

USL

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Savings Mobilization Report
Contract No. 511-0582-C-00-4216-00
Project No. 511-0582

Prepared for the
Office of Private Sector
Agency for International Development
La Paz, Bolivia

by
Savings Institutions Management Sciences, Inc.
(USL International)

SAVINGS MOBILIZATION
AND DIVERSIFICATION

BOLIVIAN MUTUAL SYSTEM
BOLIVIA, S.AMERICA

R. ORTEGA-COWAN, CONSULTANT
AID, CONTRACTOR
US INTERNATIONAL LEAGUE

T A B L E O F C O N T E N T :

1 FORMAL REPORT.

2 EXHIBITS

"A" Spreadsheet of Industry's and other analytical data

"B" Computerized Product/Services feasibility and cost analysis form.

"C" Users example of above form. Note: The program, in Floppydisk form was given to CACEN.

3 COPIES OF INFORMATION PROVIDED TO Mr. R.BONI (on site).

(a) Transmittal memo (Jan. 22)

(b) First briefing (ditto)

(c) Preliminary report, "Overview of significant factors" (Jan. 21)

(d) Suggested product development structure (Jan. 24, draft)

(e) Product/Service identification form

(f) Proposed, identified product/services (6)

SAVINGS MOBILIZATION/DIVERSIFICATION ASSIGNMENT
A REPORT ON THE BOLIVIAN MUTUALS
PREPARED FOR THE USL International INC.
(AID/511-0582-C-00-4216-00)

Roman Ortega-Cowan, Consultant
February 19, 1985
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DURATION:	JAN. 15-FEB. 14, 1985.
LOCATION:	BOLIVIA, SOUTH AMERICA.
OBJECTIVE:	SAVINGS MOBILIZATION.

SPECIFICS:

- 1: ASSIST the managers of the Associations in the development of individual savings mobilization strategies.
- 2: ASSIST in the evaluation and completion of a market study of savings potential. The study will be conducted by local personnel during January and February.
- 3: In conjunction with the management of each Mutual, and using both the results of the market study and internal data, HELP establish individual timetables/targets for savings flows.
- 4: ASSIST CACEN with the training of Association's personnel in techniques of savings capture and mobilization.
- 5: ASSIST the management of each institution in the development of advertising and publicity campaigns to support savings programs.

BACKGROUND: Upon arrival at La Paz, statistical data on the Industry and its known competition was compiled and arranged to compare significant factors. See Exhibit A.

Such data disclosed the critically declining (quasi nonexistent) profile of the Mutuals in the Savings arena. In a five-year period (1979-1984), the Industry had lost, in real terms (1979 constant \$B peso value), 83% of its market, representing 98% of its portfolio. When measured in inflated \$B peso value, by the end of 1984, the Industry had lost 85% of its market while posting a misleading 1,558% gain in inflated \$B peso growth. This misleading growth factor is actually cited by some managers as a "slow but steady growth".

Inflation is rampant and out of control. At over 2,150% at the end of 1984, it may reach 4,000% in 1985, as January was measured at over 300%

More than 90% of the nation's liquidity is in actual circulation. Most earned \$b peso is quickly exchanged for foreign currency (usually US\$). Repricing of goods and services is a daily exercise. In the last 30 days (Jan. 15 - Feb. 14, '85), the \$Bpeso official rate went from 9,000/US\$1 to 45,000/US\$1. The blackmarket responded with \$B 60,000/US\$1 to \$B 160,000/US\$1.

Huelgas (strikes) are a common daily factor. Financial institutions are not exempt; vulnerable to such actions they perhaps suffer the most by being unable

to restore the customer confidence in the institution's ability to deliver currency when needed.

Rates at commercial banks range from 130 to 140% per annum; MUCH HIGHER RATES ARE POSSIBLE (I was quoted in excess of 450% by a Commercial Bank). Most Mutuals began offering as high as 110% during January 1985.

The industry's savings customer is represented by 147,561 mostly dormant, inactive and unprofitable accounts, boasting an average balance of \$b 14,905, equivalent to US\$ 0.33 (based on \$845,000/US\$1 official rate in effect Feb. 10-85).

The average salary is less than US\$20.00 a month (1984).

In 1984, the Mutual's average human resources cost, vis-a-vis the industry's total savings portfolio was 46.7 % (the highest observed was 249.3%).

Representative average personnel cost vis-a-vis the industry's 1984 operational/administrative budget was 73% of total. The highest single ratio observed was 95.53%; a significant factor to be addressed as the future forecasted trend projects the human resource cost to be tripled in 1985. (For specific detail data see the exhibit section of this report.

Of more than half of the Mutuals posted operational losses in 1984, the most salient, over -600 % loss.

Other operational considerations in need of attention (INDIRECTLY affecting the savings side of the industry), were observed but not incorporated to this scenario in order to avoid tangents and maintain assigned work scope integrity.

SUMMARY AND DETERMINATION BASED ON THE FOREGOING BACKGROUND:

The entire ambience is obviously negative to a savings mobilization effort. All vital indicators dictate the abandonment of such exercise. Savings and Savers do not exist in the foregoing environment, nor can savers be artificially attracted by an industry which lacks the income generating capabilities to offer an adequate return on savings deposits competitive with inflationary trends; although expected to be temporary, the hedge found in US dollar speculative trading is, presently, the unavoidable competitor.

Aggravating the lack of sales aggressiveness posture of the industry, is a complaisantly negative attitude towards the generation of new products and services. Developing new services designed to immediately attract savings deposits fail to ignite enthusiasm at managerial levels.

Before a such bleak background, the mobilization of savings would seem futile; the simplistic position would be obvious if we would think savings growth via conventional offerings of interest rate structures only. Here resides strength. Positive attitude as displayed by the Manager of "La Primera", when challenged to evolve and emerge diversified is noteworthy.

New products must be researched and developed; products which would provide a

working profile to attract not "pure savings" but, "incomes streams" to the Industry, in exchange for "profitable" services. Levels of inflows that residually would represent a new "savings base" and portfolios diversification.

A modified savings operational mode which may not account for high profitable volumes of savings to substantially recover the declining trend of the Mutualls but, it could, given adequate effort, enable the Industry's AGGRESSIVE MUTUALS to secure a new profitable customer base to SURVIVE the current crisis. Additionally, the Mutualls would be positioning the Industry as the "Bolivian Family Financial Center" operating, at least during these exceptional times, on a break-even basis.

FINDINGS AND RECOMMENDATIONS:

THE LEGISLATIVE ENVIRONMENT

Proven reasonably friendly; recently (Oct. '83), with the promulgation of legislation known as Ministry of Finance, Ministerial Resolution 1432, the Industry was granted additional powers, signaling a new era for the Mutualls to compete more freely in the marketplace.

THE STATISTICAL DATA

The historical PROFILE of the Industry as it relates to the savings spectrum was captured in an all inclusive computerized form. Having studied all data available, with the consensus of Bob Boni, long term adviser to the Bolivian Mutualls, I recommended venturing BEYOND interest rates parameters to address the mobilization of savings in Bolivia.

DEVELOPING STRATEGIES TO ACHIEVE SAVINGS MOBILIZATION:

Considering trade as fundamental, trading services for the temporary (short-term) custody of ALL EARNINGS of an individual and the long term custody of A RESIDUAL (minimum cumulative) BALANCE in a SAVINGS ACCOUNT is the conceptual building block of this exercise. Temporary custody is conceived to mean in this context, the parking of all earnings for the duration of time between receipt and need to be disbursed for actual use by the account holder or by the Mutual (under customer's instructions). Long-term custody is conceived to mean the parking of a residual portion of all earnings deposited in the account. Trading services means the Mutual's certain products and services would be delivered to the saver in exchange for a frozen, compensating balance plus, additional balances that from time to time may reside, free of encumbrance in the account. Not a new concept in other markets, but for the Bolivian Mutualls, a first. The operational details on this subject will be further developed with the collaboration of a products development committee. The recommendation here is to proceed to look at the marketplace need, address and develop products and services based on SHORT-TERM CONSUMER LOANS (FAST SERVICE) TIED TO SAVINGS ACCOUNTS.

THE MARKETPLACE

A rather interesting and complex environment. Most of the Country's liquidity is in the hands of the consumer. Lacking current marketing data I, (with limited resources) surveyed the market (La Paz only).

NOTE: The forecasted market study, to have been conducted by local personnel during Jan/Feb-85, was never started.

I found that while Commercial Banks offer a wide gamut of services, the self-employed professional, small businessmen and in general, heads of households, are neglected and have very limited, restricted access to financial services. Mutualls may have a limited but substantially sound future customer base in the aforementioned groups.

Targeting certain groups of professionals and tradesmen and staging a sales presentation during congregational business meetings would best serve to acquaint segments of the population with services and products available at the Mutualls. Unions may concurrently be approached should products be specifically designed say, for the transportation workers, etc.

A complete market study would be very much in order, preferably with stops on "geographics/income/profession/family size/service needs", in that order.

THE WORKING GUIDELINES :

Following my recommendation, CACEN created a Products Development Committee, consisting of a member of CACEN (in charge), and two mid-management members from the Mutualls. I prepared a written products development guide and ancillary forms. Additionally CACEN will create the product implementation committee which will consist of one member of CACEN and 3 to 5 members of the Mutualls at large. Note: My recommendations were predicated on providing the system with tools rather than just a few products. The Bolivian system would benefit from this methodology by having their own personnel involved in products marketing feasibility disciplines. I created an automated cost and product profitability analysis for the usage of the committee (IBM XT-lotus 1-2-3, a copy is attached to this report). With this tool, in a matter of seconds they can look at the profitability factor of a given product, system-wide or by individual Mutual's profile. The committee can look at the various probable scenarios germane to the product/service marketability.

The guidelines address from product/services idea input to implementation, with stops on performance and timetables forecasting, personnel training and quality control. The Committee is headed by Mr. Jorge Ayllon, a rather energetic and very enthusiastic member of CACEN. We worked together with other members of the Committee and I feel confident on the positive impact this format will have in the system.

IDENTIFICATION OF NEW SERVICES/PRODUCTS :

As a main criteria, all product/service(s) to be identified and analyzed would be predicated on being "a product designed to attract savings". Two levels of savings are identified: 1 - minimum compensating balance (frozen) and 2 - minimum floating (free) balance. Rate on return on these deposits would be commensurate with the pricing criteria set forth by the product development committee in accordance with the cost analysis and marketing proforma exercise. Most products would have a direct relationship to SHORT-TERM, HIGH YIELD, CONSUMER TYPE LENDING ACTIVITIES.

The challenge of motivating all personnel to continually identify products and services which may be considered marketable is highly desirable.

A request for product(s) ideas input was delivered to the individual Mutuals (with limited response). A group of six products was submitted by this author for committee perusal and action. The Products Development Committee has met several times and is providing its own input. By the end of February, specific recommendations as to what services ought to be offered should be submitted to CACEN. Recommendations should include levels of savings expected, timetables, full pricing data and gross profit margins. Product(s) deemed marketable should be programmed for immediate release.

THE IMPLEMENTATION PROCESS :

As previously discussed, once a new product/service is recommended for implementation the Regulator and the individual Mutuals would effect the partial or global marketing; implementation may be subject to market acceptability testing which may be accomplished via a pilot program. Product's performance monitoring and accountability should reside with the individual Mutual Manager. Product quality control should be the province of CACEN.

PRODUCT MARKETING/ADVERTISING :

New products/services would be better marketed and advertised using the "cooperative advertising techniques". CACEN, cooperatively with each individual Mutual plus some product's users should jointly advertise in the printed newsmedia, radio and television. The products implementation committee is to address the subject and expand on suggestions given.

HUMAN RESOURCES TRAINING :

ALL PERSONNEL are to become A SALES-ORIENTED, PROFIT MOTIVATED unitized working factor. CACEN is to have full responsibility for this effort. Mr. Jorge Ayllon, in charge of CACEN's savings production department, is fully aware of this need. He indicated his willingness and readiness to address this subject. To this end, Mr. Ayllon also indicated he had instructional materials ready to assist in this area. (Mr. Ayllon is reported to be dean of two schools at the La Paz University).

Following, addressing each ASSIGNED specific subject is a briefing on accomplishments

SUMMARY :

1: CACEN Senior Management and Board, plus Managers of five individual Mutuuls were personally briefed on the planned savings mobilization strategies goals and methodologies.

(a) Mutuuls VISITED at ORURO, COCHABANBA, SANTA CRUZ AND LA PAZ.

2: The specific assignment required my assistance in the evaluation and completion of a certain market study on savings potentials to have been conducted by local personnel during January and February, 1985.

This module or study was not completed by local personnel. Considering the absence of information, and not having access to reliable up-to-date market data, I personally conducted my fact finding exercise.

(a) Commercial Banks and various Professional Fraternal Organizations were visited. Public Offices, the Chamber of Commerce and various Businessmen were asked to provide their version of the potential for savings in the Bolivian marketplace. The answers were very standard "WHAT SAVINGS, WHY SAVE, WHAT-FOR"? - all answers were in fact questions.

(b) The sum of this experience was discouragement. Businessmen and most professionals complained about the lack of FAST, short term financing available to them. When asked about financing tied to other ancillary services and a savings instruments to control and account for bookkeeping activities..... the response was positive and uniform. Further, when questioned about their willingness to deposit ALL of their income into such savings, administrative type accounts, to maintain a minimum frozen balance as tradeoff for short term borrowing privileges, plus other services and products directly related to personal - family - business and professional status.... the response was positive and enthusiastic.

(c) During our visit to Oruro, a group of Medical Doctors were also questioned about the merits of such new services. The response was affirmative.

(d) Preliminary conclusions resulted in the profile discussed under # 3 below.

3: As previously disclosed, the market study did not materialize. The conceptual approach to savings mobilization based on CONVENTIONAL rates of return structures is not possible in Bolivia (at this time).

Factors affecting this generally accepted conclusive position have been discussed with Managers and Regulators, in great detail.

Other avenues of attracting savings must be developed. Ministerial Resolution 1432 affords opportunities to develop new services-products conducive to attracting savers.

- (a) The internal data available has been captured and displayed in a computerized format. Study and discussion of this data has been conducted with CACEN Management (not with the individual Mutuals management, as prescribed in the specific work scope). This report may be made available to all Mutuals.
 - (b) Individual timetables and targets for savings flows will be a function of the newly created Committees (as discussed in #4).
- 4: Under specific recommendation from this consultant, and utilizing the La Paz area Mutual's personnel, CACEN created two working Committees:

- I - Products and Services Development
- II - Products and Services Implementation

- (a) Specific working rules, guidelines and disciplines were prepared by this consultant, discussed and adopted by the Development Committee which also addresses personnel training requirements.
 - (b) Computerized formats were adopted as part of the tools provided to the foregoing committee. Specifically formulated computer program has been written by this consultant, delivered to Cacen and adopted accordingly; this tool provides full cost analytical capabilities and product performance forecasting, disclosing pricing variances and gross margin spreads. Gross margin factors are based on global average cost of doing business over programmed volume projections. Profitability spread by Individual Mutual is also displayed. (Copies are provided under the exhibits section of this report).
 - (c) All saving services presently under study by the Development unit, would conceptually be tied to short-term fast-serviced consumer type, high-yield loans.
- 5: Development of specific advertising-publicity campaigns was not fully addressed. The work scope suggests working with the management of each Individual Mutual, a task which requires additional time not available after having addressed the previous four points. Future involvements should include developing an overall marketing program to include both advertising and publicity campaigns germane to the spectrum of service and products approved for marketing.

CONCLUSION :

- ASSUMING:**
- (a) Establishment of voluntary and involuntary Mutual's portfolio merging/collapsing procedures and enforcement thereof.
 - (b) The current national economic crisis as temporary (6-12 months).
 - (c) Regulatory affirmative action to INITIALLY reduce all Mutual's excess liquidity to less than 45% of mortgage portfolios and 30% of savings (REGULATORY ENFORCED).
 - (d) Excess liquidity to be immediately invested in SHORT-TERM HIGH-YIELD LOANS.

I - After our visit to the interior, Cacem promulgated new lending rules relaxing existing regulatory constraints.

- (e) Savings rates to be competitive with the banking industry, (REGULATORY ENFORCED).
- (f) Having no less than 3 new services (7 presently under study) in marketing mode by June 1st. 1985, and continue developing new products and services via its Products Development Committee.

- I - Savings related short term mortgage products
- II - Payroll-to-Savings products
- III - Merchant's financing referral capabilities (for association's savers)

- (g) Closer working relationship between the Regulators and the Mutuuls to foster an AGGRESSIVE SALES PROFILE throughout the Industry.
- (h) Completion and implementation of human resources training modules with emphasis on PRODUCT SALES AND MARKETING.
- (i) Managerial attitude adjustment towards EVOLUTIONAL CHANGES.
- (j) Completion and mobilization of promotional/marketing program.
- (k) Affirmatively addressing dormant-unprofitable-inactive savings portfolios.
- (l) Streamlining procedural-bureaucratical paper flow habits.
- (m) Seizing, developing and exploiting all opportunities offered by Resolution 1432 (Ministry of Finance, Oct. '83).

The Industry might slow its accelerated decline, stabilize earnings, augment its profitable customer base, survive the present crisis and emerge profitable in future years.

C O N F I D E N T I A L :

Presently, the Bolivian system, in my opinion, lacks the economic environment suitable for a savings base mobilization and revival.

The national economy must improve DRAMATICALLY if savings growth is to be a dominant factor for the Mutuuls. We have no real control (nor proven influence) over the subject.

Any further effort to economically assist the system should be tempered with absolute resolve, to demand specific performance and adherence to strict operational accountability procedures on the part of the Industry. Specific performance on reserve to savings - loan portfolios ratios must be demanded.

Unequivocally, all Mutuuls would like to engage in short-term consumer type loans.....USING ADDITIONAL EXTERNAL CAPITAL, not their OWN RESERVES. Position which is defensible when judged as "self-preservation" but not realistic when tested as the Industry's negation to the fulfillment of its role in the Bolivian national arena.

Regulators (CACEN) MUST take affirmative action and immediately address failing Mutuuls. Fundamental questions on merging portfolios, closing ailing units and preserving the integrity of the system should be a priority at CACEN. Very few Mutuuls are worthy of being operational; structurally and procedurally, the Industry seems to be bureaucratically overpowering. Some entities would better fulfill their destiny as SMALL BRANCHES.

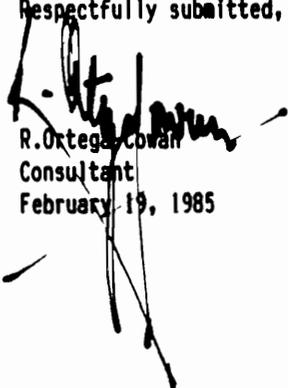
Interlocking type conflicts of interest are yielding unorthodox practices which should be investigated and resolved.

The Nation's best market growth seems to be Santa Cruz, where unusual general activity is observed except at Mutual Guapay.

During a meeting held at La Paz I suggested USAID explore the potential acceptance of partial repayment of the external debt (CACEN's), in \$bpeso. Funds so received in Bolivia could be used to fund ongoing USAID's projects in the Country, with the counteraction of stopping funding such projects with dollars. USAID's mission Director H. Bassford, instructed Mr. Cohen, Assistant Mission Director, to pursue the thought process (Mr. Bassford will vacate USAID's Bolivian directorship in late February, '85; he has been transferred to the Dominican Republic's post). The thought was borne of an incomplete, external debt repayment effort by CACEN, when the Bolivian National Bank refused (subsequent to its President and Board of Directors approving the \$bpeso-to-US\$ transaction) to honor the instruments on grounds that the sindicato -labor union- vetoed the transaction.

Parts of the foregoing confidential editorial's content may lack direct link or continuity with the work scope assigned to this consultant, but they all are germane to the best behavioral interest of the Industry.

Respectfully submitted,



R. Ortega-Cowan
Consultant
February 19, 1985

MUTUAL SYSTEM	INFLATED \$B PESO	DEFLATED \$B PESO	ACTUAL % OF SAVINGS:MKT. INT.	FROM THEIR INCEPTION, MUTUALS HAVE BEEN:	PERIOD	TOTAL	URBAN	Z	RURAL	Z
IN MILLIONS OF \$b:	AT ACTUAL INFLATION LEVEL	AT 1979 CONSTANT VALUE LEVEL	PORTFOLIO MOVEMENT	PROFILE						
1979 : A&P MUTUAL :	597 :	18.726% :	18.726% :	100.00% :	100.00% :	100.00% :	100.00% :	100.00% :	100.00% :	100.00% :
1979 :	2 :	3,188 :	100.000% :	18.726% :	3,188 :	100.000% :	18.726% :	1979 LEVEL :	100.00% :	-5.00% :
1980 : A&P MUTUAL :	734 :	14.529% :	-4.198% :	498 :	14.515% :	-4.212% :	22.95% :	-16.58% :	10.00% :	10.00% :
1980 :	2 :	5,052 :	100.000% :	-4.198% :	3,431 :	100.000% :	-4.212% :	CUMM.LOSS :	-16.58% :	-7.00% :
1981 : A&P MUTUAL :	883 :	11.579% :	-2.950% :	454 :	25.577% :	11.063% :	20.30% :	-8.84% :	10.00% :	10.00% :
1981 :	2 :	7,626 :	100.000% :	-2.950% :	1,775 :	100.000% :	11.063% :	CUMM.LOSS :	-23.95% :	-12.00% :
1982 : A&P MUTUAL :	1,773 :	8.664% :	-2.915% :	408 :	8.670% :	-16.908% :	100.79% :	-10.13% :	22.00% :	22.00% :
1982 :	3 :	20,464 :	100.000% :	-2.915% :	4,706 :	100.000% :	-16.908% :	CUMM.LOSS :	-31.66% :	-8.00% :
1983 : A&P MUTUAL :	2,501 :	4.331% :	-4.333% :	153 :	4.527% :	-4.143% :	41.06% :	-62.50% :	25.00% :	25.00% :
1983 :	3 :	57,742 :	100.000% :	-4.333% :	3,380 :	100.000% :	-4.143% :	CUMM.LOSS :	-74.37% :	-18.00% :
1984 : A&P MUTUAL :	9,900 :	2.889% :	-1.442% :	13 :	3.140% :	-1.387% :	295.84% :	-91.50% :	60.00% :	60.00% :
1984 :	3 :	342,682 :	100.000% :	-1.442% :	414 :	100.000% :	-1.387% :	CUMM.LOSS :	-97.82% :	-50.00% :
MARKET RETENTION +/- (INFL)	-84.57%	(CONST)	-83.23%	PORTFOLIO +/- (INFL)	1558.29%	(CONST)	-97.82%			
MUT.SAV.BASE	BAL.12-84:80F ACCTS:AVGD.BAL.1%	PORTF.	9,-US\$1:100,-US\$1:45,-US\$1:160,-US\$1:	84.COST:AS%OF SAV:	THE LAST TWO COLUMNS TO THE					
LA PRIMERA	4,954	45,207	9.13	50%	1.01	0.09	0.20	0.06	2,700	54.50%
EL PROGRESO	686	10,488	15.289	7%	1.70	0.15	0.34	0.10	95	13.85%
LA PROMOTORA	966	14,613	15.127	10%	1.68	0.15	0.34	0.09	741	76.71%
GUAPAY	783	24,816	31.693	8%	3.52	0.32	0.70	0.20	630	80.46%
TARIJA	146	7,381	50.555	1%	5.62	0.51	1.12	0.32	410	280.82%
POTOSI	325	6,001	18.465	3%	2.05	0.18	0.41	0.12	339	104.31%
LA PLATA	324	7,232	22.321	3%	2.48	0.22	0.50	0.14	129	39.81%
LA PAZ	911	16,202	17.785	9%	1.98	0.18	0.40	0.11	255	27.99%
PAITITI	209	7,878	37.694	2%	4.19	0.38	0.84	0.24	741	354.55%
MANUTATA	213	2,833	13.300	2%	1.48	0.13	0.30	0.08	72	33.80%
PANDO	253	2,270	8.972	3%	1.00	0.09	0.20	0.06	57	22.53%
LA FRONTERA	130	2,640	20.308	1%	2.26	0.20	0.45	0.13	179	137.69%
TOTAL	9,900	147,561	14.905	100%	\$2.41	\$0.22	\$0.48	\$0.14	6,348	64.12%
OBSERVED ON	DECEMBER 31, 1984.	JAN 16-85:JAN 27-85:FEB 9-85	FEB 13-85:	DECEMBER 31, 1984						
DATE:	DECEMBER 31, 1984.	OFFICIAL STREET	OFFICIAL STREET	(1) '84 COST = 100% ADMINISTRATIVE COST IN 1984.						

THIS IS THE CONSULTANT'S VITAL INFORMATION SHEET.

PRODUCT NAME & QUALIFICATION CRITERIA	ACTIVITY PARAMETER ASSUMPTIONS	PRICING (each single account data)	EXPECTED RETURN ON SAVINGS	INSTITUTIONAL COST: DESIGNATE/ENTER THE % OF TOTAL INSTITUTIONAL COST ASSIGNED THIS PRODUCT.	SUBJECT INCOME	AMOUNT	OF ACCTS.	TOTALS
THIS IS A BLANK FORMAT TO ANALYZE PRODUCTS AND SERVICES.	MONTHLY ACTIVITY	TIME AND MOTION	SAVINGS, FROZEN	SAVINGS, FREE	ENTER %	0	0	0.00%
	FREQUENCY: # ITEMS	Estimate the effort required to service ONE product unit, to determine the % of institutional cost.	MIN. BAL.	INT. RATE	MIN. BAL.	INT. RATE	0	0.00%
	TOTAL	0	0	0	0	0	0	0.00%

COST OF DOING BUSINESS (ACTUAL 1984)	PRIMERA	PROGRESO	PROMOTORA	GUAPAY	TARIJA	POTOSI	LA PLATA	LA PAZ	PAITITI	MANUTATA	PANDO	FRONTERA	TOTALS	NOTE #1: This analysis is based on taking the sum of "all", systemwide!
PLANT FACILITY	30,830	275	3	4,798	458	2,070	7,304	32,937	3	900	1,868	1,583	83,029	operational cost/12, (times the % of total cost assigned the product)
HUMAN RESOURCES	1,835,971	86,337	467,969	530,640	363,791	295,295	90,764	208,143	476,446	61,212	40,668	170,633	4,627,869	being analyzed/12 = ONE MONTH window, (without inflation factor)
EQUIPMENT (HARD/SOFTWARE)	33,617	1,643	123,783	52,255	8,382	6,367	0	2,087	123,783	2,658	317	287	355,179	THE INFLATION FACTOR IS INTRODUCED BELOW, WHEN COSTING IS PERFORMED BY: INDIVIDUAL MUTUAL COST BASE.
PROMOTIONAL/ADVERTISING	49,364	674	2,770	1,791	307	1,851	553	12,211	2,770	488	580	267	73,626	
ADMINISTRATIVE, PRINT, ETC.	750,658	6,238	146,508	40,888	36,846	33,493	30,436	0	138,031	6,374	13,238	6,289	1,208,999	
TOTAL OVERALL COST BY MUTUAL	2,700,440	95,167	741,033	630,372	409,784	339,076	129,057	255,378	741,033	71,632	56,671	179,059	6,348,702	

MO. INFLATION VARIABLE (x^(1/12)-1) etc.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	ESTIMATED YEARLY INFLATION %
MARKETING PLAN PRODUCT PERFORMANCE BUDGET (**)	\$b VOLUME COMMITTED FOR THE PERIODS BELOW BY EACH MUTUAL													COST AND MARGIN BASED ON OWN COST BASE

MUTUAL	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	# OF ACCTS	\$B INCOME	over COST	= MARGIN
LA PRIMERA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
EL PROGRESO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
LA PROMOTORA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
GUAPAY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
TARIJA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
POTOSI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
LA PLATA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
LA PAZ	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
PAITITI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
MANUTATA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
PANDO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
LA FRONTERA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%

TOTAL PROFORMA MARKET PENETRATION PLAN.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
MARGIN SPREAD, COST vis-a-vis ACTIVITY	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	TOTAL PROFIT	0	DISTRIB.

COST PER MUTUAL BASED ON MARKET PLAN	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	TOTAL COST	MARGIN +/-	MARGIN +/- FORMULA:
LA PRIMERA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	MUTUAL PROJ. INCOME
EL PROGRESO	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	OVER ITS OWN EXPENSE
LA PROMOTORA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	(MONTHLY INFLATION
GUAPAY	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	ADDED) = MARGIN +/-
TARIJA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
POTOSI	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	NOTE: See formulas
LA PLATA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	printout for details.
LA PAZ	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
PAITITI	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	(**): Performance budget
MANUTATA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	allocations based on
PANDO	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	% of savings market
LA FRONTERA	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	held by individual
MUTUAL MO COST/12 +(MO.COST X INFLATION)	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	Mutuals at the end of previous fiscal year.

THIS IS THE CONSULTANT'S COMPUTERIZED PROGRAM FOR PRODUCTS AND SERVICES (COST/PROFITABILITY AND PROFORMA MARKETING) ANALYSIS. WRITTEN, DEMONSTRATED AND DELIVERED TO CACEN.

LIVIAN MUTUAL SYSTEM (S&L) CADEM.		Roman Ortega-Cowan, Consultant (Feb. 1985)		ALL ENTRIES IN \$b THOUSANDS										PROFITABILITY ANALYSIS (1 MONTH WINDOW)			SEE NOTE																
PRODUCT NAME & QUALIFICATION CRITERIA		ACTIVITY PARAMETER ASSUMPTIONS		PRICING. (each single account data)				EXPECTED		INSTITUTIONAL COST:		SUBJECT	AMOUNT	# OF ACCTS.	TOTALS	=====																	
IS IS A BLANK FORMAT TO ANALYZE PRODUCTS AND SERVICES.		MONTHLY ACTIVITY		TIME AND MOTION		SAVINGS, FROZEN		SAVINGS, FREE		RETURN ON		DESIGNATE/ENTER THE		INCOME	0	0	0	0.00%															
		FREQUENCY : # ITEMS		Estimate the effort required to service		MIN. BAL. : INT. RATE		MIN. BAL. : INT. RATE.		ENTER %		THIS PRODUCT.		INT. PAID	0	0	0	0.00%															
NOTATION: MONTHLY INFLATION COMPUTED AS AVERAGE* or (yrly. rate/12)		0 : 0		ONE product unit, to determine the % of institutional cost.		0 : 0.00%		0 : 0.00%		0.00%:ENTER %		0.00%	INSTITUTIONAL COST (ONE MONTH)		0	0.00%																	
TOTAL		0		institutional cost.		INTEREST : 0		INTEREST : 0		0		0	TOT. COST		0	GROSS MARGIN, (ONE MONTH ESTIMATE)		0	0%														
ST OF DOING BUSINESS (ACTUAL 1984)																PRIMERA	PROGRESO	PROMOTORA	GUAPAY	TARIJA	POTOSI	LA PLATA	LA PAZ	PAITITI	MANUTATA	PANDO	FRONTERA	TOTALS	NOTE #1: This analysis is based on taking the sum of "all", systemwide operational cost/12, (times the % of total cost assigned the product being analyzed/12) = ONE MONTH window, (without inflation factor)!				
AMT FACILITY																30,830	275	3	4,798	458	2,070	7,304	32,937	3	900	1,868	1,583	83,029					
MAN RESOURCES																1,835,971	86,337	467,969	530,640	363,791	295,295	90,764	208,143	476,446	61,212	40,668	170,633	4,627,869					
EQUIPMENT (HARD/SOFTWARE)																33,617	1,643	123,783	52,255	8,382	6,367	0	2,087	123,783	2,658	317	287	355,179					
CONDITIONAL/ADVERTISING																49,364	674	2,770	1,791	307	1,851	553	12,211	2,770	488	580	267	73,626					
ADMINISTRATIVE, PRINT. ETC.																750,658	6,238	146,508	40,888	36,846	33,493	30,436	0	138,031	6,374	13,238	6,289	1,208,999	THE INFLATION FACTOR IS INTRODUCED WHEN COSTING IS PERFORMED BY INDIVIDUAL MUTUAL COST BASE.				
TOTAL OVERALL COST BY MUTUAL																2,700,440	95,167	741,033	630,372	409,784	339,076	129,057	255,378	741,033	71,632	56,671	179,059	6,348,702					
% INFLATION VARIABLE (x /12)																0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	ESTIMATED YEARLY INFLATION %	0%			
MARKETING PLAN PRODUCT PERFORMANCE BUDGET (**)																\$b VOLUME COMMITTED FOR THE PERIODS BELOW BY EACH MUTUAL												COST AND MARGIN BASED ON OWN COST BASE					
MUTUAL																JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	# OF ACCTS	\$b INCOME over COST	= MARGIN			
LA PRIMERA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
EL PROGRESO																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
LA PROMOTORA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
GUAPAY																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%		
TARIJA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
POTOSI																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
LA PLATA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
LA PAZ																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
PAITITI																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
MANUTATA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
PANDO																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
LA FRONTERA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
TOTAL PROFORMA MARKET PENETRATION PLAN.																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
MARGIN SPREAD, COST vis-a-vis ACTIVITY :																0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	TOTAL PROFIT:	0	0	DISTRIB.	
COST PER MUTUAL BASED ON MARKET PLAN																JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	TOTAL COST	MARGIN +/-	MARGIN +/-	FORMULA:		
LA PRIMERA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	MUTUAL PROJ. INCOME		
EL PROGRESO																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	OVER ITS OWN EXPENSE		
LA PROMOTORA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	(MONTHLY INFLATION ADDED)=	MARGIN +/-	
GUAPAY																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%			
TARIJA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%			
POTOSI																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	NOTE: See formulas		
LA PLATA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	printout for details.		
LA PAZ																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%			
PAITITI																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	(**)Performance budget		
MANUTATA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	allocations based on		
PANDO																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	% of savings market		
LA FRONTERA																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	held by individual		
TOTAL MUTUAL COST/12 +(MO.COST X INFLATION):																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	Mutuals at the end of previous fiscal year.	

THIS IS THE CONSULTANT'S COMPUTERIZED PROGRAM FOR PRODUCTS AND SERVICES (COST/PROFITABILITY AND PROFORMA MARKETING) ANALYSIS. WRITTEN, DEMONSTRATED AND DELIVERED TO CADEM. (Other formulas)

BOLIVIAN MUTUAL SYSTEM (S&L) CACEN.		Roman Ortega-Cowan, Consultant (Feb. 1985)										ALL ENTRIES IN \$b THOUSANDS			PROFITABILITY ANALYSIS (1 MONTH WINDOW)			SEE NOTE												
PRODUCT NAME & QUALIFICATION CRITERIA		ACTIVITY PARAMETER ASSUMPTIONS				PRICING (each single account data)				EXPECTED	INSTITUTIONAL COST:	SUBJECT	AMOUNT	# OF ACCTS.	TOTALS	BELOW:														
(this is a product by LA PRIMERA)		MONTHLY ACTIVITY	TIME AND MOTION	SAVINGS, FROZEN	SAVINGS, FREE	SAVINGS	% OF TOTAL INSTITUT-	BALANCES	% OF TOTAL INSTITUT-	INCOME	16	18	295	527.85%																
"PENSIONES DE EX COMBATIENTES"		FREQUENCY	# ITEMS	Estimate the effort	MIN.BAL.	INT.RATE	MIN. BAL.	INT.RATE.	ENTER %	ENTER %	3	18	56	18.94%																
COBRANZA DE PENSIONES AL TRAVES DE UNA CUENTA DE AHORRO.		1	18	ONE product unit, to determine the % of institutional cost.	70	50.00%	2	150.00%	275.00%	0.05%	INSTITUTIONAL COST (ONE MONTH)		22	7.47%																
CRITERIO: ACEPTACION A NIVEL NACIONAL.		TOTAL	18	institutional cost.	INTEREST	3	INTEREST	0	16	TOT.COST	22	GROSS MARGIN, (ONE MONTH ESTIMATE)		217	379%															
COST OF DOING BUSINESS (ACTUAL 1984)															PRIMERA	PROGRESO	PROMOTORA	GUAPAY	TARIJA	POTOSI	LA PLATA	LA PAZ	PAITITI	MANUTATA	PANDO	FRONTERA	TOTALS	NOTE #1: This analysis is based on taking the sum of "all", systemwide:		
PLANT FACILITY		30,830	275	3	4,798	458	2,070	7,304	32,937	3	900	1,868	1,583	83,029	operational cost/12, (times the % of total cost assigned the product):															
HUMAN RESOURCES		1,835,971	86,337	467,969	530,640	363,791	295,295	90,764	208,143	476,446	61,212	40,668	170,633	4,627,869	being analyzed/12) = ONE MONTH															
EQUIPMENT (HARD/SOFTWARE)		33,617	1,643	123,783	52,255	8,382	6,367	0	2,087	123,783	2,658	317	287	355,179	(without inflation factor):															
PROMOTIONAL/ADVERTISING		49,364	674	2,770	1,791	307	1,851	553	12,211	2,770	488	580	267	73,626	THE INFLATION FACTOR IS INTRODUCED:															
ADMINISTRATIVE, PRINT, ETC.		750,658	6,238	146,508	40,888	36,846	33,493	30,436	0	138,031	6,374	13,238	6,289	1,208,999	BELOW, WHEN COSTING IS PERFORMED BY:															
TOTAL OVERALL COST BY MUTUAL		2,700,440	95,167	741,033	630,372	409,784	339,076	129,057	255,378	741,033	71,632	56,671	179,059	6,348,702	INDIVIDUAL MUTUAL COST BASE.															
MO. INFLATION VARIABLE: (x*1/12-1) etc.		191.67%	218.18%	250.00%	288.89%	337.50%	400.00%	483.33%	600.00%	775.00%	1066.67%	1650.00%	3400.00%	ESTIMATED YEARLY INFLATION %																
MARKETING PLAN PRODUCT PERFORMANCE BUDGET (**)															#B VOLUME COMMITTED FOR THE PERIODS BELOW BY EACH MUTUAL										COST AND MARGIN BASED ON OWN COST BASE					
MUTUAL		JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	# OF ACCTS	#B INCOME	over	COST	= MARGIN												
LA PRIMERA	644	644	644	644	644	644	644	644	644	644	644	644	644	108	21,236	48,608	-56%													
EL PROGRESO	90	90	90	90	90	90	90	90	90	90	90	90	90	15	2,973	1,713	74%													
LA PROMOTORA	129	129	129	129	129	129	129	129	129	129	129	129	129	22	4,247	13,339	-68%													
GUAPAY	103	103	103	103	103	103	103	103	103	103	103	103	103	17	3,398	11,347	-70%													
TARIJA	13	13	13	13	13	13	13	13	13	13	13	13	13	2	425	7,376	-94%													
POTOSI	39	39	39	39	39	39	39	39	39	39	39	39	39	6	1,274	6,103	-79%													
LA PLATA	39	39	39	39	39	39	39	39	39	39	39	39	39	6	1,274	2,323	-45%													
LA PAZ	116	116	116	116	116	116	116	116	116	116	116	116	116	19	3,822	4,597	-17%													
PAITITI	26	26	26	26	26	26	26	26	26	26	26	26	26	4	849	13,339	-94%													
MANUTATA	26	26	26	26	26	26	26	26	26	26	26	26	26	4	849	1,289	-34%													
PANDO	39	39	39	39	39	39	39	39	39	39	39	39	39	6	1,274	1,020	25%													
LA FRONTERA	13	13	13	13	13	13	13	13	13	13	13	13	13	2	425	3,223	-87%													
TOTAL PROFORMA MARKET PENETRATION PLAN.		1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	214	42,046	114,277	-63%													
MARGIN SPREAD, COST vis-a-vis ACTIVITY		60.55%	66.06%	72.67%	80.74%	90.83%	103.81%	121.11%	145.33%	181.66%	242.22%	363.33%	726.65%	TOTAL PROFIT	15,444	15,290	DISTRIB.													
COST PER MUTUAL BASED ON MARKET PLAN		JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCTOBER	NOVEMBER	DECEMBER	TOTAL COST	MARGIN +/-	MARGIN +/-	FORMULA:													
LA PRIMERA	328	358	394	438	492	563	656	788	985	1,313	1,969	3,938	12,221	73.76%	MUTUAL PROJ. INCOME															
EL PROGRESO	12	13	14	15	17	20	23	28	35	46	69	139	431	590.30%	OVER ITS OWN EXPENSE															
LA PROMOTORA	90	98	108	120	135	154	180	216	270	360	540	1,081	3,354	26.64%	(MONTHLY INFLATION															
GUAPAY	77	84	92	102	115	131	153	184	230	306	460	919	2,853	19.10%	ADDED)= MARGIN +/-															
TARIJA	50	54	60	66	75	85	100	120	149	199	299	598	1,854	-77.10%																
POTOSI	41	45	49	55	62	71	82	99	124	165	247	494	1,534	-16.97%	NOTE: See formulas															
LA PLATA	16	17	19	21	24	27	31	38	47	63	94	188	584	118.15%	printout for details.															
LA PAZ	31	34	37	41	47	53	62	74	93	124	186	372	1,156	230.74%																
PAITITI	90	98	108	120	135	154	180	216	270	360	540	1,081	3,354	-74.67%	(**): Performance budget															
MANUTATA	9	9	10	12	13	15	17	21	26	35	52	104	324	162.03%	allocations based on															
PANDO	7	8	8	9	10	12	14	17	21	28	41	83	256	396.80%	% of savings market															
LA FRONTERA	22	24	26	29	33	37	44	52	65	87	131	261	810	-47.59%	held by individual															
MUTUAL MO COST/12 + (MO.COST X INFLATION):															772	842	926	1,029	1,157	1,323	1,543	1,852	2,315	3,086	4,629	9,259	28,731	46.34%	previous fiscal year.	

EXHIBIT "C" THIS IS THE CONSULTANT'S COMPUTERIZED PROGRAM AS USED BY THE PRODUCTS COMMITTEE TO ANALYZE A POTENTIAL NEW PRODUCT. (sample)

TO : MR. ROBERT BONI
FROM: ROMAN ORTEGA-COWAN
RE: BOLIVIAN MUTUALS

Attached is preliminary documentation germane to our planning/briefing sessions, on the Diversification/Mobilization of Savings.

- 1) Editorial notes to you
- 2) An overview of facts (first draft)
- 3) Product identification form
- 4) 6 potential products/services. Tentatively defined. Designed to attract savings. Subject to local adaptation.
- 5) First draft, computerized form to analyze and develop products and services. Using Lotus 1-2-3, the disk will be given to Casen, for their future use.
- 6) Suggested product development format. (Guidelines to bring new products/services on line.

Please review the data and lets discuss it, prior to finalizing its text.

If you have any questions, please let me know.

Roman
La Paz, Bolivia.
January 22, 1985

GIVEN TO AND DISCUSSED WITH ROBERT BONI.
LA PAZ, BOLIVIA.

GIVEN TO AND DISCUSSED WITH ROBERT BONI.
LA PAZ, BOLIVIA.

Mr. Robert Boni
Long Term Technical Adviser, Intl.Sav.& Ln.
BOLIVIA, SOUTH AMERICA.
From: Roman Ortega-Cowan, Consultant.

RE: Bolivian Mutuais, FIRST BRIEFING .

We are engaged in a planning exercise which assumes, dedicated, cooperative spirit of institutional Board of Directors, management, employees and, to an expectable extent, from legislative, ministerial and regulatory authorities. All supporting the conceptual goal that mutuais must evolve and emerge from the present environment, DIVERSIFIED, but continuing to deliver services and savings products closely related to housing and the family patrimony.

Based on preliminary research and findings, in my opinion, Regulators, Directors, Management and employees of the industry, must work towards augmenting the Mutuais visibility as "the Bolivian FAMILY FINANCIAL CENTER". As a team, they must, consistently and methodically, become more efficient, competitively profitable, and sales oriented, if in fact, the Mutuais are to survive.

We have concurred, together with Cacem's Management, that new savings related products are to be identified and pursued. The rate of return on savings, paid by the Mutuais, is no longer satisfactory to attract and keep depositors. Additionally, critically eroded portfolios threatens the Mutuais existence.

Mutuais must accept and exercise the need to evolve, the need to introduce new services, new administrative techniques, new processing technology and efficient operational procedures; they must consider a philosophical revival, and set evolutionary goals to effect changes, in the mobilization and DIVERSIFICATION of its savings base. They must assume a sales oriented posture as soon as possible.

The varied data displayed (attached) represent the SCOPE OF ACTIVITIES presently under study, and, to be incorporated into a proposed action plan, specifically addressing the mobilization/diversification of savings.

I suggest, my involvement be not confined to record findings, outline products and recommend methodologies. I suggest, to effect the bolivian diversification of savings portfolios that, with your concurrence, I engage in the delivery of DETAILED operational/administrative tools, to be brought on line, in accord with new services etc. I also urge the involvement of Cacem's personnel and the local Mutual's folks. I believe we have an opportunity to help the system become more efficient in planning and administering disciplines. The one-on-one working mode will flatten the learning curb of those exposed to this exercise. Time is running out for these Mutuais.

January 22, 1985

OVERVIEW OF SIGNIFICANT FACTORS AFFECTING THE PLANNING EXERCISE
FOR THE MOBILIZATION/DIVERSIFICATION OF THE
BOLIVIAN MUTUAL SAVINGS AND LOAN SYSTEM

JANUARY 21, 1985

R. ORTEGA-COWAN

Mutuals should become a strong profitable competitor in the market place, serving the Bolivian housing and family patrimonies. The Industry should be known as:

"THE NATION'S FAMILY FINANCIAL CENTER"

THE REGULATORY ENVIRONMENT

CACEN: The intention and pledge of this regulatory body is to continue to research and deliver avenues conducive to the growth and stability of the Bolivian Mutuals, inclusive of pursuing additional operational powers, plus technical and economic assistance from national and international sources. Cacem will continue to offer administrative support and technical guidance to the Industry.

MINISTERIAL/LEGISLATIVE: Under Cacem's sponsored text, in October, 1983, the Ministry of Finance decreed the Ministerial Resolution No. 1432, signaling a new era for the Mutuals in expanded authorities granted. EXHIBIT ONE, attached.

STATISTICAL PROFILE

ANALYTICAL review of historical data (1979 through 1984) has been captured and displayed in report form. This multi-discipline analytical profile addresses savings flows observed in the various markets the Mutuals operate in; their declining trend is evident. Concurrently, some competitive advantages and regulatory restrictions are displayed to compare regulatory differentials vis-a-vis the competition. EXHIBIT TWO, attached.

THE MARKET PLACE

EXISTING CUSTOMER BASE PROFILE is basically proforma. The available data observed on demographics, per capita income and population habits, is, in this author's opinion, not 100% reliable. Notwithstanding, for the purpose of short-term planning and subject to further verification, the data is deemed useable; it will be discussed with Cacem and the Mutual's management.

Rather salient is the national spiraling inflation curb. Published at over 2,150% in December 1984, it may reach over twice this level by mid-1985. The Mutuals paid its savers 60% interest in December 1984; under Cacem's directives, rates will be competitive with commercial institutions. (A MEASURE THAT MAY HAVE COME TOO LATE).

FUTURE CUSTOMER BASE PROFILE, observed and partially tested, is rather encouraging. With new products, the available customer base (served neither by the Mutuals, nor by the Commercial Banks) might yield profitable

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relationships. As it is discussed under "typical services offered in the marketplace", there is an observed service need by various segments of the population which the Mutuuls can target and seize.

TYPICAL SERVICES OFFERED BY OTHERS IN THE MARKETPLACE. The world of Demand Accounts, Consumer Lending, Commercial Lending, Floor Planning, International Banking, Currency Exchange and Food related financing, is dominated by Commercial Banks and other lesser financial institutions. Others also compete with the Mutuuls in the home financing arena.

The role of the Bolivian Mutuuls (as most of its world's counterpart), has been regulatorily restricted to serve the housing need and to take savings deposits at low, uncompetitive rates of return to the saver. Also, the Industry has been self-confined to a philosophical non-selling environment.

The Bolivian Industry, within the foregoing parameters, did well until changes beyond its control accounted for the catastrophic decline of their Mortgage and Savings portfolio values, (1982 de-dollarization of the Bolivian peso). The Industry has served largely the walk-in customer.

Since there is no adequate time to research and to actually poll the market during this visit, (the anticipated market study is not available, nor the necessary human resources available to address it at this time), I have conducted various fact-finding sessions at local Commercial Institutions, professional and fraternal businessmen organizations. The common view shared by the Commercial Bankers is that targetting the "big accounts" is profitable. Middle-class professionals and small to mid-size businessmen, in my opinion, have no allies in the commercial banking sector; they would welcome some attention from the Mutuuls, and are ready to reciprocate with their business. (CAUTION: Opinion supported by information obtained from the La Paz marketplace only).

PROFILE OF POTENTIAL NEW CUSTOMER BASE. A great number of the professionals in Bolivia work for institutions and Industry. Over 75% of the self-employed professional and businessmen have limited/restricted access to financial institutional services. This is potentially an excellent market target for the Mutuuls, and due attention should be given to it.

IDENTIFICATION OF NEW SERVICES

FORMULATION OF NEW PRODUCT/SERVICES. Based on the observed customer need, various products and services have been identified. These items are considered marketable; they may be the prudent vehicle to resume the diversification of the Mutual's savings services. Although not new products in other world's markets, the identified product/services may represent, in part, the tools to recapture lost markets and gain new ones.

NOTE: Consumer-lending activities (short-term, high-yield, consumer-type loans) are incorporated under this scenario. The consumer-lending relationship is considered significant in the mobilization and diversification of the Mutual's savings base. Attracting and retaining savings, via interest payment, is not possible in this present market.

PRODUCT SUPERVISION AND ACCOUNTABILITY should reside with the Mutual's

Managing Officers.

RESEARCH, DEVELOPMENT AND IMPLEMENTATION

MARKET RESEARCH: Through personal market observations, study of statistical data, trends, regulatory environment and existing products in the market, I must preliminarily conclude that products and services tailored to a segment of the population (the self-employed professionals and businessmen) should be developed, tested and marketed.

DEVELOPMENT of such new products should be effected by a team comprised of the author, 2 members of the Mutuuls and 1 member of Cacem. The intent is to create a "local" ongoing body to address product/services development. By taking this approach, the Bolivian system would not only be provided with finished products, but would also expose local personnel in the system to techniques and disciplines employed by the consultant.

IMPLEMENTATION should be the province of a group composed of 1 member of Cacem (in charge), and 2 to 5 members of the Mutuuls at large.

NOTE: TESTING AND PILOT PROGRAMS ARE SUGGESTED. Product performance should reside with the Managing Officer of each Mutual.

THE DELIVERY SYSTEM:

PLANT FACILITY(ies): Existing plants are academically deemed adequate to support the new SELLING ENVIRONMENT. Logistics are to be fully addressed. Pilot facilities should be identified within AN ACTION PLAN STATEMENT to be prepared by a product development committee. Specific thoughts and recommendations should be addressed and offered as to long-term plant facilities ideal profile.

EQUIPMENT, hardware and software considerations are significant, mainly when addressing the long-range action plan implementation. Initially, the pilot shop(s) selected may be those with automating capabilities. It would be prudent to quantify (survey) all plant facilities and computing equipment.

Manually-operated systems are deemed adequate to efficiently service prudent customer volumes.

HUMAN RESOURCES:

The human resources presently available are academically deemed adequate to initially handle the anticipated, modified operational environment. This is subject, however, to verification of acceptable levels of SELLING skills, experience, educational background, sales environment aptitude and compatibility to be present at each Mutual.

NOTE: Typically, the Savings and Loan personnel has not been SALES ORIENTED. Mutuuls must adapt to the reality of becoming so as well as A PROFIT MOTIVATED Industry.

TRAINING: Acceptable levels of sales and marketing ability are to be quantified at each plant facility. Some existing personnel may not be

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competent in the application of sales techniques. Modern motivational methodologies are to be used to improve employees level of competence. Existing CUSTOMER CONTACT personnel not having had sales experience/skills but, having good learning skills and motivation should be immediately trained.

TRAINING METHODOLOGIES AND IMPLEMENTATION are to be developed cooperatively by Cacen and personnel from the Mutuuls. Administration is recommended to be the province of each Mutual Managing Officer. Maintenance and update should reside with Cacen.

CROSS-TRAINING: All customer contact personnel should be cross-trained as soon as possible to insure that services and products are well represented at each Mutual's platforms.

NOTE: All personnel is to attend training sessions inclusive of Management, Directors and Regulators (Cacen's). Various levels of training disciplines are to be formulated, pursuing an uniform, efficient, behavioral pattern throughout the system. I suggest Cacen address this subject immediately.

PRODUCT SYSTEM SUPERVISION:

QUALITY CONTROL: It is anticipated that CACEN's representative (George Ayllon?) will be given ample operational parameters and authority to originate, supervise, maintain, update and direct the new programs.

COMMENTARY: CONFIDENTIAL

The Bolivian system, in my opinion, lacks the stable economic environment conducive to attracting a reasonable savings base. The Mutual's portfolio is largely composed of small, unprofitable accounts, (average bal. is \$B 14,905 or, in US Dollars, \$0.22 black market, \$2.41 official exchange rate). Administering, and paying interest on such portfolios contributes to the acceleration of the decaying health of the Industry. It would be prudent to assess an administrative fee and stop paying interest on inactive/dormant accounts with balances below the average level. This dormant portfolio should be immediately segregated, its balance captured and maintained in a single entry form under dual control. Operational considerations, criteria and policy adoption on this subject should be undertaken by Cacen. Guidelines as to what constitutes "dormancy, minimum balances to receive interest, and amount of administrative assessment" should be discussed by Cacen and the individual Mutuuls.

OF MORE THAN HALF OF THE MUTUALS POSTED OPERATIONAL LOSSES IN 1984, THE MOST SALIENT IS POTOSI WITH OVER -600 % .

Unless the national economy is DRAMATICALLY and rapidly improved, there are no logical cost-justified incentives for attracting substantial (pure) savings. Most of the Nation's liquidity (over 89%) appears to be in circulation, chasing dollars. An unusual, street foreign-currency speculative buying is present in the marketplace, accelerating the local currency's deflation and sending inflation literally out of control.

NOTWITHSTANDING, a great majority of self-employed heads of households, professionals and small businessmen are deprived of basic short-term borrowing sources. With innovative services (short-term consumer loans tied to SAVINGS products), the Mutuals might be able to acquire an additional profitable savings base. C A U T I O N : New savings volumes may not be quite adequate to enable the Industry's declining profile in the marketplace to substantially recover; but there exists the possibility of securing a new customer base which could keep the AGGRESSIVE MUTUALS operating at breakeven levels during the anticipated national economic recovery process. Simultaneously, the Industry could be positioning itself as "THE BOLIVIAN FAMILY FINANCIAL CENTER".

An aggressive SALES ORIENTED modus operandi MUST be adopted by the Mutual's management and regulators; without it, many Mutuals, if not all, may not see a profitable tomorrow.

Cacem should be addressing the question of the possible collapse of individual Mutuals. Should one Mutual fail, would its doors be closed? Is there a possibility of portfolio mergers?. How would the subject be dealt with?.

As unpopular as the thought may be at Cacem, it would be prudent to expediently pose the fundamental questions, study some academic scenarios, and prepare for the inevitable. The regulator must not forgo this supreme duty and face the challenge by acting now.

NOTE: No secondary market is present in Bolivia. The depository relationship of the Mutuals with the commercial banking industry is interesting. There may be new financial opportunities for the Mutual system in this area. In a diversified scenario, Cacem could play a vital role as the "banking" arm of the Industry.

Interlocking type, conflict of interests are present in the system.

THIS REPORT CONTAINS 1,886 WORDS; THE SUMMARY TO GEORGE CARDIS WILL BE CONDENSED, AFTER WE (BOB BONI AND ROMAN ORTEGA-COWAN) ADDRESS AREAS OF CONCERN GERMAINE TO THE MOBILIZATION OF SAVINGS.

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SUGGESTED
PRODUCT DEVELOPMENT STRUCTURE
OVERALL GUIDELINES TO GOVERN THIS EXERCISE
BOLIVIAN MUTUALS, R.ORTEGA-COWAN, JAN. 24, 1985

IDENTIFICATION is to occur at all individual shops. Management should encourage employee's participation in identifying/suggesting new products and services. The input is to be analyzed by the individual Mutual's Managing Officer. If the suggested product is deemed useable, the Managing Officer is to test the product acceptability in the market. This testing may be completed by direct customer sample polling, by mail or at the lobbies.

RESEARCH: The suggested product is sent to Cacem for further research. Cacem's may further research and test the product in various other markets. A complete pro-forma analysis is to be prepared by Cacem, with input from the system. If the product is found to be viable, profitable and market receptive, Cacem is to provide for it's further development.

PRODUCT DESIGNATION: This exercise, heretofore, is conducted by Cacem's DEVELOPMENT COMMITTEE.

PRODUCT DEFINITION: Specific definition of the product is documented. i.e. "automatic repayment from customer savings account". All information on the product's characteristic is detailed.

PRODUCT ADMINISTRATION: Is defined and documented. At this time all operational considerations are discussed inclusive of plant facility profile, hardware, software, human resources and all other administrative considerations.

USER'S QUALIFYING CRITERIA: Definition of cycles is conducted, such as, how many items per month, frequency, minimum and maximum levels, compensating balances etc.

PRODUCT PRICING: Using the automated mode (lotus 1-2-3 program), the proposed product is actually fully analyzed, evaluated and profitability tested. This exercise includes, but is not limited to : a cost accounting review, pro-forma market acceptance, gross profit margin anticipated per unit, product performance sales volume projection and timetables.

PRODUCT REJECTION/APPROVAL: This exercise is conducted at designated levels of authority. If the product is rejected, no further action is required. If the product is approved for marketing, there are two possible implementation modes discussed below. (Marketing, total or partial may be applicable at this point).

MARKETING AND ADVERTISING: May occur, should the product is deemed viable and its marketability approved.

PERSONNEL TRAINING: Should be considered and staged prior to, or simultaneously conducted with the product implementation mode. Provided, the magnitude of, and the learning curve required, is thoroughly evaluated.

PRODUCT IMPLEMENTATION (PARTIAL): Cacem's implementing Committee reviews the proposed product and recommends to management, its implementation or rejection.

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The committee designates pilot(s) office(s), if the service is to be consumer tested prior to adoption at large. (In some cases, pilot programs may not be necessary).

PRODUCT IMPLEMENTATION (TOTAL): After the foregoing pilot testing mode is completed, results are evaluated. If the product is deemed marketable at large, the full implementation is conducted.

PRODUCT PERFORMANCE AND ACCOUNTABILITY: Should be the responsibility of the Mutual's Managing Officers.

PRODUCT MAINTENANCE, QUALITY CONTROL AND UPDATES: Should reside with Casen.

NOTICE: I HAVE PREPARED TWO FORMS TO ADDRESS THIS SUBJECT.

1) IS TITLED "PRODUCT IDENTIFICATION EXERCISE".

This form captures the name of the product, definition, administration, qualification criteria and target customer base.

2) IS TITLED "PRODUCT FEASIBILITY ANALYSIS".

This form is a computerized formulated spreadsheet. It provides for the analysis of the product vis-a-vis cost, marketability, and ancillary details.

Both foregoing documents have been captured in floppy disks. These disks will be given to Casen for ongoing application.

ESTRUCTURA PARA EL DESARROLLO DE UN PRODUCTO

GUIAS GENERALES PARA LA REALIZACION DE ESTE EJERCICIO

MUTUALES DE BOLIVIA, R. ORTEGA-COWAN

ENERO, 24, DE 1985

IDENTIFICACION:

Debe realizarse en todas las instituciones individuales. La Administración de cada una de ellas debe alentar la participación de sus empleados en identificar y/o sugerir nuevos productos y servicios.

Las aportaciones de los empleados deberán ser analizadas por el Gerente. En caso de que el producto se considere como utilizable, el Gerente debe aprobar la aceptabilidad del producto en el mercado. Esta prueba podrá llevarse a cabo mediante muestreo directo con los clientes, utilizando el correo o en las salas de recepción de la Mutual.

INVESTIGACION:

El producto sugerido debe enviarse a CACEN a objeto de que esta institución realice mayor investigación. CACEN podrá realizar investigaciones y pruebas del producto en otros mercados. CACEN deberá preparar un análisis pro-forma total con las aportaciones hechas en el Sistema. Si se establece que el producto es viable, rentable y aceptado en el mercado, CACEN deberá auspiciar su posterior desarrollo.

DESIGNACION DEL PRODUCTO:

Por lo tanto, este ejercicio será conducido por el Comité de Desarrollo de CACEN.

DEFINICION DEL PRODUCTO:

La definición específica del producto debe documentarse. Por ejemplo: "Repago automático de la cuenta de ahorros del Cliente". Toda la información sobre las características del producto debe ser detallada.

ADMINISTRACION DEL PRODUCTO:

Se debe definir y documentar. Al llegar a este punto, se deben discutir todas las consideraciones operativas, incluyendo las facilidades de oficinas, el perfil, el equipo, los programas, los recursos humanos y cualquier otra consideración administrativa.

Criterio para calificación.

Se debe conducir una definición de los ciclos tales como: cuántos ítems por mes, frecuencia, niveles máximos y mínimos, saldos compensatorios, etc.

VALORACION DEL PRODUCTO:

Utilizando el programa Lotus 1-2-3, el producto propuesto es analizado y evaluado completamente y así como probado en su aspecto de rentabilidad. Este ejercicio incluye pero no está limitado a: una revisión sobre el costo contable, una pro-forma sobre la aceptación en el mercado, margen de utilidad bruta por unidad, proyección y programa de ventas del producto.

APROBACION O RECHAZO DEL PRODUCTO:

Este ejercicio es conducido en niveles de autoridad desiguales. Si el producto es rechazado no se requerirá tomar ninguna otra acción. Si el producto es aprobado para su comercialización, existen dos posibilidades para su implementación que se presentan a continuación (la comercialización total o parcial podrá ser aplicable en esta oportunidad).

COMERCIALIZACION Y PUBLICIDAD :

Esta situación podrá ocurrir si se considera que el producto es viable y si se aprueba su comercialización.

ENTRENAMIENTO DE PERSONAL

Debe ser considerado y programado con anterioridad o ser conducido simultáneamente con la implementación del producto. Estableciendo que la magnitud y la curva de aprendizaje requerirá sea evaluada exhaustivamente.

IMPLANTACION DEL PRODUCTO: (Parcial)

El Comité de Implantación de CACEN revisará el producto propuesto y recomendará a la administración la implantación o rechazo del mismo.

El Comité designará los sitios pilotos, si el servicio había de ser probado a nivel de consumidor, con anterioridad a su establecimiento en forma permanente. En algunos casos podrá ocurrir que no se necesiten programas pilotos.

IMPLANTACION TOTAL DEL PRODUCTO:

Después de que se complete el programa de prueba piloto, se evaluarán los resultados. Si se establecen que el producto es comercializable en escala mayor, se conducirá la implantación con su mayor grado.

PROGRESO Y RENDIMIENTO DEL PRODUCTO:

Será la responsabilidad de los administradores de la Mutual.

MANTENIMIENTO DEL PRODUCTO , CONTROL DE CALIDAD Y ACTUALIZACION:

Esta área debe ser hecha por CACEN.

NOTA: He preparado dos formatos para referirme a este asunto:

- 1) Se titula "Ejercicio sobre Identificación del Producto". Este formato obtiene el nombre del producto, su definición, administración, criterios de calificación y la base de metas con los clientes.
- 2) Se titula "Análisis de Factibilidad del Producto". Este formato es una hoja de cálculo computarizada. Esta diseñada para el análisis del producto, costo vis-a-vis, comercialización y otros detalles complementarios.

Ambos documentos se encuentran en diskettes. Estos diskettes serán entregados a CACEN para su posterior aplicación .

PRODUCT IDENTIFICATION EXERCISE:

NAME:

DEFINITION:

ADMINISTRATION:

QUALIFYING CRITERIA:

TARGET CUSTOMER BASE:

NOTICE: THE FOREGOING FORMAT IS TO BE USED TO CAPTURE THE PRELIMINARY VITAL STATISTICS OF A PROPOSED NEW PRODUCT/SERVICE. THE PRELIMINARY INFORMATION IS THEN PROCESSED THROUGH THE "PRODUCT/SERVICES DEVELOPMENT", EVALUATION, PRICING FORM.

FOLLOWING ARE SIX EXAMPLES AS TO HOW TO USE THIS FORM.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: PAYROLL PLAN.

DEFINITION: This product assumes the opening of a savings acct. in the name of the employer. A savings acct. in the name of each employee.

ADMINISTRATION: Employer, at designated times, delivers a VOUCHER to the institution, containing the account number, name and amount to be deposited to the employees account. The institution debits the employer's acct. and deposits the employees accounts, at dates designated by employer. CROSS-SELLING TO THE EMPLOYEE IS POSSIBLE. Services such as bill paying may be of interest to employees.

QUALIFYING CRITERIA: Two or more full time salaried employees. Savings Compensating Balance in both account, employees and employer.

TARGET CUSTOMER BASE: Professionals and small to medium size Businessmen. Non-incorporated businesses.

THIS PRODUCT IS DESIGNED TO ATTRACT SAVINGS.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: BILL PAYING SYSTEM. *Commercial **Personal.

DEFINITION: Automatic payments from customers account savings account to designated payees.

ADMINISTRATION: Customer provides the institution with a list of payees, amounts, addresses, dates when the disbursements are to be made and any other pertinent data. An indemnification agreement from is prudent.

QUALIFYING CRITERIA: 4 or more items per month. Compensating balance. Could be restricted to amount of payments etc.

TARGET CUSTOMER BASE: *Self employed professionals and businessmen.
**Personal.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: BILL COLLECTING. *Commercial **Personal.

DEFINITION: A system of collecting payments due others into customers savings account at the institution.

ADMINISTRATION: Customer opens a savings account. (Delivers coupons, or, in other fashion instructs payors, to make payments into the designated account.) The institution collects the payments and delivers a receipt to the depositing payor. Delinquencies may be collected for a higher fee.

QUALIFYING CRITERIA: 2 or more bills.

TARGET CUSTOMER BASE: *Professionals/businessmen **Head of households.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: CONSUMER FINANCING. *Personal **Commercial

DEFINITION: *The ability of heads of households self employed professionals, and businessmen, to request credit, for personal, household or business related needs. Provided however, the funds be used, as a family related, borrowing transaction.
**The ability of trades/businessmen to offer goods for sale, to be financed by the Mutuals.

ADMINISTRATION: A loan application is processed within reasonable time, to ascertain the Client's credit worthiness. Credit is granted/denied by (loan officer??). If ok. Documents are drawn and the transaction is recorded.

QUALIFYING CRITERIA: Credit worthiness, mortgagor/saver relationship with the institution. Monthly repayments to be made from a savings account at the institution is mandatory.

TARGET CUSTOMER BASE: Firstly all qualifying mortgagors/savers of the Mutual, then the population at large.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: STUDENT LOANS.

DEFINITION: Loans offered (firstly) to relatives of existing customer base, (either mortgagor or saver). Secondly, to the public at large. The proceeds are to be used to finance the secondary education of a young adult.

ADMINISTRATION: Both parent(s) and child(ren) are qualified under the institution's parameters (to be written). The chosen school is notified. The documentation is drawn and the loan disbursed to the SCHOOL.

QUALIFYING CRITERIA: B averaged student. At least one savings account with the institution, with no less than \$B _____ average balance (plus frozen balance of ??) and credit worthiness.

TARGET CUSTOMER BASE: Existing account holders, with qualifying ability
Note: The qualification of potential initial customer will be a function of each individual Mutual. Qualifying guidelines should be set by Cacen and the Mutuals.

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PRODUCT IDENTIFICATION EXERCISE:

NAME: **SAVINGS ACCOUNT WITH AUTOMATIC MORTGAGE PAYMENT.**

DEFINITION: A mandatory product for those receiving loans from the institution. The service may also be available to others, to make automatic payments from the savings account to payees other than the Mutual.

ADMINISTRATION: A savings account is opened (or used if existing), An agreement is executed (it can be a mortgage covenant) providing for the mortgagor to maintain at least (??) in the Savings account. Customer deposits deposit his earnings (can be via payroll direct deposit) into the savings acct. The Mutual draws automatically, at the designated date, from the savings to repay, either the mortgage held by the Mutual or, issue a payment(s) to another outside source.

QUALIFYING CRITERIA: MANDATORY TO ALL MORTGAGORS/CONSUMER BORROWERS OF THE MUTUAL SYSTEM.

TARGET CUSTOMER BASE: ALL EXISTING AND FUTURE BORROWERS.

THIS PRODUCT IS DESIGNED TO ATTRACT SAVINGS.

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EJERCICIO SOBRE IDENTIFICACION DEL PRODUCTO

NOMBRE :

DEFINICION:

ADMINISTRACION:

CRITERIO DE CALIFICACION:

META DE CLIENTELA:

NOTA: El anterior formato debe ser utilizado para obtener las estadísticas preliminares vitales de un producto o servicio propuesto.

La información preliminar será luego procesada por medio del formulario: "Desarrollo de productos o - Servicios" su evaluación y valoración.

A continuación se encuentra los ejemplos sobre como utilizar este formulario.

EJERCICIO DE IDENTIFICACION DEL PRODUCTO

- NOMBRE** : Financiamiento para la clientela Personal / comercial.
- DEFINICION** : Dirigido a los gerentes de pequeños negocios, profesionales y hombres de negocios, quienes solicitan créditos para requerimientos personales, de negocios y negocios familiares. Se proveen los recursos a ser utilizados tal como se hace en transacciones de préstamos familiares.
- Dirigido a hombres de negocios cuya capacidad para ofrecer productos para la venta que serán financiados por las Mutuales.
- ADMINISTRACION** : La solicitud de préstamo es procesada dentro de un plazo razonable, asegurándose de la solvencia de crédito del cliente. El crédito es concedido/denegado por (el Jefe de Préstamos)?. En caso de ser concedido, los documentos son archivados y la transacción asentada.
- CRITERIO DE CALIFICACION** : Solvencia de crédito, relación prestatario/ahorrista con la Mutual. Amortizaciones mensuales que se deberán realizar de una cuenta de ahorros en la Mutual en forma obligatoria.
- NOTA BASE DE LA CLIENTELA** : En primer término califican los ahorristas y prestatarios de la Mutual, luego el resto del público.

ESTE PRODUCTO ESTA DISEÑADO PARA CAPTAR AHORROS.

**EJERCICIO DE IDENTIFICACION
DEL PRODUCTO**

- NOMBRE** : SISTEMA DE PAGO DE FACTURAS
Comercial y personal
- DEFINICION** : Pagos automáticos de las cuentas
del cliente a las cuentas designadas.
- ADMINISTRACION** : El cliente entrega a la institución
una lista de pagos, montos, direcciones y fechas a/en las cuales se deben
efectuar los desembolsos y cualquier otro dato adicional.
Es prudente efectuar un convenio de resarcimiento.
- CRITERIO DE CALIFICACION** : 4 o más items por mes. Compensación
de cuentas. Se debe restringir el monto de los pagos, etc.
- NOTA BASE DE LA CLIENTELA** : Profesionales que trabajan por
cuenta propia y hombres de negocios.
Personal.

ESTE PRODUCTO ESTA DISEÑADO PARA CAPTAR AHORROS.

EJERCICIO DE IDENTIFICACION DEL PRODUCTO

- NOMBRE : Plan de planillas de sueldos
- DEFINICION : Este producto requiere la apertura de una cuenta de ahorros, a nombre del empleador. Otra cuenta de ahorros a nombre de cada uno de los empleados.
- ADMINISTRACION : El empleador, en las fechas indicadas, entrega un voucher a la Mutual, conteniendo el número de cuenta, nombre y monto que deberá ser depositado en la cuenta de cada empleado. La Mutual debita el monto de la cuenta del empleador y deposita el mismo en cada cuenta de los empleados, en las fechas indicadas por el empleador. Traspasos a los empleados pueden ser aceptados. Servicios tales como el pago de facturas podría ser de interés de los empleados.
- CRITERIO DE CALIFICACION : Dos o más empleados que trabajan a tiempo completo. Se deberá efectuar una conciliación de ambas cuentas, empleado y empleador.
- NOTA BASE DE LA CLIENTELA : Profesionales y hombres de negocios pequeños y medianos. Negocios no incorporados.

ESTE PRODUCTO ESTA DISEÑADO PARA CAPTAR AHORROS.