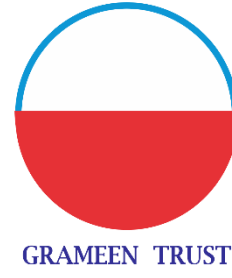


Credit Management Policy Turkish Grameen Microfinance Program (TGMP)

It is required to comply with the following principles in order to become a micro-entrepreneur of Turkish Grameen Microfinance Program (TGMP);

1. It is necessary to have a business idea in the mind of the candidates to refer to TGMP loans. Micro-entrepreneurs will receive microcredit for the first time can use a maximum of 1,000 TRY.
2. It is necessary to create a group of 5 women who have the business idea. Women in the group cannot have first degree of kinship. For example, mothers and daughters cannot take place in the same group.
3. After the formation of a group of 5 women, candidates get 3-days training about operational system of institutions and microcredit repayment.
4. Microfinance Program takes into account the application form of certain groups in line with their economic activities. Only group membership is not enough to get a microcredit in the program. Micro-entrepreneurs of the group will be considered as sufficient to obtain loans from the program, when they fulfill the program's rules and operating conditions. Micro-entrepreneurs who meet the conditions have the right to get microcredit.
5. All loans are paid back into weekly or bi-weekly installments.
6. Loans should be used for the purposes in a week. If micro-entrepreneurs did not use loan in a week, they have to keep money in their accounts until they find a suitable use of the opportunity. Actions other than that will be considered as a serious discipline disruptive behavior.
7. The microcredit provided to micro-entrepreneurs by the program depends on the repayment discipline and the attendance of micro-entrepreneurs to weekly meetings



regularly. In case of nonattendance of the group members to meetings on time and missing payments, the group members will not benefit from the opportunities provided by the program. Loan officers in the branches are responsible for the collection of the loans in each week meetings. New members are granted a loan from 100 TL up to 1.000 TL and repayment of loans are made for 46 weeks.

TGMP's Delinquency Policy

Repayment rate of TGMP is currently % 99. Repayments of loans are made by weekly or bi-weekly installments. Thanks to regular business control and training mechanism, there is no problem on the repayment of installments. Micro-entrepreneurs are experienced difficulties in repayment of loans for which they are kept under control and continue close cooperation. Delinquent micro-entrepreneurs are tried to convince by our staff in order to give a chance to make a payment in the amount they can pay.

For micro-entrepreneurs who do not have economic power to pay the debt, we apply to other institutions in order to take donations for closing the debt account of delinquent micro-entrepreneurs. Generally, there is no problem on the repayment of the loans.

**TURKISH FOUNDATION FOR WASTE REDUCTION
MICROCREDIT CENTER**

(Turkish Grameen Microfinance Program)

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