



MSLF004 Issue 1
Revision 8 18/04/2023
L/N.....
Date received.....
Time.....

MIKEBE REGULATED NON WDT SACCO SOCIETY LTD

Committed to serve

LOAN APPLICATION FORM

A. APPLICANT'S PERSONAL INFORMATION (IN CAPITALS)

1. M/No.: Member's Name:
2. ID/NO: Date of Birth: Physical Address:
3. Home Address: Mobile No (1): Mobile No (2):
4. I have attached a) Pay slip for Month: Year: b) Copy of ID. ☐ c) Certified M-pesa Statement ☐
Email: d) Certified Bank Statement ☐ e) Valuation Report ☐ f) Direct Debit Form ☐

B. EMPLOYMENT DETAILS

5. Payroll No: Terms of service: a) Permanent ☐ b) Temporary ☐ c) Contract ☐
6. Employer: Designation: Department:
7. Postal Address:

C. TYPE OF LOAN (TICK APPROPRIATE)

- Normal ☐ Clear N Refinance ☐ Refinance ☐ Special ☐ Education ☐ Emergency ☐ Short Term ☐
Refinance Daraja ☐ Special Daraja ☐ Education Daraja ☐ Emergency Daraja ☐ Short Term Daraja ☐
Dividend Advance ☐ Covid-19 Special Loan ☐ Others specify

D. LOAN CLASSIFICATION /PURPOSE (TICK APPROPRIATE)

- Agriculture ☐ Trade/Business ☐ Manufacturing & Servicing Industries ☐ Education ☐ Human Health ☐
Land & Housing Refinance ☐ Finance, Investments & Insurance ☐ Consumption & Social Services ☐
Others specify

E. LOAN PARTICULARS

8. Amount of loan required Kshs.....(Amount in words).....
.....Repayment Period (Months).....
9. Bank Name & Branch Bank Account Number:
10. Bank Account Name.....
11. Mode of disbursement (please tick as appropriate) a) EFT ☐ b) Cheque ☐ c) M-Pesa ☐ d) Cash ☐

F. LOAN SECURITY (Attach original documents where applicable)

12. 1. Deposits ☐ 2. Guarantors. ☐ 3. Terminal Benefits ☐ 4. Logbook ☐ 5. Land title ☐ 6. Asset financing ☐

G. BASIC RULES AND REQUIREMENTS

I understand the rules applicable to this application as listed below and that the loan will be granted in accordance with the rules:

1. That **I MUST** have been an active member for a minimum period of six months.
2. Loan entitlement is limited to 3 times the value of deposits held by member but this may be reduced depending on the ability to pay and funds available in the society. Gross salary includes basic salary and house allowance only.
3. Loan deductions and any other statutory deductions or otherwise **SHALL NOT** reduce my net earnings to less than a 1/3 of gross salary per month.
4. That I have attached to my application the most recent pay slip copy or statement/ letter to support it where applicable.

5. That the maximum repayment period for the loan I have applied does **NOT** exceed 48 or 36 months for permanent or (Contractor/Contract employees and members outside common bond) for the loan. However for Special & Daraja -24 Months, Education, Emergency & Daraja – 12 Months, Short Term & Daraja - 5 Months
6. I am aware that my data may be shared to a third party in case of a loan default with the aim of loan recovery.
7. That I undertake to service my loan regularly without causing financial embarrassment to my guarantors.
8. That I understand that any addition to my deposits by cash not check-off system more than Kshs. 10,000 other than through payroll, will not be considered for loan until expiry of six months from the date of making such cash payment.
9. All loans must be guaranteed fully and the Loan ceiling set at a maximum of 10% of the Sacco's Core Capital.
10. That in the event that I should leave the service of my present employer, any sum of money due to me for whatever purpose may be utilized to the extent necessary to liquidate any balance remaining in my loan account.
11. Loan disbursement to be addressed to the institution unless stated otherwise in writing for (Special, Education, Emergency & Darajas)
12. Referee serves as a co-borrower/guarantor for all members outside the common bond

H. COMMUNICATION TO DEFAULTERS

In case of default, the communication to the guarantor and the applicant will be as follows:

- i) First 30 days notification will be by mail and SMS to the loan Applicant
- ii) After 60 days notification will be to both the applicant and the guarantors through a mail
- iii) After 90 days default will be communicated through mail to the applicant and guarantors
- iv) Any default from 91 days the loan will be transferred to the guarantors and handed over to the debt collection agency for action.

I. DECLARATION

I.....,hereby declare that the foregoing particulars are true to the best of my knowledge and I agree to abide by the By-Laws, Loan Policy provisions and any other variation by the Management committee of the society in totality. I understand that the Society is enrolled with the Credit Reference Bureau (CRB) and therefore my credit information in the Sacco is subject to CRB Regulations, 2013. A default in loan repayment will result in a negative report being filed at the CRBs as per the CRB Regulations, 2013. My credit profile at the CRBs will therefore be adversely affected. **In case I fail to repay my loan to a point of my loan being transferred to my guarantor the Sacco has the authority to transfer my shares to the guarantors.** I also declare that I have **READ, UNDERSTOOD** and will **COMPLY** with all lending requirements as contained in this loan application form.

Name: Signature: Date:

Witnessed by: Name..... Member NoID/No.....

Signature: Date:

J. REPAYMENT GUARANTEE

In consideration of granting the above loan or any lesser amount that may be approved, we the undersigned hereby accept jointly and severally liability acting as guarantors to the loan requested or may be approved on this Agreement, understand and agree, that all Dividends, deposits and interest on deposits with Mikebe Sacco limited owned by us are hereby pledged as security for the said loan or such part of it as may be granted. In the case of default in repayment by the member, the society is hereby authorized to recover any balance and interest appertaining to the aforementioned loan from our deposits or by attachment of our property or salary (securities) hereby pledged and that we shall not be eligible for loans unless the amount in default has been cleared in full. Should the loan guaranteed not be granted this guarantee automatically becomes null and void.

					OFFICIAL USE		
M/ No	Member Name	ID Number	Amount Guaranteed (Mandatory)	Signature	Deposits	Loan Balance	Guarantor Approved or Rejected

	TOTAL						

Referee/Co-borrower Name..... ID/No

Member No..... Signature: Date:

Guarantors Deposits Ksh..... X 3 = Minus loans

Minus guaranteed amount Ksh..... Minus loan applied for =

K. LOAN APPRAISAL AND ELIGIBILITY CALCULATION

Deposits Kshs..... Total outstanding loans including Mobile loan Kshs..... Amount currently requesting

..... New total loans will be Kshs..... Eligibility calculation deposits Kshs..... X 3 =

Kshs..... Total monthly deductions including payments on loan requested are Kshs.....

Members present qualifying monthly income Kshs..... x 0.66= Ksh.....

Recommended Amount: Kshs..... repayable in months.

I certify that the application is/ not within the rules of the society. If not, say why

Appraised By: Name Sign Date

L. CREDIT COMMITTEE APPROVAL

This loan application should be accepted for the amount of Ksh..... (Amount in Words)

..... Repayable in monthly instalments.

If rejected or deferred: (Indicate reason for deferral or rejecting by ticking the proper box)

<u>REASONS FOR DEFERRED LOAN</u>	<u>REASON FOR REJECTED LOANS</u>
1. Incomplete information and lateness in form submission. <input type="checkbox"/>	1. Inability to repay or bad repayment history <input type="checkbox"/>
2. Lack of supporting document/ineligible purpose. <input type="checkbox"/>	2. Loan not in proportion to deposits. <input type="checkbox"/>
3. Renegotiate loan terms or purposes. <input type="checkbox"/>	3. Clear outstanding loan <input type="checkbox"/>
4. Inadequate funds to meet loan terms demand <input type="checkbox"/>	4. Excessive loan frequency <input type="checkbox"/>
5. Form not signed or names differ. <input type="checkbox"/>	5. Lack of proper guarantors, Security <input type="checkbox"/>
6. Latest pay slip <input type="checkbox"/>	6. Membership period. <input type="checkbox"/>

Other reasons for rejection if any

Chairperson Signature: Date:.....

Secretary Signature: Date:.....

Member Signature: Date:.....

M. TREASURER'S AUTHORISATION

Name: Sign: Date:

N. LOAN REPAYMENT AGREEMENT

I..... have agreed to receive the sum of Ksh.....
(Amount In words) from Mikebe Co-Operative Savings & Credit Society Ltd and agree to use the same amount on the purpose indicated in the application form above. I also agree to repay this in.....Monthly instalments of K.sh with interest at the rate of..... % per month on a reducing balance commencing at the end of or instalment due on I agree that the instalments including interest as they fall due shall be paid on or before of every month of K.sh.....(Amount in words) including any interest due every month with effect from

The amount will be credited to my account with Mikebe Co-operative Savings & Credit Society Ltd. Every month including interest thereof until the full loan is recovered.

1. Incase my services cease for any reason with employer., I hereby give my employer irrevocable authority to withhold all my dues with the Company or its Agents in the form of salaries/wage, leave pay or any other terminal benefits and pay the same to the Mikebe Co-Operative Savings & Credit Society Ltd., to liquidate the loan and any other outstanding liabilities in my account as verified in the books of the Society.
2. I confirm that the meaning of this loan repayment agreement has been explained to me and I have understood it and agree to the Terms thereof.

Member Number: Payroll Number/ID NO:.....

Signature: Date:

O. LOAN DISBURSEMENT

Date of PaymentCheque/EFT/ MPesa/ Cash Receipt No

Amount Kshs..... (In Words)

P. PART PAYMENT

APPROVED LOAN	Part Given	Cheque No.	Balance due Kshs.	Member Signature	DATE
1.					

Approved Loan

Outstanding Loan Balance

Sacco Commission (%)

Payment

Sacco Dues, Service Charge & Processing fees

Net Balance (ksh)

Q.FOR OFFICIAL USE

I the undersigned certify that the terms of this loan have been explained to the borrower and that He/She understands them and He/She has signed the Agreement.

Processed By: SIGNATURE: DATE:

Verified and Posted By: SIGNATURE: DATE: