceeding their loan amount by $1,000. This requirement ensures that members have a vested interest in the success of their businesses and provides added security for the organisation.
(d) **Business Proposal:** Applicants are required to submit a detailed business proposal along with a cash flow projection for their proposed project. This documentation helps evaluate the viability and potential success of the business, enabling informed decision-making regarding loan approval.
(e) **Project Monitoring:** Upon receiving the microfinance loan, members' projects will be closely monitored by the office to track progress, offer guidance, and ensure that the funds are utilized effectively to achieve the intended goals.

7.2.11 MEMBERS DRIVE INCENTIVE LOAN:

(a) Any member who increases their shares contribution from normal payment of $20.00 to $50.00 per fortnight qualifies for $350 loan.
(b) A $50.00 loan for Branch Meetings may be provided to members who attend a Branch Meeting where an FTACTL Board member is part of the visiting team and that prior approval has been obtained by the Board for that particular Branch Meeting. This loan can only be given once a year.
(c) **Incentive Loan:**
    (i) **First posting incentive loan**: New teacher graduates who have been appointed to schools for their first posting may apply for loan as shown in the table below. The loan granted shall be determined by the location of the schools and the payment shall be determined by the amount of loan taken.
    (ii) **New member incentive loan**: Any member who had joined for the first time are entitled to take $1,000 incentive loan.
(d) **Rejoining incentive Loan:** (Resolution No. 10 Triennial General Meeting 2019-2021)
    (i) Members who withdraw at will shall wait for a period of 2 years before rejoining.

(ii) Rejoining members may loan a maximum of $500.

(e) All loan repayments shall be directed towards members' shares and savings, Ika ni Yabaki after loans are fully repaid in concurrence to members' preference.

7.3 DISCRETIONARY LOAN

(a) Discretionary loan where the outstanding loan is more than the share shall be processed by the FTACTL Board Chair of the board.

(b) Discretionary loans by the Board members must go through the FTACTL Board Chair before it is submitted to the Supervisory Committee for processing.

(c) Duration of processing DISCRETIONARY loans shall be 15 working days

(d) The break period between the discretionary loans shall be 10 months. Urgent requests with genuine reasons shall be considered on a case-by-case basis on the discretion of the Board Chairperson

(e) The maximum loan that can be provided to members is calculated through this formula (Total Share + Total Na I Lololo Investment + 50% Ika ni Yabaki + Vavakada + Kakavaki Total premium) – (Current loan balance).

(f) Members who offered investment products for security to cover their loans such as Na I Lolo, Ika ni Yabaki, Vavakada, Kakavaki Total premium shall not be able to withdraw money invested equivalent to money loaned until the loan is fully paid or settled

(g) No withdrawals from FTA, FTAWS and FTACTL can be granted provided withdrawal clearance form are cleared by all parties.

(h) All clearance must be approved by both the FTAWS Working Committee and the FTACTL Board before any release of funds.

(i) As per government policy on increasing the retirement age of civil servants from 55 to 60, consequently the same automatically applies for FTACTL retirement to move up to 60 years. Members who are no longer re-engaged after reaching the age of 55 must provide a letter from the Ministry of Education confirming their retirement from teaching or full-time employment. Furthermore, In the case of a member who is reengaged at the age of 55 but wishes to withdraw their retirement benefits, the conditions for withdrawal at-will shall apply.

(j) Members' financial commitments as may be determined through his/her pay slip should be at a reasonable level. (not less than $200.00 net pay fortnight after loan deductions are made) There should be strict considerations of the 50% Take Home Pay.

(k) Defaulting members shall not be allowed to take any Additional Loans until loan has been cleared or Loan Repayment has been activated.

(l) Interest for Discretionary loan below $10,000.00 shall be 15%.

(m) Interest rate for Discretionary loan $10,000.00 and above shall be 10%.

7.4 REFINANCE & DISCRETIONARY LOAN $10,000.00 AND ABOVE

(a) Members whose loan with Kontiki, other banks, money lenders, hire purchase companies etc. above $10,000 were refinanced by FTACTL and Discretionary loan above $10,000 shall be charged an interest rate of 10%.

(b) These members shall have two loan accounts namely Refinance/Discretionary loan account and small loans account.

    i. Refinance Account – Continue to be repaid according to the payment schedule payment (refer to 7.5 Table 2, page 26) or Payments above standard loan repayment (refer to 7.5 (b).

    ii. Small loan account – Small loan facility allowing members to loan a maximum of $500.00 with 15% interest. Loan must be cleared before taking the next loan.

(c) This loan accounts shall be separate accounts created by the IP1 system

(d) The preferred securities are Ika ni Yabaki (INY), Vavakada (VVK), Compulsory Savings, Kakavaki Total premium and Na I Lololo (NIL) investments

(e) Interest rate for Refinance loan below $10,000.00 shall be 15%.

(f) Members who clear their FTACTL loan through refinancing from other banks such as Konitiki or other lending agencies shall only be allowed to loan 50% of their total share or the difference between share and loan provided that the members' financial commitments as may be determined through his/her pay slip and bank deductions should be at a reasonable level-not less than $200.00 net pay fortnight after loan deductions are made.

ACCOUNTABILITY CLAUSE

(a) In the event of unauthorized disbursement of funds, resulting in the loss of the FTACTL's assets, all designated signatories granting approval for the release of such funds/assets shall be held liable, thus warranting Surcharge.

7.5 LOAN REPAYMENTS SCHEDULE

(a) Loans approved are to be repaid within the period tabulated below.

Table 2: Loan Repayments Schedule

	Amount		Period (years)	Pays
1	1	499	0.5	13
2	500	999	0.7	18
3	1000	1999	1	26
4	2000	2999	1.5	39
5	3000	3999	2	52
6	4000	4999	2.5	65
7	5000	6999	3	78
8	7000	8999	3.5	91
9	9000	9,999	4	104
10	10,000 +	Variation in interest rates soft loan & Normal loan, special loan, secured loan, refinance/discretionary and small loans of dual loan accounts.		
11	11000	12999	4.5	117
12	13000	14999	5	130
13	15000	16999	5.5	143
14	17000	18999	6	156
15	19000	20999	6.5	169
16	21000	22999	7	182
17	23000	24999	7.5	195
17	25000	26999	8	208
18	27000	28999	8.5	221
19	29000	31999	9	234
20	32000	33999	9.5	247

(b) In cases where members wish to make payments above the standard loan repayments schedule in table 3 above, the payment will be adjusted accordingly with the aim of reducing interest rates. This clause ensures flexibility for members to accelerate their loan repayments and potentially save on interest costs.

7.6 INTEREST RATES

The interest rates for the above facilities are as follows;

Table 3: Interest Rates

	ACTIVITY	RATE	REMARKS
1	Interest rate Soft Loan below $10,000.00.	10%	Refer to 7.2.1 (c) page 20.
2	Interest rate Soft Loan $10,000.00 and above	6.5%	Soft Loan – refer to 7.2.1 (d) page 19
3	Interest rate normal loan $10,000.00 and above.	6.5%	Normal loan- refer to 7.2.4 (e) page 20.
4	Interest rate Special loan below $10,000	15%	Special Loan refer to 7.2.5 (d) page 20
5	Interest rate Special loan $10,000.00 and above	7.5%	Special loan above $10,000.00 refer to7.2.5 (e) page 21
6	Interest rate Refinance/Discretionary Loan below $10,000.00	15%	Discretionary loan below $10,000.00 refer to 7.3 (l) page 24
7	Interest rate Refinance/Discretionary Loan $10,000.00 above	10%	Discretionary Loan $10,000.00 and above refer to 7.3 (m) page 24.
8	Interest rate small loan refinance/discretionary	15%	Refer to 7.4 (b) ii. Page 25. Small loan account – Small loan facility allowing members to loan a maximum of $500.00 with 15% interest. Loan must be cleared before taking the next loan.
9	Interest rate Secured loan	6.5 % at reducing balance	Refer to 7.2.3 (b) I page 20. Applies for land, property, housing sold under the FTACTL Teachers residential and farming village.
10	Interest rate small secured and special loan	15%	Refer to 7.2.3 (b) ii. Page20. Secured, special Small loan account – Small loan facility allowing members to loan a maximum of $1000.00 with 15% interest. Loan must be cleared before taking the next loan
11	Interest refinance loan below $10,000.00	15%	Refer to 7.4 (d) page 25.
	Interest rate refinance $10,000.00 and above	10%	Refer to 7.4 (a) page 25 whose loan with Kontiki, other banks, money lenders, hire purchase companies refinanced by FTACTL above $10,000.00 shall

			be charged an interest rate of 10%.
12	Subsidiaries	15%	FTA and its Subsidiaries up to amounts to be determined by the Board and Supervisory Committee.
13	Processing Fee	1%	This is a flat rate charged for all loans.
14	Penalty arrears fee	2%	The penalty arrears fee shall be charged on repayment arrears and not on the total loan balance with effect from up to 2 months (8 weeks) within their duration of repayments.
15	Quarterly	2%	All loans should be paid within their specified duration, and further delay in repayments beyond the repayment period will mean an additional charge as stipulated.
16	Charges	3%	A fee of 3% may be charged on loans approved through appeals
17	KAKAVAKI	2% of all loans will be deducted	Channeled to KAKAVAKI accounts to cover liability of members' loans.
17	Kakavaki Administration fee and penalty fee for Kakavaki funds **Withdraw-At-will**	10% Administration fee 10% penalty fee Will be deducted from total Kakavaki investment.	Kakavaki members who **Withdraw-At-Will** shall not be eligible for the Kakavaki interest rate in the table 6 page 31 and shall be charged a 10% administration fee and 10% penalty fee which shall be deducted from total amount invested in Kakavaki.
19	Interest Rebate	-------	There will be no interest rebate on all loans approved
20	Surety Loan Interest rate	10% Soft and normal loan 15% special loan	2% to be given to the co-maker.
21	Administration fee in the	10%	10% to be deducted at

	event a member **Withdraws-At- Will**		Administration fee in an event where a member Withdraws-At Will.
22	Waving of interest and penalty arrears fee on loans (Must be approved by the FTACTL Board.	0%	Conditions for waiving of interest on loans; (i) Study leave provided members notify the office in writing and submitted with required documents such as approval of MoE on study leave. Only applies during the approved period of the study leave. (ii) Members that were terminated because of the "No Jab No Job" policy during COVID 19 pandemic. (iii) Members terminated other reasons such as 7-day decree, discipline cases etc. (iv) Members who have been terminated from FTA and FTACTL(iv) Members that have retired at 55 years and those who transitioned from at 55 to be re-engaged because of the 60 years retirement policy. (V) Members that retired on medical grounds. (vi) Members who have passed away. (vii) Members that have migrated (viii) Members that have resigned to stand for National Elections.

8.0 MEMBERS INVESTMENTS

8.1 IKA NI YABAKI (INY) INVESTMENT

Members who have not reached the age of 55

(a) This is a short-term investment to encourage short term savings and to get good returns for members.

(b) Apart from deduction for shares and loans, members can make separate periodic payments for the Ika Ni Yabaki investment

(c) This investment with its interest shall only be withdrawn once a year, which is in January the following year.
(d) The INY invested from January to 30th June shall get an interest of 6% and investment received from 1st July to 31st November shall get an interest of 3%. However, all deposits received after 31st November shall be considered as investments for the following year.
(e) The maximum amount that a member may invest in the INY shall be $15,000.
(f) If a member defaults on their loan repayment and still has an outstanding loan, their Ika Ni Yabaki Investment will automatically be considered as collateral or security for the loan.
(g) Interest earned from the member's Ika Ni Yabaki will be used to repay outstanding loans. The member will only be able to withdraw the Ika Ni Yabaki and any remaining interest after the outstanding loan is fully paid off.

8.2 VAVAKADA FUND (VVK)

(a) This is a medium-term investment for members.
(b) Members shall clearly declare the period of investment on the application form.
(c) On top of the deduction for shares and loans, a member may choose to deduct a certain amount every fortnight or make a whole sum payment for Vavakada Investment.
(d) The amount invested and the interest can only be withdrawn after two years.
(e) Interest to be calculated as compound interest.
(f) In the event of withdrawal before maturity date, interest gained will be calculated from the date of investment and the date of withdrawal.
(g) If the investor has already taken out interest gained from investment in accordance to initial agreement the interest gained will be adjusted from the investment and shall be deducted accordingly.
(h) Interest rates for the Vavakada Investments shall be the following.

Table 4: INTEREST RATES FOR THE VAVAKADA INVESTMENTS

Number of Years	Interest rate per annum
2years	**6%**
3 years	**6.5%**
4 years	**7%**
5 years	**7.5%**
6 plus years	**8%**

8.3 NA I LOLOLO INVESTMENT FUND (NIL) (Long term)

This is a long-term investment and the conditions are as follows;

(a) To recognize the contribution of members reaching the age of 55 in establishing the FTACTL and continually contributing to the Co-operative throughout their years of service, a special interest will be gained from their investment.
(b) The minimum amount a member reaching 55 years of age shall invest in the Special Account shall be $2,000 and the maximum is unlimited.

Table 5: Interest Rate Gained on Investments

Number of Years Investment	Interest Rate (%)
2 Years	6
3 Years	6.5
4 years	7
5 Years	7.5
6 years Plus	8

(c) In case the member withdraws his/her investment before maturity date, the interest rate shall be adjusted accordingly, and the balance of such funds shall be refunded to the Na I Lololo investor with a 5% penalty fee which will be charged on the Total Investment.
(d) If the member's investment reaches maturity date, the member shall have the option of withdrawing the investments plus member's total share with interest or reinvest his/her funds for the number of years according to individual choice.
(e) The member is entitled to loan the equivalent to 50% of the total amount invested in the Na I Lololo Fund with an interest of 5%.
(f) Na I Lololo Investors are entitled to receive allowances during the FTACTL meetings such as the AGM and other meetings sanctioned by the FTACTL Board.
(g) A Na I Lololo Investor automatically becomes a member of the FTACTL once he/she pays the $2,000 minimum investment in the Na I Lololo Fund.
(h) A Na I Lololo Investor shall have their annual subscription of $25.00 paid by the FTACTL to the RFTA.
(i) A Na I Lololo Investor shall be entitled to other benefits such as Diamond, gold, silver and bronze privilege cards in accordance with the Board's decision.
    a. Diamond Card – Members who have invested $100,000 plus
    b. Gold cards are for members who have invested $50,000 plus
    c. Silver Card -members who have invested $30,000 plus
    d. Bronze card – members who have invested $20,000 plus
    e. Privileges to be offered under each category will be in the Na I Lololo Privileges Policy Guidelines

8.4 NA KAKAVAKI

(a) All FTACTL members must become members of the Kakavaki. However, individual FTACTL members

(i) must consent to a fortnightly deduction of either $10.00 or $20.00 from their source of income, subject to the FTACTL process.

(ii) who have received approval from their source (Ministry of Education/ Government Ministries/ Department/ Statutory bodies/ Schools/ University/ Teacher Training Institutions/ Employer/ Bank) shall deduct either $10.00 or $20.00 and have commenced payment of premium deduction shall receive payment of $10,000.00 or $20,000.00 respectively upon their demise, provided they have completed and signed the relevant Kakavaki application form.

(iii) must be registered Kakavaki member prior to registering spouse to be a member of Kakavaki.

(iv) payout amount of the Kakavaki is conditional on the total membership reaching a threshold of at least 1,500 members and may vary based on the member's age as per Kakavaki Policy.

(v) In the event the membership does not reach the threshold, beneficiaries will receive Kakavaki payouts at the discretion of the FTACTL Board.

(b) With effect from 30 June 2024, the persons eligible to be a member of the Kakavaki shall only be limited to the member and the spouse.

(c) Recipients of Discretionary Loans will automatically become Kakavaki members upon completion of the necessary application process and premium deductions received by the FTACTL

(d) The Kakavaki offers coverage for members' motor vehicles, heavy machinery, and property, including houses built under the FTACTL Teachers Village project. The coverage extends to firm-out motor vehicles, heavy machinery, and houses constructed through Teachers' residential and farming village projects.

(e) The payout of Kakavaki benefits for members who have defaulted in premium payments for at least four weeks will be determined at the discretion of the FTACTL Board.

(f) A Kakavaki member can make a full withdrawal only upon reaching the age of 55 or meeting the withdrawal conditions outlined in section 12.0.

(g) Upon reaching the age of 55 or meeting the withdrawal conditions outlined in section 12.0, the interest rate table provided below shall be used to calculate the top-up interest for the Kakavaki investment accumulated by the member;

Table 6: Kakavaki interest rate

Years Kakavaki Membership	Interest rate	Years Kakavaki Membership	Interest rate	Years Kakavaki Membership	Interest rate	Years Kakavaki Membership	Interest rate	Years Kakavaki Membership	Interest rate

1	0.5263	9	4.7367	17	8.9471	25	13.1575	33	17.3679
2	1.0526	10	5.263	18	9.4734	26	13.6838	34	17.8942
3	1.5789	11	5.7893	19	9.9997	27	14.2101	35	18.4205
4	2.1052	12	6.3156	20	10.526	28	14.7364	36	18.9468
5	2.6315	13	6.8419	21	11.0523	29	15.2627	37	19.4731
6	3.1578	14	7.3682	22	11.5786	30	15.789	38	19.9994
7	3.6841	15	7.8945	23	12.1049	31	16.3153	39	20.5257
8	4.2104	16	8.4208	24	12.6312	32	16.8416	40	21.052

(h) Kakavaki members who Withdraw-At-Will shall not be eligible for the Kakavaki interest rate in the table 6 and shall be charged a 10% administration fee and 10% penalty fee which shall be deducted from total amount invested in Kakavaki.

(i) Refer to Kakavaki Policy for more details.

8.5 FTAkCTL Revenue Generation and Investment Diversification

(a) FTAkCTL, as a Co-operative within a Co-operative, aims to raise revenue through various streams to support its operations and investments. The primary sources of income for FTAkCTL include the sale of agricultural products such as Kava, yams, dalo, ginger, and other agricultural produce, as well as revenue from business ventures. Additionally, fees are charged on the cost of exporting members' commodities to overseas markets.

(b) Contributions to shares and investments come from various sources, including institutions like FTACTL and the shared FTA kava business, individual members, landowners who have leased their land to FTACTL or FTA, and cooperative entities approved by the board. This multi-faceted approach to sourcing capital provides diversification in investment opportunities for FTACTL, particularly in light of the uncertainties brought about by the COVID-19 pandemic.

(c) While the traditional revenue sources for FTACTL primarily consist of subscriptions, loan repayments, and investments sourced from members' subscriptions, FTAkCTL's revenue will be predominantly derived from businesses such as kava and agricultural commodities, forestry and timber activities, and interest generated from loans and investments.

(d) By diversifying revenue streams and exploring new avenues for income generation, FTAkCTL aims to strengthen its financial resilience, leverage emerging opportunities, and ensure sustainable growth in the face of evolving economic landscapes.

(e) This policy outlines FTAkCTL's commitment to proactive financial management, strategic investment decisions, and sustainable revenue generation practices to support its mission and create value for its stakeholders.

(f) **Eligibility**

   (i) Institutional share and investments by the FTACTL and the FTA Kava business

(ii) Individual shares and investments from the FTACTL members generated from Kava business or sale of agriculture commodities and products.
(iii) Landowners who lease land to the FTACTL and the FTA for kava and agricultural products business purposes of landowners or relevant cooperatives approved by the board. Approved Landowners are able to invest in the FTACTL and gain interest rates as tabulated below.
(iv) Interest rate
(v) Institutions or individual members shall declare the period of investment at the beginning so the appropriate interest is determined.

Table 7: Interest rate

Number of Years	Interest rate per annum
2 years	6%
3 years	6.5%
4 years	7%
5 years	7.5%
6 plus years	8%

(g) **Loans**
(i) A member of the FTAkCTL shall only be able to loan after 1 year since joining FTAkCTL.
(ii) The amount invested shall secure the loan.
(iii) Loan shall only be used to support the Kava or agriculture business ventures.
(iv) The FTACTL loan procedures and processes shall be followed.
(v) Interest rate for FTAkCTL loan shall be 10%.

9.0 RETIREMENT, DEATH & BEDRIDDEN AND TERMINATION ON MEDICAL GROUNDS

9.1 RETIREMENT BENEFIT

(a) A member reaching the age of 60 or the retirement age sanctioned by government may choose to withdraw full Retirement Benefit and cease contribution to shares or may opt to continue full financial membership with the FTACTL. He / She shall be allowed partial withdrawal of his/her share and to transfer part or whole of his share to be invested into the Na I Lololo or any other new product decided by the Board.

(b) A member opting to receive full retirement benefit may choose to invest part or whole retirement benefit in the Na I Lololo Investment Fund.

(c) The Retirement benefit formula below shall be used to work out Retirement Benefit as stipulated in Table 8. The member may also opt to invest some of the retirement benefit to qualify for special interest for RFTA members as stipulated in Table 5.

Table 8: Retirement, Death & Bedridden/Termination on medical grounds

Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate
1	0.5263	9	4.7367	17	8.9471	25	13.1575	33	17.3679
2	1.0526	10	5.263	18	9.4734	26	13.6838	34	17.8942
3	1.5789	11	5.7893	19	9.9997	27	14.2101	35	18.4205
4	2.1052	12	6.3156	20	10.526	28	14.7364	36	18.9468
5	2.6315	13	6.8419	21	11.0523	29	15.2627	37	19.4731
6	3.1578	14	7.3682	22	11.5786	30	15.789	38	19.9994
7	3.6841	15	7.8945	23	12.1049	31	16.3153	39	20.5257
8	4.2104	16	8.4208	24	12.6312	32	16.8416	40	21.052

9.2 DEATH BENEFIT:

(a) In the event of the death of a member, the member is entitled to full Retirement Benefit as stipulated in 9.1 (a) and Table 8: RETIREMENT, DEATH & BEDRIDDEN RATE TABLE.

(b) Death Benefit: Share plus normal interest on table below plus 1% interest each year of membership added as bonus

9.3 BEDRIDDEN/APPOINTMENT TERMINATED ON MEDICAL GROUND

(a) In the event of a member who becomes bedridden or is declared unfit to work by an approved medical practitioner or terminated due to medical grounds, the member shall be entitled to full Retirement Benefit as stipulated in 9.1 (b) and Table 8: RETIREMENT, DEATH & BEDRIDDEN RATE TABLE.

(b) Sick, Bedridden: Share plus normal interest on table below plus 1% interest each year of membership.

9.4 Death of a Retired Member:

(a) In the event of the demise of retired Teachers who were members of the FTACTL and in honour of their dedicated services and contribution to the organization, the FTACTL contribution shall be as follows:

(b) A financial contribution of $300 and $500 for past and current executives FTA, FTACTL Board, SNQ Board of Directors.

 (i) Sevusevu.
 (ii) Banner.
 (iii) Flag.
 (iv) Kamunaga (discretion of the board).

10.0 OVERPAYMENT:

(a) Members who have paid off loan and have some overpayments may apply for the total sum accumulated. Application will be immediately processed by internal processing procedures within the FTACTL Office and is not required to go through the Loans and Security Committee.

(b) However, members may deduct 30% of the total overpayments to be channeled to their investment such as Ika ni Yabaki and Na I Vavakada. Members could also reinvest their overpayment into Ika ni Yabaki or Vavakada to increase their savings and earn more interest.

11.0 COMPULSORY SAVINGS

(a) Members must have Compulsory Savings apart from shares to ensure that members funds are always available to secure Emergency Loans and specific loans such as Bucibucini, Se Na Duruka and Education Loans.

(b) All members shall have a minimum savings of $500 per member.

(c) Savings shall not be used to off-set outstanding loans in event of the death or withdrawal of membership on medical grounds.

(d) Members' savings shall only be withdrawn by those who have reached the age of 55 years or withdrawn on medical grounds as declared by an approved Medical Officer, resignation due to migration overseas or termination of service.

(e) Any other reasons for withdrawal of savings apart from those stipulated in 11.0 (d) must be approved by the Full Board.

(f) Member's savings can be withdrawn or part of it can be re-invested into the Na I Lololo Investment when the member is allowed to withdraw Savings as stipulated in 11.0 (d) and

(g) Members who withdraw at will shall not be entitled to Savings interest but shall be charged an administration fee of 10% of Savings.

(h) New members joining shall deduct $5.00 fortnightly for their Compulsory Savings and a minimum of $20 towards their shares.

(i) Members may request to deduct $5.00 from their shares contribution to be directed towards their Compulsory Savings. However, those that contribute the minimum share of $20 per fortnight must submit their request to the Board for approval before the request is allowed.

(j) Members who contribute about $25 or more every fortnight towards their share shall automatically deduct $5.00 for Compulsory Savings upon request.

(k) Members who have surplus money due to overpayments shall deduct 20% of their total overpayments to their Compulsory Savings.

(l) Compulsory Savings shall get an interest rate as tabulated in the Savings Interest Table below.

Table 9: Compulsory Savings Interest table

Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate
1	0.5263	9	4.7367	17	8.9471	25	13.1575	33	17.3679
2	1.0526	10	5.263	18	9.4734	26	13.6838	34	17.8942
3	1.5789	11	5.7893	19	9.9997	27	14.2101	35	18.4205
4	2.1052	12	6.3156	20	10.526	28	14.7364	36	18.9468
5	2.6315	13	6.8419	21	11.0523	29	15.2627	37	19.4731
6	3.1578	14	7.3682	22	11.5786	30	15.789	38	19.9994
7	3.6841	15	7.8945	23	12.1049	31	16.3153	39	20.5257
8	4.2104	16	8.4208	24	12.6312	32	16.8416	40	21.052
								41	21.5783

12.0 WITHDRAWAL FROM THE FTACTL

Withdrawal from the FTACTL may be granted only on the following grounds;

(a) Death

(b) Permanent insanity

(c) Retirement

(d) Migration - resignation to migrate overseas

(e) Dismissal / Termination from service – Those members who, for some reasons, have had their services terminated.
(f) Dismissal of membership from FTA
(g) Withdrawal formula for (a) and (b) above:
  (i) Withdrawal = [Total contributions + (interest rate according to years of membership) of total contributions) - (outstanding loans)]
(h) Withdrawal at will qualify for savings provided all loans at the FTACTL and the FTAWS have been settled. A 10% of the total amount of share shall be charged for administration fee and the member shall not be entitled to retirement benefit. Off-setting of loans shall not be allowed.

Table 10: Retirement Benefit Interest Rates

Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate	Years Membership	Interest rate
1	0.5263	9	4.7367	17	8.9471	25	13.1575	33	17.3679
2	1.0526	10	5.263	18	9.4734	26	13.6838	34	17.8942
3	1.5789	11	5.7893	19	9.9997	27	14.2101	35	18.4205
4	2.1052	12	6.3156	20	10.526	28	14.7364	36	18.9468
5	2.6315	13	6.8419	21	11.0523	29	15.2627	37	19.4731
6	3.1578	14	7.3682	22	11.5786	30	15.789	38	19.9994
7	3.6841	15	7.8945	23	12.1049	31	16.3153	39	20.5257
8	4.2104	16	8.4208	24	12.6312	32	16.8416	40	21.052
								41	21.5783

13.0 DEATH -BENEFICIARIES

(a) Death – Beneficiaries of members who pass on during their services are to be paid their contributions at the following rate:
  (i) Death = [Total Contributions + (interest rate according to years of membership) total contributions accumulated) – (outstanding loan)].
(b) All members shall deduct 50 cents as contribution to "Reguregu" in the event of the death of a member. Should a member be bedridden before demise, a 20cents per member will be deducted from the usual 50c Reguregu benefit for visitation. The remaining 30cents balance after the visitation shall be paid out upon demise of said bedridden member.
(c) FTACTL shall provide the FTACTL standard flag and banner
(d) All members of the FTACTL shall sign a beneficiary card and hand this back to the office.
  (i) Names of beneficiaries can be changed by signing a new card.

(ii) The name of the latest nominated beneficiary shall be paid whatever is due to the member in case of death.
(iii) In case there is no beneficiary nominated, the FTACTL Board shall determine the payee.

(e) RFTA members who had contributed enormously to the organisation shall be accorded the same benefits as in 13.0(c) and any other amount approved by the Board

14.0 OTHER TYPES OF WITHDRAWALS

(a) In the best interest of sustaining the FTACTL, other reasons for withdrawals are not encouraged, however should this be granted, the following conditions in 12(b) shall apply.
(b) All outstanding loans with FTACTL and FTAWS should be fully cleared before retirement benefits are paid out.

15.0 MEMBERS' SHARE CONTRIBUTIONS

(a) A minimum of $20.00 shall be a Member's fortnightly share contribution.
(b) A total of $500 initial shares shall be transferred as Compulsory Savings.

16.0 DISTRIBUTION OF NET SURPLUS

(a) After the statutory contribution to the reserve fund has been made in accordance with Section 100 of the Co-operatives Act the remainder of the surplus resulting from the operations of the Co-operative during the financial year together with any surplus carried forward from preceding years may be utilized for any or all of the following purposes: -
    (i) Bonus paid to members according to their volume of transactions with the Co-operative the Total Dividend to be distributed as approved by the Board;
    (ii) Interest paid on share capital which may at least 20 percent but shall be determined by the Board in January of the following year;

(iii) Incentive bonus paid to employees and workers of the Co-operative;
(iv) Allocations to any special funds as provided for in the By-laws:
(v) Dividend Distribution formula = Total Share x Differential Index. The differential index is an index used to distribute the dividends to members and ensures that the total amount of dividends does not exceed the total dividend approved by the Board for a particular year.
(vi) Allocation of at least ten percent of its net surplus for the development of human resources of the Co-operative's members, officers and employees;
(vii) Donations and Grants for charitable or social purposes provided that this shall not exceed ten percent of the net surplus;
(viii) May distribute a part of its net surplus among the members in the form of Bonus Shares; and
(ix) Allocations to any special funds as provided for in the By-Laws

17.0 DIVIDEND ACCOUNT

(a) All unclaimed dividends for a particular year shall be deposited into members' savings after six months 30th of June (13 pays) from the date dividends are paid out.

18.0 FTACTL STATUTORY RESERVE FUND

(a) Section 100(1) of the Co-operatives Act stipulates that every Co-operative shall maintain a Reserve Fund which shall be used in such manner as may be prescribed in the By-laws.
(b) The FTACTL shall allocate to the Statutory Reserve Fund at least thirty percent of its surplus resulting from the transactions of the Co-operative with its members during the financial year. The entire surplus resulting from transactions with non-members of the Co-operative during the financial year shall be allocated to the Reserve Fund.
(c) Provided that when the Reserve Fund reaches at least half the value of the total assets of the Co-operative, FTACTL may reduce its allocation to the Reserve Fund to at least five percent of its surplus.
(d) FTACTL shall allocate to its Statutory Reserve Fund at least fifty percent of its surplus for the first four years after registration.
    (i) At least twenty-five percent of the allocations to the Statutory Reserve Fund of FTACTL shall be transferred to the National Reserve Investment Trust Fund to be administered by the National Co-operative Federation.
    (ii) The administration, utilization and objectives of the National Reserve Investment Trust Fund shall be prescribed in the regulations.

(iii) The Reserve Fund of the Co-operative shall be indivisible and no member shall be entitled to claim a specific share of it.

19.0 KAKAVAKI ACCOUNT

(a) An amount of 2% of all Loans is to be channeled towards the Kakavaki.
(b) Premium of $12,000 FTACTL and $6,000 SNQ per annum.
(c) Premium for Members' Kakavaki Scheme.

20.0 INVESTMENT

(a) The FTACTL Board may authorize on behalf of the members on investment of funds into reputable organizations and entities for maximum benefits. The FTACTL Board may authorize the investment of funds of the Co-operative for the best returns. However, any investments over the sum of $100,000 shall be passed by the Supervisory Committee or the FTACTL AGM.

21.0 ADVANCE BY EMPLOYEES OF FTACTL

(a) Only employees of FTACTL may be allowed to apply for an advance in salary for very urgent purposes.
(b) The maximum salary advance shall be 1 month's gross salary.
(c) Any salary advance by employees of FTACTL must be approved by the Board.
(d) The advance shall be repaid within 13 pays.
(e) The affordability of the advance payment will be thoroughly assessed, contingent upon the employee's adherence to either the 50% take-home pay policy or a minimum net amount of $200.00 per fortnight after deductions from the source and the bank.
(f) No Additional Advance shall be allowed until all previous Advance is cleared.

22.0 STAFF RETIREMENT

(a) In fulfilling Staff Contractual Employment provisions upon reaching the age of 60, adherence to sanctioned clause in the HR Employee Contractual Agreement and enabling embers to access retirement benefits.
(b) All staff retention policy shall be null and void as of 2021.

23.0 RECOVERY OF LOAN ARREARS FROM DEFAULTING MEMBERS

(a) Efforts shall be made on recovery of loan arrears from defaulting members who have not settled their outstanding Loan Arrears after term of Loan has expired.
(b) The Board shall charge interest on loan arrears of members as stipulated in Table 3: Interest Rate.
(c) The FTACTL Board shall take Legal Proceedings against members who have not settled outstanding Loan arrears in accordance with the Loan Agreement.

24.0 INTERPRETATIONS

In this Policy, unless the context indicates otherwise,

"**allowance**": (1) in relation to a service Co-operative means the remuneration paid to the Chairperson, Secretary, Treasurer or any other member of Co-operative in consideration of their voluntary services rendered to the Co-operative on a regular basis;

“**Annual General Meeting**" means the general meeting convened once in every financial year where the members exercise the functions stipulated in Section 54 of the Co-operatives Act;

"**Board**" means the Board of Directors of the FTACTL, to which the management of the affairs of the Co-operative is entrusted;

"**Bonus**" means a share of the surplus of a registered Co-operative divided among its members in proportion to the volume of business done with the Co-operative by them from which the surplus was derived;

"**By-Laws**" means the registered By-laws of a Co-operative made according to the provisions of the Co-operative Act and includes a registered amendment of the By-laws;

"**Co-operative**" means an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate, which is provisionally or fully registered under the Co-operatives Act as a primary or secondary co-operative, apex organization or the National Co-operative Federation registered according to the provisions of the Co-operatives Act:

"**Compulsory Savings**" All members must maintain a Compulsory Savings of $500 by the end of 2019.

"**dividend**" means a portion of the net surplus of a Cco-operative distributed among the members in proportion to the paid-up share capital held by them in the Co-operative;

"**employee**" means all persons employed by FTACTL and receiving a salary for work done in the Co-operative;

"**first degree of sanguinity**" means family relations of the first degree namely father, mother, son, daughter, brother or sister;

"**honorarium**" means a portion of the net surplus of the Co-operative divided among some or all of the members of the Board of the Co-operative in consideration of their services which would not otherwise be remunerated;

"**Immediate family**” includes spouse, children and siblings "**liability**" means unlimited liability or liability limited by shares or guarantee as prescribed in the By-laws of the Co-operative;

"**member**" means an individual person, registered co-operative or association joining in the application for the registration of a co-operative, and a person, registered co-operative or association admitted to membership of a co-operative after registration in accordance with the provisions Policy and the By-laws of the Co-operative;

"**National Co-operative Federation**" means the co-operative established under Section 47 of the Co-operatives Act to represent all Co-operatives at the national level;

"**net surplus**" means the pre-tax surplus after provisions nave been made for the Statutory Reserve Fund as stipulated in Section 100 of the Co-operative Act;

"**officer**" of a Co-operative includes a Chairperson, Vice-FTACTL Board Chair, Secretary, Treasurer, Manager or any other elected or appointed members of a Board or Committee empowered by this Policy and the by-laws or the rules to give directives in regard to the business of the Co-operative or to supervise such business;

"**primary co-operative**" means a registered Co-operative consisting of individual persons or associations as members;

"**settlement amount**" means the amount to be paid to clear members outstanding loan balances.