

Frequently Asked Questions (FAQ) About Co-operatives



1. Is my money protected by deposit insurance?

No. As credit co-operatives are not part of the banking system, hence credit co-operatives are not covered by the Deposit Insurance (DI) scheme.

Nonetheless, all credit co-operatives in Singapore are subject to strict governance and regulatory requirements designed to safeguard members' funds and promote prudent risk management.

Please [CLICK](#) for more information on the Amended Co-operative Societies Act, which aims to strengthen the Co-operative movement and better protect members' interests (9 January 2018).

2. Is my money safe in a credit co-operative?

Yes, while credit co-operatives are not covered by the Deposit Insurance (DI) scheme, there are multiple safeguards in place:

a) Conservative investment focus

- Primary goal is capital preservation, not high-risk returns
- Investments are chosen to ensure members can withdraw their funds when needed

b) Strict regulatory limits

- Restricted investments are capped and controlled
- Co-operative must maintain sufficient liquidity (cash) to meet withdrawals
- Non-compliance can lead to restrictions or regulatory actions

c) Strong governance oversight

- Managed by the Committee of Management (COM) and often an Investment Committee
- Monthly reviews of investment performance
- Decisions must be documented and justified
- These measures are designed to ensure transparency, accountability and financial stability

d) Transparency to members

- Investment performance is disclosed in:
 - Annual reports
 - Audited financial statements
 - Annual General Meetings (AGMs)

e) Active monitoring and risk management

- Investments are continuously monitored for:
 - Market changes
 - Credit risks
 - Liquidity needs
- Action is taken if risk increases or limits are breached

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f) Strong regulatory powers

- The Registrar can:
 - Inspect books, audit account and conduct inquiries into the affairs of the co-operatives
 - Intervene in cases of mismanagement or financial distress
 - Add, vary or remove conditions of registration and in severe cases order dissolution or winding up of a co-operative to protect members' interests

In summary, your funds are safeguarded through discipline, proper oversight and regulation.

3. What can credit co-operatives invest in?

Credit co-operatives operate under strict regulatory guidelines issued by the Registrar and adhere to a prudent and conservative investment framework. Our investment activities are conducted only in Singapore dollar-denominated instruments, with a strong emphasis on capital preservation and the protection of members' funds.

Importantly, credit co-operatives are not intended to function as professional fund managers on behalf of members. Rather, our role is to manage funds responsibly within defined risk parameters, ensuring stability and liquidity at all times. As such, we aim to deliver reasonable returns that are modestly above prevailing fixed deposit or the Singapore 6-month Treasury Bill rates, consistent with our well liquid, low-risk, and substantially secured investment approach.

This disciplined approach strengthens the Co-operative's financial resilience, safeguards members' funds, and ensures the Co-operative can meet its obligations when required.

Our Co-operative follows the Written Directions issued by the Registrar and is permitted to invest within the following framework:

a) Non-Restricted Investments include:

- Singapore Government Securities (very low risk, backed by the Singapore Government)
- Statutory Board Bonds (eg PUB, HDB, LTA)
- Fixed deposits placed with MAS-licensed banks

b) Restricted Investments include:

- High-quality Corporate Bonds (eg Temasek-linked with strong credit ratings)
- Shares (equities in listed companies, private companies and other co-operatives)
- Unit Trust / managed funds
- REITS (property-related investments)
- Investment Properties

These restricted investments are capped at 10% of total assets (or up to 20%–30% with approval from the Registrar and members at the AGM), subject to meeting the prescribed prudential requirements.

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c) Not allowed to invest in:

- Derivatives (eg options, futures)
- Structured products
- Foreign currencies
- Foreign currency denominated investments
- Cryptocurrency
- Peer-to-peer lending
- Collectibles (such as but not limited to artwork and wine)
- Non-fungible tokens

To ensure compliance, the Co-operative's Investment Portfolio is reported to the Registrar on an annual basis.

Please [CLICK](#) to view the latest Written Directions on Investments Guidelines dated 1 August 2023.

4. How can I check the financial health of my co-operative?

You can stay informed by reviewing:

- The co-operative's website
- Annual reports
- Audited financial statements
- Updates shared during Annual General Meetings (AGMs)

Attending AGMs also gives you the opportunity to ask questions and understand how the co-operative is performing.

5. What role does the Registrar of Co-operative Societies play?

The Registrar of Co-operative Societies in Singapore, operating under the Ministry of Culture, Community and Youth (MCCY), acts as the primary regulator for co-operatives. The Registrar enforces the Co-operative Societies Act to ensure proper governance, financial stability, and management, protecting members' interests and promoting the movement's health.

The Registrar has the power to inspect books, audit accounts and conduct inquiries into the affairs of a co-operative. They can intervene in cases of mismanagement or financial distress and removing unsuitable officers when necessary. The Registrar also sets qualifications, training and experience requirements for the Committee of Management (COM) and key employees to ensure competent leadership.

6. What happens if there is misconduct or mismanagement?

When misconduct or mismanagement is suspected, the Registrar of Co-operative Societies in Singapore has broad statutory powers to investigate and intervene.

With the enhanced powers introduced after 2018, the Registrar can step in more quickly and take decisive action where necessary to protect members' interests.

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7. What can I do as a member to protect my interests?

As a member, you play an important role.

You can:

- Stay informed by reviewing financial reports and the Co-operative's By Laws
- Attend and participate in AGMs
- Ask questions and raise concerns at AGMs
- Vote on key matters affecting the co-operative

8. Why should I feel confident being part of a credit co-operative?

Confidence in being part of a credit co-operative stems from its foundation of mutual support and shared responsibility. Unlike traditional financial institutions, a co-operative is owned and governed by its members, ensuring that decisions are made in collective interest rather than for external shareholders.

Members play an active role in shaping policies and electing representatives, giving them a direct voice in how the co-operative operates. This democratic structure promotes transparency, accountability, and alignment with members' needs.

In addition, the Registrar provides strong regulatory oversight to ensure co-operatives are well managed, financially sound, and operate in member's best interest.

Together, these elements create a trusted environment where members can save and access financial services with confidence, knowing that the co-operative is designed to serve their long-term interests in a sustainable and responsible manner.

9. Why should I make a nomination?

Making a nomination gives you full control over who will receive your savings upon your demise. It ensures that your chosen nominee(s) can receive the funds quickly—typically within seven working days—providing timely financial support when it matters most.

Without a nomination, the process becomes significantly more complex. Depending on your circumstances, your next of kin or executor will need to apply to the Singapore Courts for either a Grant of Letters of Administration (if there is no will) or a Grant of Probate (if there is a will). This process involves submitting documentation to establish entitlement and can take up to six months to complete. It also incurs legal and administrative costs, adding further burden during an already difficult time.

Important - Make a nomination today and keep it up to date, especially when there are changes in your circumstances (e.g. marital status) - to ensure your savings are distributed swiftly and in accordance with your wishes.

What should my nominees do in the unfortunate event of my passing?

You should inform your nominee(s) that they can contact the Co-operative's office directly to initiate the claim process. They will be required to provide supporting documents for verification, such as the death certificate and their identification documents. To help avoid delays, you are encouraged to inform your nominee(s) of your membership with the Co-operative, keep a record of your membership details accessible to them and ensure your nomination details are kept up to date.

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10. What are the benefits of joining the Co-operative?

Joining a Co-operative offers both financial benefits and community support, helping members grow their savings, access affordable loans, and enjoy meaningful welfare benefits for themselves and their families.

a) Savings growth

Members' savings earn interest and dividends, helping to grow their funds over time in a stable and secure manner.

b) Accessible loan schemes

Members who have completed at least one year of membership are eligible for loans:

100% Secured Loan

- Borrow up to your subscription balance
- No guarantor required
- Minimum 6-month interval between loans
- Interest rate: 6% per annum

Surety / Unsecured Loan

- Borrow up to 2 times your total savings
- Requires two or more member as sureties
- Minimum 12-month interval between loans
- Monthly repayment capped at 25% of salary (including savings contribution)
- Interest rate: 6% per annum

These loan schemes provide members with access to affordable financing when needed.

c) Member welfare and benefits (Common good fund)

Study Awards

- Available to members with at least 5 years of continuous membership
- Awards for children from Primary 5 to Secondary 5, based on academic performance

Bereavement Support

- Funeral grant for immediate family members (parents, spouse, or children)
- Helps ease financial burden during difficult times

Flexibility in Membership

- Members may resign anytime (subject to no outstanding loans or surety obligations)

Loyalty Bonus

- Members receive a cash bonus (from \$100 to \$500) upon leaving, based on length of membership

Referral fee

- \$10 cash bonus or voucher for each successful referral

Credit co-operative is more than just a financial institution – it is a safe and trusted financial community built on shared responsibility.

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11. Understanding your accounts with the Co-operative

a) Subscription Savings Account

This account reflects your regular monthly contribution to the Co-operative. It forms the main portion of your savings.

b) Specific Deposit Account

At the end of each year (as at 31 December), the Co-operative may transfer between 0% to 20% of your Subscription Savings Account balance into the Specific Deposit Account.

The exact percentage is determined by the Committee of Management (COM).

c) Total savings

Your total savings with the Co-operative consist of:

Subscription Savings Account balance, **plus**

Specific Deposit Account balance

Dividend & Interest is calculated based on balances as at 31 December

- **Subscription Savings Account**

Dividends will be credited to your registered bank account after approval at the Annual General Meeting (AGM)

(For example, dividends for Financial Year 2026 will be paid after the AGM, which is expected to be held by 30 June 2027.)

- **Specific Deposit Account**

Interest earned will be credited directly back into your Specific Deposit Account.

(For example, interest for Financial Year 2026 will be credited into your Specific Deposit Account on 31 December 2026.)

Important - Dividend and interest rates are not fixed and are subject to the Co-operative's financial performance and annual surplus. We aim to deliver reasonable returns that are modestly above prevailing fixed deposit or Singapore 6-month Treasury bill rates, consistent with our well liquid, low-risk, and substantially secured investment approach.

Withdrawals

- Withdrawals can be made from both accounts at any time
- No cap on withdrawal amount
- A minimum balance of \$10 must be maintained in your Subscription Savings Account
- Processing time: approximately 7 working days

Important - Interest and dividends are calculated based on your account balance as at 31 December. Withdrawing funds before year-end will reduce your balance and may affect the interest and/or dividend payable.

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12. Who can join the Co-operative?

Our membership is open to

- **All employees of SPH Media Trust Group and its subsidiary companies and**
- **All ex-members of the Co-operative**

An individual person applying for membership of the Co-operative shall

- Be 16 years of age or above
- Be citizens of or resident of Singapore
- Be of good character
- Not already be a member of any other credit co-operative whose primary object is to grant loans to its members
- Not be a undischarged bankrupt
- Not be convicted of an offence punishable with imprisonment

Admission process

- Applications must be submitted online or via the prescribed form
- All applications are subject to review and approval by the Committee of Management (COM)

Membership Contributions

- Entrance Fee:
 - A one-time non-refundable fee of \$10
- Monthly Savings Contribution:
 - Minimum: \$10 per month
 - Maximum: 25% of basic salary or \$750 (whichever is lower)
- A recent pay slip is required for application (applications without pay slip will not be processed)
- Payment Mode:
 - All monthly contributions will be deducted via eGIRO from your personal bank account

13. Can I continue my membership even after leaving my employment?

Yes, membership with the Co-operative - is for LIFE. You may continue your membership with the Co-operative even if you are no longer employed by SPH Media Trust Group, whether due to resignation or retirement, as all membership contributions can now be maintained seamlessly via eGIRO.

14. How to set up eGIRO?

Please [CLICK](#) and refer to eGIRO – How to apply and Set up manuals for the various banks.