Balozi Bulletin

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A LEGACY OF TRUST: BALOZI SACCO CELEBRATES 50 GOLDEN YEARS

On September 12, 2025, Balozi SACCO celebrated a monumental milestone, its 50^{th} Golden Jubilee Anniversary, at the Kenyatta International Convention Centre (KICC). This historic event was a vibrant gathering of our community, uniting the pioneering founders who started it all, the dedicated retirees who built its legacy, and the dynamic members who will lead it into the future. It was a powerful tribute to five decades of financial resilience, growth, and unwavering commitment to our members.

The celebration's centerpiece was the launch of the strategic management plan for 2025-2029, a forward-looking blueprint that will guide the SACCO's journey for the next five years. This plan is strategically focused on four key areas listed below:

1. **Membership, Products, and Services**
2. **Operational Efficiency**
3. **Governance and Risk Management**
4. **Institutional Capacity**

The SACCO was profoundly honored to host distinguished guests who shared in the celebration, including the Commissioner of Cooperatives, the Director of Cooperatives in Nairobi, dignitaries, the invaluable banking and SACCO partners, and the entire Balozi SACCO fraternity.

The Golden Jubilee was more than a reflection on a storied past; it was a launch into a promising future. It reaffirmed our core mission while setting a clear, strategic path for sustained growth and service for generations to come.

INSURANCE PREMIUM FINANCING LOAN

This new product is designed to assist members in paying premiums for motor vehicle insurance, education policies, medical covers, general insurance, and life insurance. The maximum amount is determined by the member's loan eligibility or the insurance premium. The amount is disbursed to insurance but not the member.

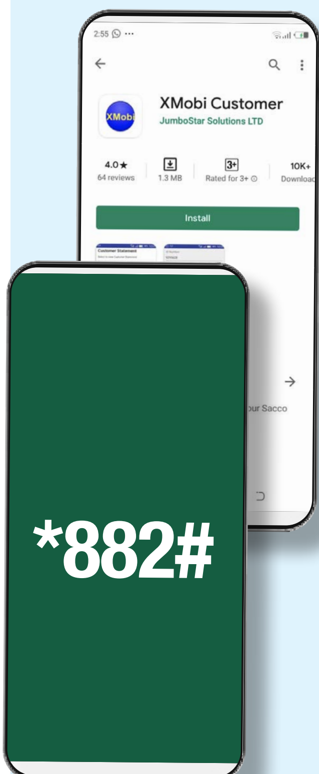
Product features:

- Repayment period is 12 months
- Interest rate of 1% per month on a reducing balance
- Eligibility is based on half of the net salary
- Repayments can be made via checkoff or standing order

Quick Updates

Upgrading the SACCO System

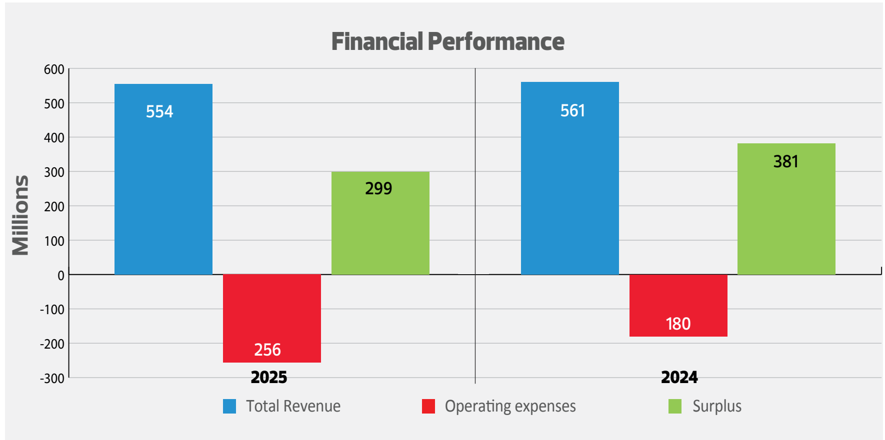
The SACCO is in the process of changing its system (SACCO ERP) from Xtreme ERP to Microsoft Dynamics 365 Business Central. The SACCO is currently in the third phase of user acceptance testing (UAT 3). These tests are geared towards confirming the efficiency of the system as well as the smooth processes for members. Members will be informed once its rolled out.



Advance Dividends

The SACCO has rolled out advance dividends effective October 1 to December 31, 2025. Members may access up to 30% of their dividend for the year 2025. Application is via X-Mobi Customer app or the SACCO's ussd code *882#.

Q3 2025 FINANCIAL PERFORMANCE



A Look at Revenue

In the third quarter of 2025, the SACCO had a slight decrease in revenue compared to the same period in 2024. This was primarily caused by lower uptake of loans across the membership. Members are encouraged to consider the SACCO's products for their financial needs. By patronizing these products they will directly contribute to the SACCO's revenue and in turn earn high dividends and interest on member deposits.

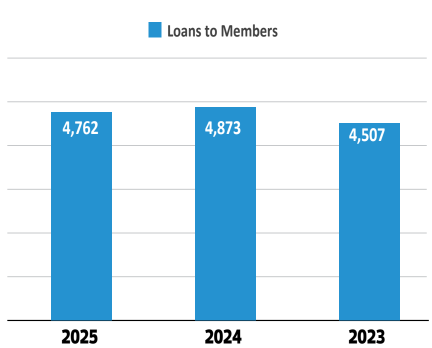
Financial Position

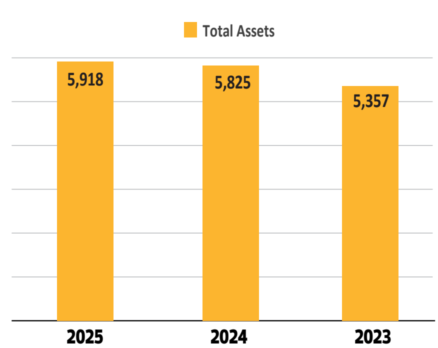
The SACCO's core capital ratios have improved, thereby meeting the regulatory requirements and demonstrating enhanced stability. The total assets, share capital and deposits grew significantly as reflected on the table below.

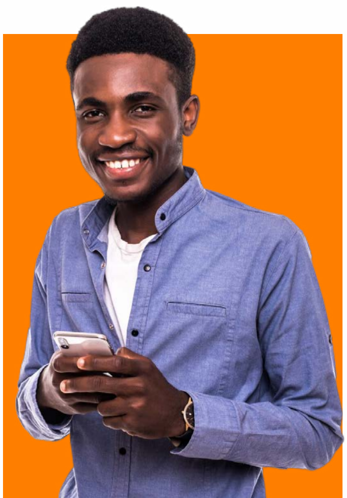
However, we can grow even stronger if members invest beyond the minimum requirements in shares and deposits. A stronger SACCO means higher potential returns for members. The SACCO invites members to seize this opportunity to grow personal wealth while building a more robust cooperative for all.

Performance at a Glance:

CORE CAPITAL RATIOS	2024	2025	TARGET
Core capital/total assets	8.5%	8.8%	8%
Core capital/total deposits	11.5%	11.6%	5%
Total deposit	4.3B	4.4B	
Share capital	280M	333M	







UNDERSTANDING LOAN DEFAULT: IT'S OFTEN A LIFE EVENT, NOT A CHOICE

At Balozi SACCO, we believe loan defaults are rarely a matter of intention, but are often the result of unforeseen circumstances. Understanding the common causes can help us work together to find solutions. We urge members to share their challenges with the office for assistance.

How the SACCO supports members

The SACCO is committed to your financial well-being. If you find yourself struggling to meet your loan obligations, kindly reach out to the office immediately to discuss the available options as follows:

- **Loan Restructuring:** The debt can be made more manageable by consolidating or restructuring existing loans, thus lowering the monthly repayment amount.
- **Deposit Offset:** For self-guaranteed loans, the option of offsetting the loan balance against existing deposits may be considered, provided the member has no other guaranteed liabilities.
- **Credit Insurance Cover:** This is designed to offer compensation in the event of a member's demise, permanent disability, or redundancy.

The best strategy is to be proactive. Before taking a loan, assess your financial environment and capacity. If a crisis arises that limits your ability to pay, please reach out to the office immediately. Contact the Recovery Team: recovery@balozisacco.com

FREQUENTLY ASKED QUESTIONS (FAQs)

Q1: Why is my access to mobile loans (M-Cash and Advance Dividends) blocked on *882# or the X-Mobi app?

Your access to instant loan products may be restricted if your account is flagged due to any of the following reasons:

- Your account has been classified as dormant.
- You have outstanding arrears on an existing loan.
- You have been blacklisted after the loan amount was recovered from the member deposits.

Q2: Why am I still blacklisted after the loan was recovered from my deposits?

Recovering the loan amount from your deposits is a temporary measure to prevent the loan from becoming a bad debt. However, this action does not immediately clear your bad standing. To regain good standing, you must:

- Replenish the withdrawn amount, plus any accrued interest, back into your deposit account.
- Once fully reinstated, the standard waiting period of six months before restoring eligibility applies.

Q3: What is the difference between Share Capital and Deposits?

Feature	Deposits	Share Capital
Refundability	Refundable upon exit	Non-refundable, but transferable to another member
Earnings	Earns interest	Earns dividends
Loan Security	Can be used as collateral for a loan(s)	Can't be used as collateral for a loan(s)
Borrowing Power	Considers the multiplier in determining the maximum loan amount	Does not determine borrowing power

Q4: What is a Dormant Account?

An account is classified as dormant after a period of three (3) consecutive months with no deposit transaction. Members with dormant accounts are not eligible for any loan products. We strongly advise all members to make regular payments, to keep their accounts active throughout their membership.

Q5: Benefits of Plough Back on Dividends?

Plough back refers to the retaining of all or a portion of members' dividends or interest and directing it to either deposits, loans or share capital.

The benefits include:

- Increasing the member's individual share capital.
- Increasing deposits.
- Reduction in loan interest.
- Increasing the guarantorship ability.

DID YOU KNOW ?

You can refer someone to join the SACCO and, earn Rewards!

Following the strategic plan of growing the SACCO's membership, members are encouraged to recruit/refer friends, relatives, colleagues or reputable organizations to join the SACCO. Get 50% commission of the registration fee for every member recruited.

SACCO COMMUNICATION CHANNELS

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staff cellphone numbers (Click here)

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