

TUSAIDIANE SKS SACCO SOCIETY LTD.

P.O.BOX 16454-00100 NAIROBI

PIN: P051368119D

Loan No.....

Date:

LOANS APPLICATION AND AGREEMENT FORM:

SECTION 1:

(A) I.....holder of ID. NO.....
(FULL NAMES in BLOCK LETTERS)

do hereby apply for a principle loan of Kshs..... (In Figures)

.....
(Amount in words) to be repaid with the applicable interest thereon in.....monthly
installments of Kshs.....per month i.e. Kshs.....per week on reducing balances
method.

(B) MY PARTICULARS ARE AS FOLLOWS:

- i. Membership No.....
- ii. Present Address P.O. BOX.....
- iii. Physical Address (location).....
- iv. Telephone No(s).....
- v. Date of Birth.....
- vi. Home chief's contact (where applicable)
- vii. Position in society (specify post held i.e. member/ committee member/ Employee).....
- viii. Total shares and savings as at the day of this application.....

(C) Type of loan applied for.....

(D) SECURITY (SECURITIES) OFFERED FOR THE LOAN

- 1.
- 2.
- 3.

NB: (If Motor Vehicle attach Original Logbook and duly executed transfer documents)

Save regularly, Borrow wisely and Pay promptly

(E) For EFT payment, my Account details are as follows:

- i. Account Name.....
- ii. Account Number.....
- iii. Branch.....
- iv. Bank.....

(F) 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, the loan policy and any variations by the management committee in respect of section 1(A) above. I hereby authorize the necessary deductions to be made from my salary as repayment for this loan (where applicable). I also understand the basic rules of application, but not limited to, are as listed here below and the loan will be granted according to these rules which form the terms and conditions;

1. Members are limited to three (3) times the value of shares/deposits savings held but subject to availability of funds.
2. No member will be permitted to suffer total deduction (including savings, loan repayment and interest) in excess of two thirds of his/her salary/income.
3. A member will be required to maintain a monthly savings contribution of not less than Kshs. 1,600/=
4. Outstanding development loan must have been cleared before a new loan is granted.
5. Members must have been contributors for a minimum period of six (6) months.
6. Emergency loans and loans for school fees will only be granted with a maximum repayment period of 12 months. These applications must be supported by documentary evidence.
7. The guarantors must be members of the society and should not have acted as guarantors for more than three (3) loanees.
8. Lump sum contribution for the purpose of securing a loan from the society can be considered only if such money remains in the society for at least three months.
 - (i) Loan repayment shall commence not later than one month following the disbursement of the loan to a member.
 - (ii) The repayment mode is by cash bank deposit to the SACCO'S account, banker's cheque or bank standing order.
 - (iii) Members who are engaged in business shall be required to repay on a weekly basis unless the board approves/authorizes otherwise.
9. In case of any default in repayment the entire balance of this loan will immediately become due and payable at the discretion of the management committee and all deposits due to the member will be

offset against the balance owed thereof. The member will also be liable for any cost incurred in the collection for the loan balance and accumulated interest. Any remaining balance will be deducted from the respective guarantors of the loanee.

10. I also hereby give my consent to allow the SACCO to share my Credit information with the Credit Reference Bureau (C.R.B) and to use my credit Report for Credit Assessment.

11. An upfront non-refundable fee of Kshs. 800/= (or five 500/= as the case may be) will be paid upon collection of the application form or the same deducted from the cheque amount granted.

12. The applicable insurance premium will be deducted from the approved amount unless when paid up front.

Applicant's signature.....Date.....

Witnessed by (Full Names):Membership No.....

Witness's signature.....Date:.....

SECTION 2:

LOAN GUARANTORS (by cell members)

The amount of loan (inclusive of interest chargeable) guaranteed is Kshs (In figures)

.....
(In words)

In consideration of the society granting the whole of the applied loan or any less amount that may be approved, we, the undersigned, acting as guarantors for the loan requested on page one (1) of this 'agreement', hereby accept liability for its repayment in the event of the borrower's default. We agree **JOINTLY** and **SEVERALLY** that all shares, savings, interest and deposits with **TUSAIDIANE SKS SACCO SOCIETY Ltd** and owned by us are hereby pledged as security for the said loan or such part of it as may be granted. In case of any default in repayment by the loanee, consequently, the **TREASURER** is hereby authorized to deduct any balance, interest and costs appertaining to the aforementioned loan from the securities hereby pledged. We also understand that the amount in default shall be recovered by an offset against our shares and savings in the society or by attachment of our property or salary, and that we shall not be eligible for further loans unless the amount in default has been cleared in full.

Our particulars are as follows:-

NO	ID CARD NO.	NAME (S) (in block letters)	TOTAL DEPOSITS	SIGNATURES
1.				
2.				
3.				
4				
5				
6				
7				
8				

9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Cell (Sub – group) officials’ signatures:

- A. Secretary’s / or designated member’s Names..... Signature.....
 B. Chairperson’s/or vice-chairperson’s Names..... Signature.....

NB: At least 50% of the cell members to sign.

SECTION 3: LOAN APPRAISAL (for official use only)

a) REGISTRY CONFIRMATION

The above Guarantors are members of the society, and they DO/DO NOT cover the loan amount.(Delete as appropriate)

DECLARED BY _____ (NAME) DATE _____ SIGNATURE _____

b) ELIGIBILITY CALCULATIONS:

- i. Deposits Kshs. _____ x 3 = Kshs. _____
- ii. Total loans outstanding Kshs (where applicable) _____
- iii. Amount currently requested Kshs. _____
- iv. New total loans will be Kshs. (where applicable) _____
- v. (a) Member's present gross monthly salary/business income Kshs. _____ (b)2/3 Kshs. _____
- vi. Total monthly deductions Kshs. _____ (must not exceed 2/3 of gross salary/income)
- vii. Amount available to service the loan Kshs. _____ i.e.(v) (b): minus (vi)
- viii. Loan amount serviceable Kshs. _____ over a period of _____ months.

c) LOANS OFFICER'S CERTIFICATION

This is to certify as correct the above information in regards to this loan application.

Name _____ Loan officer's signature _____ Date _____

d) MANAGER'S COMMENTS

This principle loan application may be granted for the amount of Kshs. _____ repayable in _____ months.

The loan application is rejected, deferred or amount reduced for the following reason(s) (is the case may be);

SIGNATURE _____ DATE _____

e) REGISTRY GUARANTOR'S RECORD ENTRY.

I do hereby certify that details on this loan's guarantors have been duly posted to the guarantor's record sheets/ register and the loan has been noted for recovery with effect from _____ to _____ and expiry date entered in the diary.

NAME _____ SIGNATURE _____ DESIGNATION _____ DATE _____

f) MANAGEMENT COMMITTEE'S COMMENTS

We have today examined the above application and decided as follows: - That the principle loan approved is of Kshs..... (In figures).....
.....
..... (Amount in words) recoverable in monthly installments and to include the relevant interest thereon.

If rejected, deferred or amount reduced, the conditions or/and reasons are:

.....
.....
.....
.....

g) (i) We therefore authorize a cheque to be prepared or EFT effected for the above principle amount in favour of.....

..... less any deduction(s) as may be applicable.

(ii) Management committee's minutes No..... Date: Cheque No/E.F.T Date:

SECTION 4: AUTHORITY BY CMC

SIGNED BY:-

THE CHAIRPERSON'S Signature..... Date.....

THE TREASURER'S Signature..... Date.....

THE SECRETARY'S Signature..... Date.....

SECTION 5: INTEREST CALCULATION. (For official use only)

Applying the formulae: $I = P \times R/100 \times (T+1/2)$ Where: I = Interest, P =Principal Amount In Kshs. R = Rate of Interest per month and T = Time in Months.

SECTION 6:- APPROXIMATE REPAYMENT RATES (For official only)

(A) Monthly: i.e. Principal divided by period in months.

Round Off Kshs.....

(B) WEEKLY: i.e. RESULT IN (A) ABOVE DIVIDED BY FOUR (4) WEEKS

Round Off Kshs.....

SECTION 7:

INSURANCE PREMIUM CALCULATIONS: for official use only (Applying the Formulae;
Premium = $5.03 \times P + 3.03 \times LN /6000$ Where P is Period in months and LN is the loan amount)

Round Off Kshs.....

SECTION 8: CONFIRMATIONS:

- (I) Payment Voucher No..... Date
- (II) CIC Insurance notified on: Date
- (III)Entered in the loans schedule on: Date.....
- (IV)Entered in the payment distribution sheet on:Date
- (V) Treasurer's or accountant's signature..... Date
- (VI) Chairperson's (Or Manager's) Signature..... Date.....

SECTION 9: OTHER REMARKS (if any)