

## FESO Loan and Savings Plan Procedures

1. A member can only qualify for this type of loan if they are referred directly to us from Barry County United Way or the HR department of Flexfab, Hastings Fiberglass, Quality Aluminum or Bradford White. They should bring in a whole packet of info that I created and gave to United Way to hand out to them prior to them coming to see us. If they do not have this packet they need to go to United Way first to get it as they have to sign a Commitment form there before we can proceed.
2. We will treat this just like any other loan and pull a credit report and get a paystub (which should be sent by the Success coach, or with the member, or directly from the members company) however, approval is guaranteed regardless of credit or debt ratio. We will only use the credit report to build a credit repair plan for the member that we will continue to work with them on here at TCU.
3. These loans have no application fee.
4. The interest rate on all of these loans is at 11.90% and they will be under a suffix of 720-725 as their own loan category called the FESO loan (they have to be tracked and reported back to United Way every quarter).
5. Minimum loan amount is \$250 and maximum is \$1000.
6. Term can range from 6-12 months
7. The payments will be made as a direct payment from their payroll and the first payment will be pushed out 50 days from the date of disbursement.
8. We will open a special savings and freeze it. As a requirement for this loan they will be getting a direct deposit into this savings account as well and are not allowed to have access to it until we hear otherwise from their Success Coach. These funds are not to be used to payoff one loan just to do another, and only one FESO loan can be open at a time.
9. If employment ends with participating company while they still have an open loan, we are supposed to get their final check to be used to pay down the loan.
10. The member is allowed to have a checking if they would like, but they have to at least have the regular savings (to establish their membership) and a special "frozen" savings account to go along with the loan.
11. Our contact at United Way is Courtney Ziny at 269-945-4010 or [courtney@bcunitedway.org](mailto:courtney@bcunitedway.org). She is currently the only Success Coach that these members will be working with.
12. Each loan officer should have a packet as an example.