



UBORA REGULATED  
NON-WITHDRAWABLE  
DEPOSIT TAKING  
SACCO SOCIETY LTD  
SAVE. BORROW. INVEST. PROSPER

## ABOUT DIVIDENDS AND INTEREST ON DEPOSIT

Question	Answer
What are dividends and interest on deposit?	Dividends are returns payable to ownership shares commonly referred to as the <b>share capital</b> you have with the Sacco while Interest on Deposit are returns on <b>Ubora Deposit Contribution</b> i.e., the deposits used as a multiplier when applying for a loan.
When are dividends and interest on deposit paid out?	The returns are paid out after the Ubora Regulated NWD T Sacco's Annual General Meeting where the proposed rates are endorsed by the national delegates.
How will I receive my dividends if I have any and how can I know how much I will be receiving?	All members with share capital above Kes. 50,000.00 will be paid dividend unless a member has requested for capitalization. Dividends earned on Share capital less than Kes. 50,000.00 are automatically capitalized. Members within the common bond will be paid through check-off, members outside the common bond will be paid through MPESA. Expected payments are communicated after the Annual General Meeting.
When do you stop retaining Kes. 5,000.00 from interest on deposit for the share capital?	After a member has reached Kes. 60,000.00 Share capital, retention of 5,000.00 will stop
What is dividend capitalization?	This means re-investing <b>net payouts</b> either in full or partially back into their Share Capital.
Do those members who have not finished buying the minimum shares able to get dividends?	Yes. All members will get dividends regardless of the share capital status. Those with less than Kes. 50,000.00 are capitalized to minimize the deficit.
How is interest on deposit computed?	Interest on deposit is computed based on the weighted average on deposits for the members during the previous financial year and paid as a percentage of the Ubora Deposits contribution respectively.
When does a financial year begin and end?	Ubora Regulated NWD T Sacco Society's financial year begins in January and ends in December of every year.
What are the gross dividends and net dividends?	Gross dividends are inclusive of taxes and processing fees. Net dividends are paid out dividends which are exclusive of taxes, processing fees and capitalized amounts.
What determines the rates paid out as dividends?	The rates are determined by the societies financial performance, surpluses, and regulatory approvals.

<b>Can my dividends be paid via M-PESA?</b>	Yes, for members outside common bond, dividends will be paid through MPESA
<b>In case I have defaulted loans what will happen to my Interest on deposit?</b>	The Interest earned will be utilized to pay the funds due on the defaulted loans.
<b>How do I know how much has been paid to me?</b>	A text message is sent to your registered number with the details.
In case of any further clarifications or in case of a discrepancy, please contact ny of Ubora Sacco Staff or email us on <a href="mailto:ubora@kebs.org">ubora@kebs.org</a>	

**Dear Member, Reinvest your dividends and interest on deposit and watch them grow. Enjoy compounded returns, greater wealth, and a brighter financial future.**

***Save, Invest, Borrow, Prosper***