

SAUTI CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

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LOAN NO.....

LOAN APPLICATION & AGREEMENT FORM

TYPE OF THE LOAN

DEVELOPMENT SUPER NORMAL EDUCATION EMERGENCY INSTANT ANGAZA

(Before completing this loan application form, a member is required to read carefully and comply with loan granting conditions as spelt out at the back page)

SECTION 1

Names (as per the National ID)ID/No.....

Payroll No..... Member No..... Date of Birth.....

Employer & Address of present Station.....

E-mail Address..... Mobile No.....

Present Designation..... Terms of Employment.....

Department.....

Home Address.....

Amount applied for Kshs (in figures)

(In words).....

Repayment periodmonths with effect from the month of

BANK DETAILS

Name of the Bank..... Bank Account No..... Branch.....

Purpose(s) of the loan (in case of several, state the exact amount for each)

- 1. AGRICULTURE 4. HUMAN HEALTH 7. CONSUMPTION AND SOCIAL SERVICES
- 2. MANUFACTURING & SERVICING INDUSTRIES 5. LAND AND HOUSING
- 3. EDUCATION 6. FINANCE, INVESTMENTS AND INSUARANCE 8. TRADE

(Attach “the most current pay slips” and if School fees, give documentary evidence)

SECTION 2**SECURITY OFFERED**

- ✓ My Deposits
- ✓ My salary and terminal benefits
- ✓ My guarantors deposit

DECLARATION BY THE APPLICANT

I hereby declare that the foregoing particulars are true to the best of my knowledge and belief and agree to abide by the By-Laws of the Society and the loan policy and any variations by the Management Committee in respect to the amount of loan granted and terms and conditions of repayment. I hereby authorize the necessary deductions to be made from my salary as repayment for this loan.

Applicant's Signature..... Date.....

The amount of loan guaranteed Kshs (in figures)

(Inwords).....

We, undersigned, hereby accept jointly and severally, liability of its repayment in the event of the borrower's default. We understand that the amount may be recovered by an offset against our shares in the Society or by attachment of our property or salary, and we shall not be eligible for loans unless the amount in default has been cleared in full.

NO	FULL NAMES	PAYROLL NO.	M/NO	ID/NO	DEPOSITS USED TO GUARANTEE	LOANS OUTSTANDING	SIGNATURE	OFFICIAL USE (DEPOSITS AS PER THE SYSTEM)

WITNESS

I certify that the information given in this loan application is true and correct to the best of my knowledge and belief.

Name of Witness.....Member No.....

Signature..... Date.....

BRANCH RECOMMENDATION:

At a meeting of the Branch Committee held on We consider this member's loan application and recommended him/her for a loan of Kshs..... Committee Minute No.....

Chairman:..... Date.....

Secretary:..... Date.....

Treasury:..... Date.....

SECTION 3

APPRAISAL (FOR OFFICIAL USE ONLY)

Super Normal Loan (To clear the following outstanding Loans)

(Amount to be cleared will be the outstanding balance at the time of this loan application Plus 3 months' interest)

LOAN TYPE	AMOUNT	INTEREST	TOTAL
1. Development Loan			
2. Education Loan			
3. Emergency Loan			
4. Instant loan			
5. Angaza Loan			
6. Other financial institution loans			
Total Deductions from the Loan			

1. ELIGIBILITY CALCULATIONS.

Deposits Kshs..... X 4 = Kshs.....

Total loan outstanding Kshs..... Rate of repayment Kshs.....

Amount currently requested Kshs.....New total loans will be Kshs.....

Member's present basic Monthly salary Kshs.....X 2/3 = Kshs.....

Total monthly deduction Kshs.....Monthly Net salary Kshs.....

Balance after recovery of loan (Principal plus interest) Kshs.....

Actual balance of Net salary as percentage of basic Salary (1 as 0/0 e)

This is to certify as correct, the above information as regards the applicant.

Credit Officer Recommendations.....

Name.....**Signature**..... **Date**.....

CEO'S COMMENTS:

I recommend that this loan application should be accepted/rejected for Kshs..... repayable in months. The loan is rejected of amount requested/reduced because of.....

Name.....Signature..... Date.....

CREDIT COMMITTEE:

We have examined the above application in conjunction with the above remarks and have decided as follows:

Loan approved Kshs to be recovered in monthly instalments. Deferred/rejected for the following reason(s)

Date:..... Credit Committee No:

Chairman:.....

Secretary:.....

Member:.....

2. DISBURSEMENT & METHOD OF PAYMENT

- 1. EFT
- 2. M-PESA
- 3. Cheque Cheque No:

Kshs:..... Date:.....

Collected by:..... ID:..... Official Stamp/signature:.....

SECTION 4**LOAN GRANTING CONDITIONS & TERMS**

1) Loan Eligibility

- One must be an active member who has made 6 months contribution continuously.
- A loan defaulter is not eligible for a loan.

2) Loan entitlement is four (4) times Member Deposit. Total Loans to a member is capped at 10% of the Society Core-Capital.

3) Security of loans is the member deposits for self and guarantor. The aggregate of the deposits used as security must be sufficient over the loan amount applied.

The minimum number of guarantors per loan applied is three (3) and must be active members of the Society. If the loan is self-guaranteeing the following should be observed;

- The loan disbursed is $\frac{3}{4}$ of the members deposits
- The loan applicant should not be a guarantor to any existing loan.
- The applicant will not be a guarantor until the loan in question is fully repaid/ secured.

4) Emergency, Instant and Education loan shall be repayable in 12 months. For Education loan a fee structure must be attached. Angaza Loans shall be given to a maximum of **Kshs. 20,000** repayable in 3 months.

5) Development Loans are repayable in a period not exceeding 4 years.

6) Super Normal Loans are repayable in a period not exceeding 5years.

7) No member shall be allowed to suffer total deduction including loan repayment and interest in excess of two thirds of his/her Basic Salary (Basic Salary Excludes Allowances)

8) No member shall be allowed to offset his/her loan account against deposits while still an active member. Those exiting from the Society with Loans running will be charged the outstanding interest plus a penalty of three month's interest.

9) A member clearing his/her loan in cash for purpose of acquiring another one shall be required to pay three months interest.

10) That I have attached my loan application form, a certified copy of my current pay slip and a clear copy of id copy to support it

declare that I have read, understood and complied with all the above conditions and requirements and the particulars i have given are true to the best of my belief.

Applicant's Name.....

Signature.....**Date**.....