

**[ SHFC Corporate Circular No. 15-033, s. 2015,  
July 24, 2015 ]**

**IMPLEMENTING RULES AND REGULATIONS (CORPORATE  
CIRCULAR CMP NO. 12-021 AND CORPORATE CIRCULAR HDH  
NO. 14-004): JURISDICTION AND PROCEDURES FOR  
IMPOSITION OF SANCTIONS FOR OFFENSES COMMITTED BY  
CMP-MOBILIZERS (CMP-MS) AND CIVIL SOCIETY  
ORGANIZATION (CSO) PARTNERS**

*Adopted: 24 July 2015  
Date Filed: 05 August 2015*

SHFC recognizes its strong partnership with CMP Ms and CSO Partners which will assist informal settler families in organizing themselves into Community Associations (HOAs or Cooperatives) and make sure that they are ready and able to assume the responsibilities of availing a loan from the Community Mortgage Program (CMP) or High Density Housing (HDH) Program.

In assisting CAs/Cooperatives, SHFC, under Corporate Circular No. 12-021 (Guidelines for the Accreditation of CMP-Ms) and Corporate Circular No. 14-004 (Implementing Rules and Regulations for the Accreditation of CSO Partners for HDH Program), expects integrity to govern the activities of CMP Ms and CSO Partners at all times; thus it has enumerated under Section VII and Section VI, respectively of the Circulars the sanctions to be imposed.

In order that these provisions are fully understood and effectively implemented, hereunder are the offenses and the responsible units which will validate and decide on the complaint and commission of the offenses by CMP Mobilizers/CSO Partners and review of sanctions by Senior Management. The procedures or steps are also outlined below. In acting on a complaint and in meting out sanctions, SHFC shall be guided by the principles of due process.

**I. OFFENSES PERTAINING TO:**

1. Charging of processing fees for actual out-of-pocket expenses amounting to more than the amount prescribed in the CMP guidelines.
2. Charging of processing fees for HDHP projects.
3. Bad track record in assisting CAs (this Includes but shall not be limited to failing Collection Efficiency Rating [CER], substantial number of projects in litigation or foreclosure)

**A. Jurisdiction**

Complaints for these cases shall be evaluated by the Accreditation Unit which will recommend to Senior Management the sanction to be imposed.

B. Procedure

	Step/Activity	Responsible Department/Unit
1	Receive Complaint	Accreditation Unit
2	Conduct data gathering and validation of complaint	Accreditation Unit
3	Notify the CMP-M/CSO Partner of the complaint of the CA/other stakeholders, the offense and the possible sanction	Accreditation Unit
4	Assess and decide on the complaint based on the data/ information supporting the complaint, and the CMP-M and CSO Partner's response and supporting documents	Accreditation Unit
5	In the absence of a complaint from the CA/other stakeholders, the Accreditation Unit shall validate, assess and decide on the offenses	Accreditation Unit
6	Review the findings and resolution of the Accreditation Unit. The decision of Senior Management is final.	EVP, VPs of Loan Processing Groups
7	Inform the CMP-M/CSO Partner and the Complainant of the decision.	Accreditation Unit

C. Sanction

The sanction to be imposed for the above offenses shall be Suspension. The maximum period of Suspension is six (6) months which shall be imposed depending on the gravity of the offense as determined by the Accreditation Unit and the Senior Management.

Suspension due to a failing CER shall automatically be lifted once the CER has reached the minimum CER of 80%.

The Accreditation Unit shall monitor the period or duration of the CMP-M and CSO Partner's suspension. It shall immediately advise the CMP-M/CSO Partner once sanction is lifted.

II. OFFENSES PERTAINING TO:

1. Directly negotiating with the landowner re purchase price of the property
2. Cases of abandonment<sup>[1]</sup> of the CA with no formal termination of contract with CA