**STEP 1: SHARE-OUT PROCEDURES**

1. The Social Fund is counted, the amount announced and put away. It does not get shared out
2. If any member has not completed their loan repayments, the amount owing is recovered by cancelling the number of shares in his/her passbook that equal the value of the amount owing
3. Money-counters count the money in the Loan Fund
4. While Money-counters are counting, Record-keeper takes the passbooks and counts the total number of shares of the SCG
5. Once Money-counters are finished, Record-keeper uses the calculator to divide the total of the Loan Fund by the total number of shares. **This determines the new value of a single share**.
6. Next, Record-keeper multiples the number of shares in each passbook by the value of one share (S)he then announces the number of shares and the amount, *rounding down by the smallest unit of currency* (S)he then asks Money-counters to count out the amount and place it in each member’s passbook, which is set aside.
7. Record-keeper then cancels all of the members shares by drawing a large cross on each page of the passbook on which there are share stamps
8. *All passbooks are treated in the same way before anyone receives any money* Once the process is complete, there will be a small amount of money remaining due to rounding down, but there should not be a shortfall. If there is a shortfall, the process is repeated until the amounts are correct. Any small amount remaining is put in the Social Fund, or used as seed capital in the Loan Fund for the next cycle
9. All members are given their passbooks with all the money. *It is very important that every member’s money is placed in their hand*

**STEP 2: PREPARING FOR NEXT SAVING CYCLE**

1. Any member who wishes to leave the SCG should do so
2. New members can now be allowed to join, if all remaining members agree
3. The continuing members now decide on the share value for the next cycle
4. If the SCG wishes to establish seed capital to initiate the next cycle, they should now do so. *All members may contribute whatever amount they wish*, and it can be more than 5 shares on this one occasion, *denominated in the new share value*
5. The number of shares is recorded in the passbook of each member, in the ‘Starting NUMBER OF SHARES ’ box
6. When all of the members who want to contribute seed capital have done so, Money-counters count the seed capital and place it in the Loan Fund bag in the cash box and the amount recorded by Record-keeper in the notebook
7. Chairperson announces the amount and explains that this is the balance of the Loan Fund to start the next cycle
8. The box is now locked and the old cycle is now formally ended
9. RCRC FS then explains to the SCG that in their next meeting, they must hold elections and then revise their Constitution, which new members must sign (S)he then offers to attend the next meeting to assist with elections and the Constitution

**NOTES AND ADVICES FOR SECOND / THIRD SAVING CYCLES**

* At the beginning of a new cycle, SCGs must be encouraged to adjust their constitution and vote for a new management committee. Typical adjustments are: share value, interest rate, meeting regularity, fines, social fund contribution, etc. However, they should never change things like maximum money allowed to borrow, maximum length to return a loan, etc. as it will increase the risk of return failure.
* It is normal that some members will drop out from one SCG and some other new members will join. The change of cycles, is the best moment to ensure that all participants are members of a SCG with a share value that is based on their real their capacity. RCRC FS may be needed to support these changes, ensuring that all members are voluntary enrolled into a SCG that responds to their saving capacity.
* Mature SCGs that have graduated after a successful saving cycle may require assistance at some point during the next saving cycles. It is important to maintain contact with SCGs in case some support may be required.