

**REGULATIONS
OF THE EMPLOYEE LOANS AND SAVINGS FUND
AT THE UNIVERSITY OF ECONOMICS
IN KATOWICE**

Katowice, March 2012

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TEXT CONSOLIDATED

BY THE ELSF BOARD

AT THE UNIVERSITY OF ECONOMICS

IN KATOWICE

Legal basis

§ 22, item 16 of the regulation of the Council of Ministers
of 19 December 1993 on employee loans and savings funds and credit and savings
unions in workplaces

Journal of Laws no. 100, item 502

I. General provisions

- § 1. The purpose of the ELSF is to promote thrift and economy and offer material assistance to members in forms specified in these regulations
- § 2. The ELSF achieves its objectives by granting long- and short term loans and allowances insofar as permitted by held monies.
- § 3. ELSF members pay admission fees and monthly membership contributions in the amount agreed by the general meeting of members, which is equal to 3% of their salary, disability pension or old age pension.
- § 4.1. Cash is held in a bank account and bears interest at the rate specified in separate regulations.
- § 4.2. The membership contributions and loans granted to ELSF members are interest-free.
- § 4.3. The ELSF is entitled to accept grants and donations, assigned to the reserve fund.
- § 4.4. ELSF members are jointly and severally liable for its obligations up to the amount of their contributions.
- § 4.5. The organizational, legal, financial and accounting services are provided to the ELSF by the employer as per the rules specified in § 4, item 1 of the regulation of the Council of Ministers of 19 December 1992 on employee loans and savings funds and credit and savings unions in workplaces (Journal of Laws no. 100, item 502, as amended)

II. ELSF members

- § 5. All University employees employed for an indefinite time, as well as employees employed for a definite time, not shorter however than one year, may become ELSF members. Old age and disability pensioners who are former University employees may also become ELSF members. The amount of loan granted to employees employed for a definite time may be subject to a limit so as to allow the employee to repay the loan during their employment period.
- § 6.1. Members are admitted on the basis of a filed ELSF admission form.
- § 6.2. The decision to admit a member is made by the ELSF Board not later than one month from the form filing date.
- § 7.1. An ELSF member is obliged to:
 - 1. pay an admission fee equal to 3% of their salary,

2. pay a monthly member contribution or consent to have the contribution deducted from their salary, sickness benefit or child rearing benefit,
 3. show concern about developing the ELSF and streamlining its operations,
 4. observe strict compliance with the provisions of these regulations, as well as with the resolutions and statements of ELSF bodies.
- § 7.2.** The provision of section 1, item 1 does not apply to ELSF members who transfer their contributions from their previous workplace.
- § 8.** An ELSF member is entitled to:
1. collect their savings in the ELSF as specified in these regulations,
 2. use loans and other forms of assistance provided for in these regulations,
 3. apply for a non-refundable allowance, as specified in these regulations, in case of a fortuitous event,
 4. attend the general meeting of members,
 5. elect and be elected to the ELSF Board and Audit Committee.
- § 9.** A member acquires the rights referred to in section 8, items 1, 4 and 5 upon admission to membership. The remaining rights referred to in section 8 are acquired upon paying the admission fee and two successive monthly contributions.
- § 10.** A member may be deleted from the list of ELSF members:
1. on a written request of the member,
 2. following termination of the employment relationship, save for retirement due to old age or disability,
 3. following death of the member,
 4. following a ELSF Board decision made due to the member defaulting on its obligations listed in section 7, item 1.
- § 11.** ELSF members deleted from the list of ELSF members on their own request may be readmitted to ELSF:
1. after 3 months from the date of deletion, after paying 50% of the amount of withdrawn contributions,
 2. after 6 months from the date of deletion, on general terms.
- § 12.** Persons deleted from the list of ELSF members are entitled to have their member contributions refunded after 2 months from the day of deletion.
- § 13.** Persons deleted from the list of ELSF members should collect their contributions at the latest within 12 months from the day of deletion. If a former ELSF member fails to collect their contributions by that date, the ELSF Board, having approved the ELSF balance sheet for the year in which the member was deleted from the list of

ELSF members, will transfer the uncollected contributions to the reserve fund specified in these regulations.

§ 14. ELSF members whose total contributions reached at least 150% of their monthly salary may withdraw 50% of the total, provided that the remainder is sufficient to repay any debt they may have,

§ 15.1. Old age and disability pensioners who remain ELSF members may be exempted from the obligation to pay monthly contributions, while retaining the right to obtain loans up to the amount of their collected contributions.

§ 15.2. ELSF members remaining on unpaid leave, parental leave or child rearing leave may have their obligation to pay monthly member contributions suspended until they resume working. Persons using this exemption may obtain a loan up to the amount of their collected contributions.

III. ELSF bodies

§ 16.1. The ELSF has the following bodies:

1. general meeting of members,
2. ELSF Board,
3. Audit Committee.

§ 16.2. If the ELSF has more than 150 members, the Board may replace the general meeting of members with a meeting of delegates. The number of delegates is set at the rate of 1 delegate per 20 members.

§ 17.1. Resolutions of ELSF bodies are made by a simple majority of votes in the presence of at least one half of the members (delegates).

§ 17.2. The Board and Audit Committee are elected.

§ 17.3. Elections at ELSF are held openly.

§ 17.4. If there is no quorum when a meeting is called for the first time, it is called again at another date (after 15 minutes) and is able to make binding resolutions regardless of the number of ELSF members present.

§ 18.1. The term of the Board and Audit Committee cannot last longer than four years. A member of an ELSF body may be dismissed during a term due to improper performance of their obligations. If a member of the ELSF is dismissed, resigns or has their employment relationship terminated, a by-election is staged.

§ 18.2. Changes to the Board and Audit Committee are made by the general meeting of members.

§ 18.3. Members of ELSF bodies are performing their duties on a volunteer basis.

1. General meeting of members (delegates)

§ 19.1. A general meeting of members (delegates) may be ordinary or extraordinary.

§ 19.2. An ordinary general meeting is called by the Board at least once per year.

§ 20.1. An extraordinary general meeting is called by:

1. the ELSF Board when required or requested by:

- the Audit Committee,
- one third of ELSF members,
- labour unions,

2. the Audit Committee, if the Board is suspended.

§ 21. The general meeting has the following powers:

1. pass and amend the ELSF regulations,
2. elect and dismiss ELSF Board members and Audit Committee members,
3. approve annual statements and balance sheets,
4. approve Board statements on current activities and Audit Committee statements and motions,
5. in case of damage or loss, investigate the causes and make decisions on covering the damage or loss,
6. pass resolutions in matters pertaining to dissolution of the ELSF.

2. The ELSF Board

§ 22.1. The ELSF Board is composed of at least three and at most five members.

§ 22.2. At the first meeting, the ELSF Board chooses a chairman, deputy chairman, secretary and treasurer from among its members.

§ 23.1. Meetings of the Board take place as required, but at least once per month. Each meeting of the Board is minuted.

§ 23.2. Representatives of labour unions are invited to participate in meetings of the Board with advisory vote.

§ 24.1. The Board has the following powers:

- admit ELSF members and delete them from the list,

- maintain a list of ELSF members,
- pursue the policy applicable to various benefits,
- grant loans and set repayment periods,
- make decisions to extend loan repayment deadlines,
- grant non-refundable allowances,
- supervise the timely and proper payments into and out of the fund and post these transactions,
- sign cash transfer orders and other documents,
- call general meetings of members (delegates),
- present the general meetings with reports on current activities and submit annual balance sheets for approval,
- review periodic financial statements,
- represent the interests of the ELSF in relations with the workplace manager,
- take a position on the conclusions and findings of the Audit Committee,
- work together with labour unions and present them with reports on ELSF activities once per year,
- work together with employees appointed by the workplace to maintain the accounting books, operate the cash register and handle legal matters of the ELSF,
- handle other ELSF matters.

§ 24.2. The ELSF Board represents the ELSF interests outside the workplace.

§ 25. In matters related to ELSF membership, loans and non-refundable allowances made from ELSF funds, all decisions of the Board are final.

3. Audit Committee

§ 26.1. The Audit Committee is composed of at least three members.

§ 26.2. At the first meeting, the Audit Committee chooses a chairman, deputy chairman and secretary from among its members.

§ 27. The chairman of the Audit Committee or another delegated member is entitled to participate in meetings of the ELSF Board with advisory vote.

§ 28.1. The ELSF Audit Committee is a body supervising the financial activities of the ELSF Board and has the following basic duties:

- protect the ELSF assets,
- verify compliance of the Board with these regulations,
- supervise the proper recording of all amounts paid into and out of the fund,

- supervise the proper maintenance of the ELSF cash register and accounting books by the workplace

§ 28.2. At a general meeting of ELSF members (delegates), the Audit Committee files a report on its activities and takes a position on the ELSF Board activities.

§ 28.3. The Audit Committee inspects the ELSF operations at least once per quarter, producing inspection minutes.

§ 29. If it is found that the ELSF Board does not comply with the provisions of law in its financial activities or that its activities are contrary to public interest, the Audit Committee suspends further activities of the ELSF Board and calls a meeting of members (delegates) within 14 days from the date of suspension.

IV. ELSF funds

§ 30. ELSF funds consist of the following own funds:

1. savings and loan fund,
2. allowance fund,
3. reserve fund.

§ 31.1. The savings and loan fund is made of member contributions and used to grant cash loans.

§ 31.2. Member contributions paid in the amount and by the deadlines set in these ELSF regulations are assigned to individual ELSF member accounts.

§ 31.3. Contributions made by employees are deducted from their salary, sickness benefit or child rearing benefit.

§ 31.4. Old age and disability pensioners pay their contributions to the ELSF cash register or transfer them to the ELSF bank account.

§ 32.1. The allowance fund is made of:

1. amounts written off the ELSF reserve fund,
2. voluntary payments of members, grants, donations and other receipts.

§ 32.2. The allowance fund is used to grant allowances to ELSF members in case of major fortuitous events.

§ 32.3. Whenever the reserve fund has a negative balance, by a decision of the general meeting of members monies may be transferred to it from the allowance fund.

§ 33.1. The reserve fund is made of admission fees paid by members joining the ELSF, refunded but uncollected member contributions, interest on bank accounts and deposits, and interest awarded by courts on unpaid loans.

§ 33.2. The reserve fund is used to cover damage or loss, to offset uncollectable member debts and to write off amounts to the allowance fund. The amount written off for the allowance fund is decided by the general meeting.

§ 33.3. Member contributions transferred to the reserve fund may be paid out to their owner within 10 years from the date of transfer. Following this, any contributions uncollected by members become the property of ELSF.

§ 34. ELSF cash is deposited on a bank account.

1. ELSF bank accounts are opened on motion of the Board.
2. The Board names persons authorized to use such accounts.
3. The specimen signatures of persons authorized to use the accounts are approved by the Board.

V. Granting benefits and eliminating ELSF debts

§ 35.1. ELSF grants short- and long term loans.

§ 35.2. Long term loans are granted for a period not exceeding 36 months.

§ 36.1. Any granted loans are due for repayment by the dates and in instalments set upon granting.

§ 36.2. For ELSF members who are employees, loan instalments are deducted from their salary, sickness benefit or child rearing benefit.

§ 36.3. Old age and disability pensioners are obliged to pay loan instalments in cash to the ELSF cash register or transfer them to the ELSF bank account.

§ 37.1. The amount of long term loans cannot exceed the sum of three times the amount of salary, old age or disability pension and the collected member contributions.

§ 37.2. A loan is paid in instalments, with the first instalment due not later than in the third month following the granting of the loan.

§ 37.3. In case of overpayment of loan instalments, the excess is reposted to the contribution fund.

§ 38.1. A new long term loan may be granted only when the previous loan has been repaid. Supplementary loans are an exception.

§ 39. In cases justified by fortuitous events, the ELSF Board may when requested by an indebted member defer the repayment of a loan by up to 6 months. If the debt is greater than the ELSF member's contributions, the repayment deferral request must be accompanied by the consent of loan guarantors.

- § 40.1.** A loan request should be filed on the appropriate form that contains the undertaking to repay the loan and consent to have the loan instalments deducted from the borrower's salary, sickness benefit or child rearing benefit, and if the member is deleted from the list of members, consent to the remaining debt becoming immediately due and payable. If the loan amount is greater than the member's contributions, the request must be guaranteed by two guarantors.
- § 40.2.** The guarantors are obliged to consent to have the guaranteed loan deducted from their contributions or salary, sickness benefit or child rearing benefit if the debtor defaults on payment, as per the rules applicable to the debtor.
- § 40.3.** The following cannot serve as guarantors: members of the ELSF Board and Audit Committee, employees on notice period and unpaid leave, persons maintaining the ELSF accounting books, and persons encumbered with their own debts who cannot guarantee loan repayment.
- § 40.4.** The following can serve as guarantors: ELSF members and University employees not affiliated with ELSF and employed for an indefinite time or a definite time not shorter than one year, as well as old age and disability pensioners who are ELSF members and have contributions that can guarantee repayment of the guaranteed loan.
- § 41.1.** An ELSF member can be a guarantor of no more than two loans at the same time.
- § 41.2.** The ELSF Board suspends paying out contributions to guarantors deleted from the list of members when the debtor whose debt they guaranteed defaults on repayment.
- § 42.** Requests to grant a loan or allowance should be processed not later than within 30 days from the date they were filed on, taking into account the dates of ELSF Board meetings.
- § 43.1.** In exceptional circumstances justified by fortuitous events, ELSF may grant supplementary loans to ELSF members who previously took a long term loan. Decisions to this effect are made by the Board.
- § 43.2.** Supplementary loans are granted according to the following rules:
1. the total amount of debt cannot exceed the maximum long term loan amount granted by the ELSF to which the borrower is entitled,
 2. a condition of granting a supplementary loan is having it guaranteed by the same persons who guaranteed the defaulted loan. If such guarantee is refused or cannot be obtained from the same persons, a new loan should be taken, with the repaid portion of the previous loan credited towards repayment of the former.

3. granting a supplementary loan requires redefining the amount of instalments and final debt repayment deadline.

§ 44.1. Short term loans are granted according to the following rules:

1. a short term loan may be granted up to the amount of a member's contribution but cannot exceed 25% of their salary, sickness benefit or child rearing benefit,
2. a short term loan is repaid at once from the next salary, sickness benefit or child rearing benefit,
3. a short term loan for an old age or disability pensioner may not be higher than the amount of their unencumbered member contributions,
4. defaulting on a loan taken by an old age or disability pensioner within 2 months will cause it to be deducted from the member's contributions,
5. a short term loan which does not exceed the member's contributions unencumbered by a long term loan does not need to be guaranteed.

§ 44.2. A short term loan may be granted outside Board meetings by a decision of three Board members, including the treasurer.

§ 44.3. If it is found that the amount of salary, sickness benefit or child rearing benefit due to an employee who received a short term loan prevents the short term and long term loan instalments from being deducted together, the short term loan is repaid first.

§ 45. If an indebted member is deleted from the list of ELSF members, the debt is deducted from the contributions. If the amount of contributions is not sufficient to repay the debt, the ELSF Board may agree for the remaining amount to be repaid in monthly instalments on the conditions stated in the loan agreement.

§ 46. If a member is deleted from the list of ELSF members on their own request, the debt becomes immediately due and payable regardless of any repayment deadlines agreed when the loan was granted. The member's contributions are credited towards the repayment, with the remainder deducted from the next salary, sickness benefit or child rearing benefit.

§ 47. If a person obliged to repay a debt to ELSF defaults on the repayment, they must be given notice to pay their debts in writing and have a repayment deadline set. A copy of the writing must be served to the guarantors. If the debt is not repaid by the set deadline, the ELSF Board is entitled to encumber the contributions or salaries of jointly and severally liable guarantors up to the debt amount.

§ 48. In case of death of an ELSF member, the guarantors are not liable for repaying the member's debt. Repayment of this debt, after deducting the member's

contributions, can be recovered from the member's heirs. If recovery is difficult, the debt may be extinguished by repaying the debt amount from the reserve fund.

§ 49. If a case needs to be brought before a court due to an ELSF member and their guarantors defaulting on a loan, an authorized ELSF Board member or other authorized person acts in the name and interest of ELSF.

VI. Dissolution of the ELSF

§ 50.1. If the workplace is dissolved, the ELSF is dissolved as well following a resolution of the general meeting.

§ 50.2. The ELSF can also be dissolved if the number of members falls below 10, unless a resolution to establish an ELSF encompassing multiple workplaces has been taken. As of the date of passing the resolution to dissolve the ELSF, taking member contributions, paying out loans and allowances and admitting new members ceases.

§ 51. To carry out the ELSF dissolution, the general meeting appoints a dissolution committee composed of at least 3 persons. The dissolution committee takes over the rights and duties of the Board and the Audit Committee.

§ 52. The provisions of these regulations applicable to the ELSF Board apply accordingly to the activities of the dissolution committee. The dissolution is intended to complete current affairs, repay liabilities and recover receivables.

§ 53. The decision to dissolve the ELSF, naming the members of the dissolution committee and the location in which the committee is established, requesting debtors to repay their debts and setting a three months' period for creditors to announce their claims, should be made known to all members. A decision to dissolve the ELSF encompassing multiple workplaces should also be published in the press.

§ 54. The ELSF dissolution should be completed within 6 months from the date on which the resolution to dissolve the ELSF was made. In justified cases, this deadline may be extended by a decision of the dissolution committee, but by no more than 2 months.

§ 55. Monies remaining at the allowance and reserve fund should, following the final settlement of liabilities, receivables and member contributions, be used for public benefit.

VII. Final provisions

- § 56.1.** ELSF accounting books are maintained according to separate provisions concerning accounting.
- § 56.2.** The fund's financial year is the calendar year.
- § 56.3.** ELSF accounting books are maintained in a comprehensive manner that accounts for all financial and settlement operations. Entries are posted on general and subsidiary ledger accounts, in journals, registers and other schemes applicable to the chosen accounting method.
- § 56.4.** The basis for accounting entries are properly executed accounting documents.
- § 57.1.** ELSF books cannot be maintained by members of the Board and Audit Committee and the person operating the ELSF cash register.
- § 57.2.** The ELSF cash register cannot be operated by a member of the Board or Audit Committee.
- § 57.3.** The ELSF cashier reports to the person maintaining ELSF books.
- § 58.1.** The annual ELSF report is signed by the Board, accountant responsible for the books and Audit Committee following an audit of ELSF activities. The audit minutes are attached to the report.
- § 58.2.** The annual report is subject to approval by the general meeting of members (delegates).
- § 59.** The ELSF uses a stamp with the address of the workplace in which it was established.