

**BORESHA SACCO SOCIETY LTD.****P.O. BOX 80, TEL: (051) 752030 FAX: 752304 MOBILE: 0720 200689 OR 0734200004 ELDAMA RAVINE****LOAN APPLICATION AND AGREEMENT FORM**

Loan No..... Month..... Year.....

DIVISION	
ZONE	

**NORMAL / DL FORM – (White)**

Read rules at the back First Before you fill this Form.

**A. PERSONAL INFORMATION (IN CAPITALS)**

- |  |  |
|--|--|
| <p>1. Member's Name .....</p> <p>.....</p> <p>2. Home Address .....</p> <p>Mobile No .....</p> <p>3. T.S.C./P/No. ....</p> <p>4. Membership No .....</p> <p>5. School / Dpt .....</p> <p>Address.....</p> <p>.....</p> <p>6. Employer.....</p> <p>Address.....</p> | <p>7. Basic salary Per Month.....</p> <p>8. Three (3) Current Payslips (Original)<br/>for ..... and I.D. Photocopy.</p> <p>9. Position in Employment/Grade.....</p> <p>10. Terms of Service.....</p> <p>11. Position in Society.....</p> <p>12. Savings Kshs.....</p> <p>13. Loan outstanding Kshs.....<br/>as at the end of.....</p> <p>14. I.D. No..... Age.....</p> |
|--|--|

**B. LOAN APPLICATION & REPAYMENT (Read Rules 1 – 13 at the back Page)**

I ..... hereby apply for a Loan of Kshs.....  
(In words..... for a Period of ..... Months  
To be repaid in Installments of Kshs..... each month Commencing on .....

**C. PURPOSE FOR WHICH LOAN IS APPLIED (State the Type of Loan & One Purpose)**

..... Kshs .....

**D. SECURITY WHICH I OFFER FOR THE LOANS**

1. Shares/Savings      2. Salary      3. Guarantors and      4. ....
- Loan of Kshs. 160,000 and above must be Guaranteed by 8 (eight) or more guarantors.

**E. DECLARATION**

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 Society, the Loan Policy and any variations by Credit Committee in respect of section B above. I hereby authorize the necessary deductions, including prevailing Interest monthly to be Made from my Salary as repayment for this loan. I declare that I am not indebted to any other Credit Society, Bank or Loan agency except as listed herein either as Borrower or Endorser. **I also Declare that in case the Employer delays the Deductions, I will be paying personally to the SACCOs Bank/FOSA Account Every Month to avoid Accrued Interest until ACTION is taken by the Employer.**

My FOSA Branch is ..... Account Number .....

Loanee's Signature ..... Date ..... (Be very Sure of Your FOSA A/C No.)

**WITNESS: (COMMITTEE/DELEGATE ONLY):-** Name.....

Tel/Mobile No..... M/NO..... P/TSC..... Signature.....

Address ..... Zone..... Date .....

COMPUTER      1. LOAN ON Kshs..... E/CODE..... OFF Kshs..... BAL Kshs.....

CDS      2. SHARES ON Kshs..... E/CODE..... OFF Kshs..... BAL Kshs.....

3. NET SALARY Kshs..... As at 1<sup>st</sup> ..... (Negative not allowed)

Name ..... Sign ..... (By Loan Officer)

**F. REPAYMENT GUARANTEE: GUARANTORS**

We the Undersigned, hereby accept jointly and severally liability for the repayment of the Loan in the event of the Borrower's Default. We understand that the amount in default may be recovered by an offset against our Shares in the Society or attachment of our property or Salary, and that we shall not be eligible for Loans unless the amount in default has been cleared in full. We individually Sign and give our contact addresses as follows:-

**N/B:** Members are advised to guarantee only persons they know well.

NAME	MNo.	TSC/PNo.	Shares & Savings Pledged Kshs.	Loan Bal. Kshs.	Signature
Name 1					
Address & Tel No.			Pledge in Words Kshs.		
Name 2					
Address & Tel No.			Pledge in Words Kshs.		
Name 3					
Address & Tel No.			Pledge in Words Kshs.		
Name 4					
Address & Tel No.			Pledge in Words Kshs.		
Name 5					
Address & Tel No.			Pledge in Words Kshs.		
Name 6					
Address & Tel No.			Pledge in Words Kshs.		
Name 7					
Address & Tel No.			Pledge in Words Kshs.		
Name 8					
Address & Tel No.			Pledge in Words Kshs.		
<b>TOTAL</b>				<b>F</b> Equal or more than Loan applied.	

**G. FOR OFFICIAL USE ONLY**

Guarantor's Eligibility checked by ..... Sign ..... Date .....

Guarantor's Posted on ..... By ..... Sign ..... Date .....

**H. LOANS OFFICER APPRAISAL**

Loanee's Eligibility based on the Month of ..... Loan Bal. Kshs. ....

**SHARES / SAVINGS**

**LOANS**

Loanee's Savings Kshs ..... Eligibility x3 = Kshs. ....

Guarantors Savings (F) ..... Loan required Kshs. ....

Total Savings Kshs. .... Required + Bal. Kshs. ....

Salary <sup>2</sup>/<sub>3</sub> of Gross Pay = Ability Kshs. ....

**Deductions: Loan + Interest + Shares = KShs. .... (Must not Exceed Salary <sup>2</sup>/<sub>3</sub> of Gross Pay Above)**

The Guarantors and Loanee's Shares cover the Loan Yes/No. ....

The Member qualifies for Kshs. .... at Kshs. .... for ..... Months.

Loan Repayment Increase from Kshs. .... to Kshs. .... w.e.f. 1<sup>st</sup> .....

Appraised by Name ..... Sign ..... Date ..... **Processing Officer**

COMMENTS: .....

..... Name ..... LOAN OFFICER: Sign .....

**I. MANAGER’S ENDORSEMENT**

- a) I recommend that this Loan Application be Approved / Rejected / Deferred  
 To the tune of Kshs. .... at Kshs. .... for ..... Months.  
 Additional LRI from Kshs. .... to Kshs. .... w.e.f 1<sup>st</sup> .....  
 Reasons / Comments .....
- Signature .....
- b) Pending approval by Board ..... Date .....

**J. CREDIT COMMITTEE MINUTE No. ....Meeting held on .....**

- It was resolved that this application be:-
- a) Approved for Kshs. .... be recovered in ..... Months.  
 Installment at Kshs. .... per month Commencing from ..... Year .....
- b) Deferred Because .....
- c) Rejected Because .....
- Chairman ..... Secretary ..... Member .....
- Date .....

The cashier is hereby authorized to prepare payment for the amount approved subject to sufficient funds being available.

REASONS FOR DEFERRED LOAN		REASONS FOR REJECTED LOAN	
<b>D1.</b>	Incomplete information.	<b>R1.</b>	Inability to repay or Bad-repayment history.
<b>D2.</b>	Lack of supporting document.	<b>R2.</b>	Loan not in proportion to Shares.
<b>D3.</b>	Timeliness.	<b>R3.</b>	Clear outstanding Loan.
<b>D4.</b>	Renegotiate Loan terms or purpose.	<b>R4.</b>	Excessive Loan frequency.
<b>D5.</b>	Inadequate funds to meet loan demand.	<b>R5.</b>	Lack of proper Guarantors, Security.
<b>D6.</b>	I.D. Photocopy / Latest payslips.	<b>R6.</b>	Membership Period.
<b>D7.</b>	Guarantor to a defaulter.	<b>R7.</b>	Ineligible purpose.
<b>D8.</b>	Form Not Signed or Names differ.	<b>R8.</b>	Convert to Instant & Refinancing or SQL Terms.

**K. CHAIRMAN’S REMARKS & CALCULATIONS OF I & R AND SQL**

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

- L. FOSA / SASA BRANCH** ..... Account No. ....  
 Kshs. .... Cheque / Fax No. .... PV No. ....  
 Payment prepared by ..... Sign ..... Date .....  
 Checked and Confirmed by ..... Sign ..... Date .....

**M. FURTHER CORRESPONDECE** **(Previous Statements Enclosed)**

Letter to Member on ..... Sign ..... Date .....

Content: .....

**N. BKK / ACCOUNTANT**

Shares/Savings and Loan Balances at par Kshs. .... as at .....  
 Hence this agreement is terminated w.e.f. .... Sign ..... Date .....

# CS: 2549 – POLICY / RULES ON LOAN APPLICATIONS

1. A loan Applicant must be six (6) Months Old with Kshs. 6,000/= Savings. Shares / Savings Contribution is Kshs. 1,300/= Minimum Per Month. Shares / Savings paid by cash will mature After 6 Months. Total Loans will not exceed three (3) times Shares / savings held by Member.
2. No Member will be permitted to suffer Total Deduction, which exceeds  $\frac{2}{3}$  (66%) of Basic Salary. Employer Demands “**Net Take Home**” of  $\frac{1}{3}$  of Gross Pay Per Month.
3. **Loan Forms**, not properly filled will be returned to Member. Attach **3 Original Latest Payslips** and Photocopies of ID, Supporting Documents and Certification duly Signed by Authorised Persons.
4. **Guarantors** – Must state Amount Pledged and Sign. Should not guarantee three (3) Loans at any given time. Will not be allowed to Withdraw / Resign from the Society unless he/she finds another Guarantor to replace.
5. All payments will be through Front Office – FOSA/SASA Accounts –which should be indicated in this Form – Page 1.
6. All Loans, Withdrawals / refunds are Approved Fortnightly and Monthly by the Committee.
7. Processing of Loan Application Forms is done Daily and Weekly by the Loans Officer.
8. Only Qualifying Loan Forms will be Registered and Processed. Unqualifying returned.
9. All Loans will be repaid separately AND IF SAME rate, OR Top-up, then refinance Policy will applied.
10. **NORMAL / DEVELOPMENT LOAN** – (White Forms)

To be Approved after clearing All Loan Balances including Emergency and School Fees.

Normal Loans include all sorts of Development and Investment. Fees for further studies (Oversees or Local) Repayment Period 48 Months. Loan Clearance by Cash or check-off requires 2 Months waiting to qualify for another Loan. FOSA may clear loan upto 100,000/= at an interest, but subject to sufficient Funds and Approval by Head Office.

11. **SCHOOL FEES LOAN** – (Green Forms)

May be granted on top of Normal Loan on condition that Three installments for the Previous Loan has been received and that the Member is able to repay All Loans Separately. Granting is done between DECEMBER and MARCH. Fees Schedules that show names of students and amounts must be attached. Repayment Period is strictly 12 Months – Calendar Year.

12. **EMERGENCY LOAN** – (Pink Forms)

Is strictly granted for Serious Calamities i.e. Medical, Funeral and Court Fines. Must be Supported by relevant documents, Repayment Period 12 Months separately.

13. **Refinance (Top Up)**

Additional Loan with 1.5% p.m. Interest on Reducing Balance where 0.5% is deducted upfront.

14. **SACCO Quick Loan – SQL**

Repayable in 48 – 60 months. Interest 1.25% p.m. on Reducing Balance 0.25% is repaid Instantly from the Loan Approved, then 1% interest per month is applied by Employer.

15. FOSA may clear Loan Balance of upto Kshs. 100,000/= at an interest, but subject to sufficient Funds and Approval by Management Board.

\*\*\*\*\* **THANK YOU** \*\*\*\*\*

Loan Form Issued by ..... Sign ..... Month ..... Place/Zone .....

**BORESHA SACCO SOCIETY LTD. Members may use SMS service to check their balances.**