

CREDIT COMMITTEE REPORT APRIL 1, 2007 – MARCH 31, 2008

Good Evening Members, Special Guests.

Greetings and welcome to this year's 59th Annual General Meeting. On behalf of the Credit Committee, I extend to you our esteemed appreciation in allowing us to serve you for the past year.

Our Credit Committee met on a bi-weekly basis, and in some cases, weekly, where we meticulously deliberated over each loan to ensure that they have the capacity to repay, security and that the purpose was genuine amongst other criteria.

During the 12-month period ending March 31, 2008, there were a total of 3256 loans requested from which 2892 were approved totalling \$5,486,772.00 or 88.82%. A total of \$5,436,691.00 was disbursed. Our Loan Portfolio amounts to 78.68% of Total Assests. Personal Loans were among the highest with \$933,421.00 or 17.01% followed by Construction totaling \$876,917.00 or 15.98%.

Attached is a pie chart depicting the categories of Loan Performance for the fiscal year 2007-2008.

When a member applies for a loan and has a good credit history the decision becomes easier since he/she is in good standing. Nonetheless, once the member has a credit problem, the decision becomes more difficult and thus places myself in an unfavourable situation for approving that loan. In this regard, I would like to encourage all of us to continue save and repay our loans as agreed.

I would like to thank the supervisory committee for ensuring that we did our jobs with firmness and fairness and to the Board for establishing an environment that encourages innovation, flexibility and special focus on quality service to our members. In the near future, you will all be able to enjoy the benefits of a new Automated Teller Machine, payments of utility bills and money grams, just to name a few.

In closing as chairman of the Credit Committee, I would like to thank Mr. Doroteo Balan and Mr. Manuel Medina for their valued time and effort to our credit union. I would also like to thank Mrs. Patricia Flores, our loans officer and those who have served in this capacity during her absence, for their efforts and professionalism. I must also contribute a large portion of SMCU's success to the General Manger and the entire staff. It was indeed a pleasure serving you all for the year 2007-2008.

Thank you.

Mr. Stanley Habet - Chairman
Mr. Doroteo Balan - Member
Mr. Manuel Medina - Member

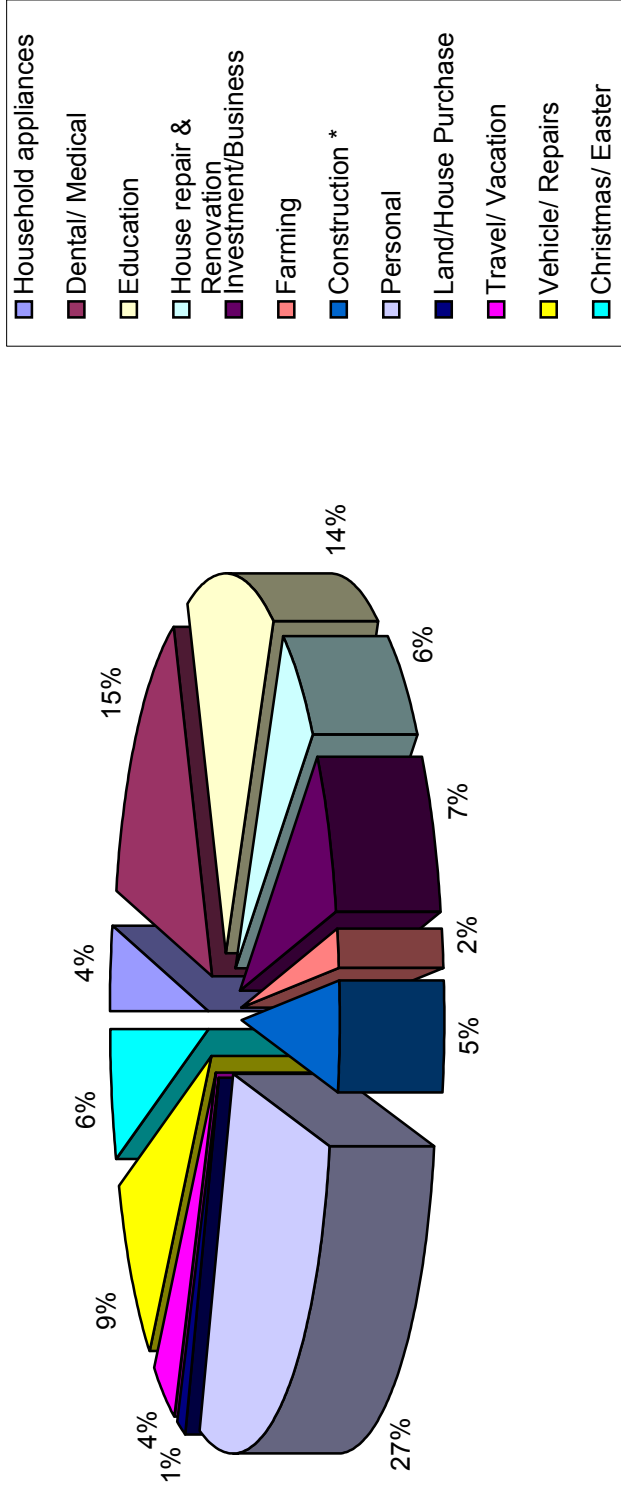
**SAINT MARTIN'S CREDIT UNION
LOAN APPLICATION
TO CREDIT COMMITTEE
2007- 2008**

Sector	No. of Loan Requested	No. of Loan Approved	Amnt of Loan Requested	Amnt of Loan Approved	Total Loan Disbursed
Household appliances	122	100	159,485.00	134,260.00	116,175.00
Dental/ Medical	486	462	561,855.00	529,480.00	539,025.00
Education	468	446	758,443.00	590,769.00	595,282.00
House repair & Renovation	206	195	493,616.00	448,100.00	503,616.00
Investment/Business	234	201	896,740.00	655,290.00	588,020.00
Farming	59	41	112,275.00	84,825.00	87,325.00
Construction *	156	123	1,230,255.00	876,917.00	881,811.00
Personal	893	829	1,296,615.00	933,421.00	913,527.00
Land/House Purchase	43	36	361,350.00	211,350.00	197,350.00
Travel/ Vacation	131	97	279,950.00	227,500.00	233,200.00
Vehicle/ Repairs	277	214	808,175.00	640,675.00	627,175.00
Christmas/ Easter	181	148	175,900.00	154,185.00	154,185.00
Total	3256	2892	7,134,659.00	5,486,772.00	5,436,691.00

Note:

Total loans disbursed include loans approved in financial year 2006-2007.

Loans Requested for 2007-2008



Loans Disbursed for the year 2007-2008

