



# Mikebe Sacco Limited

Factory Road/Industrial Road, P.O. Box 109 - 01000, Thika, Tel: 020 21 21 349  
Email: mikebesacco@gmail.com

MSGL026

Issue 1 Revision 2

GL.....

Date received.....

Time.....

## GROUP LOAN FORM

1. Group Name: .....

2. Group No..... Attach Copy of Member ID's ☐

M. No.	Member Name	ID. No.	Payroll No.	Sacco Position

### B. LOAN PARTICULARS

3. Amount of loan requested Kshs..... (Amount in words).....

..... Repayment period (in Months).....

4. Purpose of the loan.....

5. Mode of disbursement (please tick as appropriate)

EFT ☐

Cheque ☐

M-Pesa ☐

Cash ☐

### C. LOAN SECURITY

Deposits ☐

2. Guarantors. ☐

3. Terminal Benefits ☐

### D. DECLARATION

We members of.....Group, hereby declare that the foregoing particulars are true to the best of our knowledge and We agree to abide by the By-Laws, Loan Policy provisions and any other variation by the Management committee of the society in totality. We understand that the Society is enrolled with the Credit Reference Bureau (CRB) and therefore our 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. Our credit profile at the CRBs will therefore be adversely affected. We also declare that We have **READ, UNDERSTOOD** and will **COMPLY** with all lending requirements as contained in the second page of this loan application form.

Group Leader Signature: ..... Date: .....

**Witnessed by:**

Name..... ID/No..... Member No.....

Signature: ..... Date: .....

**E. BASIC RULES AND REQUIREMENTS**

1. Group members must be Mikebe Sacco members.
2. The number of people registering a group shall be a minimum of 3 and a maximum of 10 members.
3. No any two-committee members shall be in one group.
4. One can only be a member of one (1) group at any one time.
5. A group shall register with Mikebe Sacco at Ksh. 500.00 per group member and issued with a membership number, which it shall retain throughout its loaning period.
6. To join an existing group, one shall be required to pay Ksh. 500.00 as entrance fee.
7. Where a member defaults on group loan repayment, none of the members in such a group shall qualify for any other loan unless the defaulted amount is paid in full.
8. The loan advancement per member in a given group shall follow the criteria listed below:
  - a. Ksh 15,000.00 repayable in ten (10) months
  - b. Ksh 15,001.00 - 20,000.00 repayable in ten (10) months
  - c. Ksh. 20,001.00 - 40,000.00 repayable in twenty (20) Months
  - d. Ksh. 40,000.00 – 59,999 repayable in twenty four (24) Months
  - e. Ksh. 60,000.00 and above repayable in thirty (30) Months. Increased in multiple of Ksh. 20,000 per member
9. The approval shall depend on group repayment history.
10. The loan shall attract interest rate of 1.25% per month on reducing balance.
11. The group members shall act as co-guarantors for the loan. However each group member shall be required to get an extra guarantor to secure his portion of the group loan.
12. The extra guarantors shall not access any loan from the Society after the guaranteed member defaults for three consecutive months on this loan.
13. The amount in default plus interest and costs related thereto may be recovered by an offset against the deposits in the Society, any dividends or salary.
14. The society shall have reserved right to transfer the loan to guarantors when the situation demands.
15. Where a member wishes to join an existing group, this shall only be possible depending on his known history on that product.
16. For a new or a re-organized group, the total number of defaults from its members during the previous loan period shall not exceed two (2).
17. A member who defaults for three (3) or more times during a given loan period shall be blacklisted for twelve (12) months after the loan is repaid in full.
18. After the expiry of the blacklisting period, such a member shall only qualify to join a group applying for the minimum amount.
19. Existing loan must be paid for at least a 1/3 of the repayment period in order to qualify for another loan.

**F. 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 members, 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.

Extra Guarantor Name	M/ No.	ID Number.	Signature	Member Name	Guarantor Approved or Rejected

#### **G. LOAN APPRAISAL AND ELIGIBILITY CALCULATION**

Current Loan category Ksh.....

Balance due Ksh.....

Recommended Amount: Ksh.....

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

why.....

.....

.....

.....

Appraised By: Name..... Sign .....Date .....

#### **G: CREDIT COMMITTEE APPROVAL**

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

Words).....

.....

Repayable in .....months installments and interest on reducing balance.

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

<b><u>REASONS FOR DEFERRED LOAN</u></b>	<b><u>REASON FOR REJECTED LOANS</u></b>
1. Incomplete information. <input type="checkbox"/>	1. Inability to repay or bad repayment history <input type="checkbox"/>
2. Lack of supporting document. <input type="checkbox"/>	2. Loan not in proportion to deposits. <input type="checkbox"/>
3. Lateness in submission of form. <input type="checkbox"/>	3. Clear outstanding loan <input type="checkbox"/>
4. Renegotiate loan terms or purposes. <input type="checkbox"/>	4. Excessive loan frequency <input type="checkbox"/>
5. Inadequate funds to meet loan terms demand <input type="checkbox"/>	5. Lack of proper guarantors, Security <input type="checkbox"/>
6. Form not signed or names differ. <input type="checkbox"/>	6. Membership period. <input type="checkbox"/>
7. Latest pay slip <input type="checkbox"/>	7. Ineligible purpose <input type="checkbox"/>

Chairperson Signature: .....Date:.....

Secretary Signature: .....Date:.....

Member Signature: .....Date:.....

#### **H. TREASURER'S AUTHORISATION**

Remarks.....

Sign..... Date.....

## **I. LOAN REPAYMENT AGREEMENT**

We members of .....group 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. We also agree to repay this in.....Monthly installments of K.sh.....with interest at the rate of..... % per month on the Straight line commencing at the end of .....or installment due on .....including any interest due every month with effect from .....

We confirm that the meaning of this loan application has been explained to each and every one of us and that we have understood it and agree to the terms thereof. Further, we agree that all Payment above will be made on or before **5<sup>TH</sup> of every month**.

1. Name.....

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

Member Number..... Payroll Number.....

2. Name.....

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

Member Number..... Payroll Number.....

3. Name.....

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

Member Number..... Payroll Number.....

4. Name.....

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

Member Number..... Payroll Number.....

5. Name.....

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

Member Number..... Payroll Number.....

6. Name.....

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

Member Number..... Payroll Number.....

7. Name.....

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

Member Number..... Payroll Number.....

8. Name.....

Signature.....

Date.....

Member Number.....

Payroll Number.....

9. Name.....

Signature.....

Date.....

Member Number.....

Payroll Number.....

10. Name.....

Signature.....

Date.....

Member Number.....

Payroll Number.....

**J. OFFICIAL USE**

Date of Payment .....Cheque/EFT/Cash/ MPesa/PC No.....V/No.....

Amount Kshs..... (In Words) .....

.....

M/ No.	Member Name	Approved Amount/Paid	Balance	Cheque/Receipt No. and date
<b>TOTALS</b>				

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

Verified by: Signature..... Date.....

Approved and posted by: Signature.....Date.....