

CONFIDENTIAL.

ENERGY REGULATED NON WDT SACCO LTD.

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LOAN APPLICATION & LOAN AGREEMENT FORM

A. PERSONAL INFORMATION

- 1. Members name.....
- 2. Members Address
- 3. Personal Number.....
- 4. Member Number.....
- 5. Work Station.....
- 6. Employer and mailing Address.....
- 7. Position in employment.....
- 8. Mobile No.....
- 9. Email.....
- 10. Terms of service-Permanent/Temporary/Contract/Pension.....
- 11. Position in Society-Committee/Member/Officer Employer/Other-specify.....
- 12. Members age.....
- 13. Member ID/NO.....
- 14. Member's account Name.....
- 15. Member's Account Number
- 16. Member's Bank & Branch
- 17. Members Bank Branch code.....

B. LOAN APPLICATION & REPAYMENT

I.....hereby apply for a loan of Kshs.....
 Amount in words.....for a period ofmonths
 To be paid in installments of Kshs.....each month, commencing on

C. PURPOSE FOR WHICH LOAN IS APPLIED (in case of several use of the loan, state the exact amount for each use)

- 1.....Kshs.....
- 2.....Kshs.....
- 3.....Kshs.....

D. SECURITY WHICH OFFER FOR THE LOAN IS

- 1..... 3.....
- 2..... 4.....

E. I hereby declare that the foregoing particulars are true to the best of my knowledge and belief and agree to abide by the laws of the Society, the loan policy and any variation by the Credit Committee in respect of Section B. above. I hereby authorize the necessary deductions including one percent interest monthly to be made from my salary as payment for the 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.

APPLICANT'S SIGNATURE.....DATE.....

WITNESS SIGNATURE.....

NAME..... M/NO.....

F. REPAYMENT GUARANTEE

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 any offset against our shares in the Society or by 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.

Guarantors

	Payroll.No	MNO	Name	Shares	Existing Guarantees	This loan	Signature
1							
2							
3							
4							
5							
6							

G. I understand that the loan will be granted only according to these conditions

1. Staff are limited to three times the value of shares held
2. No member will be permitted to suffer total deductions in excess of 2/3 of basic salary
3. Outstanding loans must be cleared before a new loan is granted.
4. Members must have been contributors for a minimum period of six months and have a minimum shareholding of Kshs 12,000/=
5. Emergency loan and loans for school fees will only be granted with a maximum repayment period of 12 months.
6. Loans must be guaranteed by at least three members who may not have acted as guarantors for more than three other loans.
7. Both guarantors' and the applicant's share holding must be equal or more than the loan applied for.
8. Two most recent pay slips should be submitted at all times. Any other document in support of the application may be submitted.

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

H. FOR OFFICIAL USE ONLY

Total shares Kshs..... Total loan outstanding Kshs.....
Amount currently requested for.....
New total loan will be Shs.....

Eligibility calculation

Shares Kshs.....x3=Kshs.....
Members basic salary Kshs.....x2/3=Kshs.....
Total monthly deductions from basic salary Kshs.....
Now are Kshs..... (Must not exceed 2/3 basic salary)
The guarantors cover the loan amount Yes/No
Amount available to service the loan kshs.....
Loan serviceable Kshs.....over a period ofmonths

I. MANAGEMENT COMMITTEE

Loan approved, Kshs.....recoverable in.....Installments at rate of
And interest rate of per month on a reducing balance. Cheque No.....Dated.....

Reasons for Deferred Loans

- 1. Incomplete information or lack of supporting documents.
- 2. Timeliness
- 3. Renegotiate loan terms or purpose
- 4. Inadequate funds to meet loan demand

Reasons for Rejected Loan

- A. Inability to repay or bad repayment history
- B. Loan not in proportion to shares
- C. Clear outstanding loan
- D. Excessive loan frequency
- E. Lack of proper guarantors or security
- F. Membership period
- G. Ineligible purpose

Management Committee minute no..... Date.....

Chairman Signature.....Secretary.....Member.....