

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 9000/=
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 payslips 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.....