

LENGO CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LTD
DEVELOPMENT LOAN APPLICATION AND AGREEMENT FORM

Please read the rules Below Before you fill this form.

A.PERSONAL INFORMATION (IN CAPITALS)

Member's Name..... Id/No.....
 Home Address..... Current Address..... Personal/No.....
 M/No..... Age..... Mobile No..... Position in Employment (Terms
 of service (Permanent & Pensionable, Contract, Casual) Position in society.....
 (Board member, staff, or member) Employer Name.....
 Department.....

B.LOAN APPLICATION & REPAYMENT

Ihereby apply for a loan of Kshs.....
 (Amount in Figures) for a period ofMonths to be repaid in Installment of Kshs.....each month.

C.PURPOSE FOR WHICH LOAN IS APPLIED:

D. SECURITY WHICH I OFFER FOR THE LOANS

1. Shares/Savings 2. Salary 3. Guarantors 4. Other security

E. DECLARATION

I hereby declare that the foregoing particulars are true to the best of my knowledge and believe and agree to abide by the By-Laws of the society, the Loan Policy and 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 have disclosed all my indebtedness to the society to the best of my knowledge. I also declare that in case the employer delays the Deductions, I will be paying personally to the SACCO's Bank / JAWABU Account Every Month to avoid Accrued Interest until ACTION is taken by the Employer.

Applicant's Signature..... Date.....
 My Account Number..... **(Be very sure of Your FOSA A/C NO).**

WITNESS: (MUST BE AN ACTIVE MEMBER)

Name.....Member No.....
 Pay roll No.....Address.....
 Signature.....Date.....

F. REPAYMENT GUARANTEE: GUARANTORS

We the Undersigned, hereby accept jointly and severally liability for the repayment of the loan upon the Borrower's Default. We understand that the amount in default may render us ineligible for loans unless the amount in default has been cleared in full.

No.	Names of the Guarantors	M/ No.	Pay Roll No.	Shares Pledged Kshs	Total shares Kshs	Loan Bal. Kshs	Signature
1							
2							
3							
4							
5							
	Total						

G. FOR OFFICIAL USE ONLY

Guarantor's Eligibility checked by Sign Date
 Guarantor's Posted on by sign

H. LOANS OFFICER APPRAISAL

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

<u>SHARES</u>	<u>LOANS</u>	
Applicant's Shares Kshs.....	Eligibility ×3	Kshs.....
Guarantor's Shares Kshs (F).....	Loan required	Kshs.....
Total Shares Kshs.....	Required + Bal.	Kshs.....
Salary Kshs.....	*0.66=	Kshs

Deductions: Loan + Interest + Shares = Kshs..... (Must not Exceed Amount above) Do the Guarantors and Applicant'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.

APPRAISED BY: Name..... Sign..... Date.....

COMMENTS:

Checked by:
LOANS OFFICER: Sign:

FOSA MANAGER'S ENDORSEMENT

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..... Reasons/Commens.....
 Signature..... Date.....

J. CREDIT COMMITTEE MINUTE NO..... Meeting held on..... It was resolved that this application be:

Approved for Kshs..... be recovered in..... Months. Installment at Kshs..... per month commencing from..... year.....
 Deferred because: Rejected because:
 Chairman..... Secretary..... Member..... Date.....

REASONS FOR DEFERRED LOAN	REASONS FOR REJECTED LOAN
1. Incomplete Information. 2. Lack of supporting document. 3. Lateness in submission of form. 4. Renegotiate Loan terms or purpose. 5. Inadequate funds to meet loan terms demand. 6. I.D Photocopy/Latest pay slips. 7. Guarantor a defaulter. 8. Form Not Signed or names differ.	1. Inability to repay(Bad-repayment history) 2. Loan not in proportion to shares. 3. Clear outstanding loan. 4. Excessive loan frequency. 5. Lack of proper Guarantors, Security. 6. Membership period. 7. Ineligible purpose 8. Convert to instant & Refinancing Terms.

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

CHAIRMAN'S REMARKS:

K. LOAN REPAYMENT: Loan credited by..... Sign..... Date.....
 Checked and confirmed by..... Sign..... Date.....

L. POLICY /RULES ON LOAN APPLICATIONS GENERAL LOAN RULES

1. A Loan Applicant must be a duly registered member of the society with the required shares.
2. No Member will be permitted to suffer total Deduction, which exceed 2/3 (66%) of his/her salary.
3. Loan Forms, not properly filled will be returned to Member for proper filling.
4. All Applicants must attach one Original latest Pay slip (for salaried members) and Photocopy of ID and supporting document.
5. **Guarantors-** Must State Amount Pledged and Sign. Will not be allowed to Withdraw/Resign from the society unless applicant finds another guarantor to replace.
6. All Payments will be through Front Office Accounts- which should be indicated in this Form.
7. Only qualifying Loan Forms will be registered and processed. Unqualifying member's loan forms shall be returned.
8. All loans will be repaid separately. No member is allowed to have two loans of the same type at the same time.