



Utafiti Savings and Credit Co-operative Society Ltd

Mission: Empowering members build wealth.

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Our core values: Customer Focus, Teamwork, Integrity, Professionalism and Equity

Vision: To be the leading and preferred SACCO, providing sound financial services to our members

CONFIDENTIAL

Loan Application and Agreement Form

Name of Applicant

Membership No

PERSONAL CHECKLIST

I have attached copies of the following documents:

ID/Passport	Yes/No
PIN certificate	Yes/No
Certified Payslips for the last 3 months / 3 months Bank or Mpesa Statement / Letter of contract	Yes/No

A: PERSONAL INFORMATION (all fields must be completed)

1	Applicants' ID Number	
2	E-mail Address & Cell phone no.	
3	Applicants' Private Address/Code	
4	Applicants' Payroll Number & PIN no	
5	Current Residential Address/permanent residential address	
6	Next of Kin Name and Phone contact	
7	Employer and Mailing Address	
8	Position in Employment	
9	Contract Expiry date	
10	Position in Society-Committee	

B: LOAN APPLICATION TYPE

No.	Type	Tick	No.	Type	Tick	No.	Type	Tick
1.	Development		6.	Special		11	Salary Advance	
2.	Hybrid		7.	Emergency		12.	Jumbo	
3.	Normal		8.	School fees				
4.	Premium		9.	Household				
5.	Super Saver		10.	Dhamana				

C: LOAN APPLICATION & REPAYMENT

I hereby apply for loan of **Kes.** Amount in words

Repayable, within a period of months paid in instalments of Kes each month (excluding interest) commencing on

D: PURPOSE FOR WHICH LOAN IS APPLIED (in case of several uses of the loan state the exact amount)

- Purchase Land
- Farming
- Emergency
- Any other (specify).....
- House construction/Home development
- School /College fees
- Business

E: SECURITY FOR WHICH I OFFER FOR THE LOAN IS:

- 1)
- 2)
- 3)
- 4)

I hereby authorize any or all of the above securities to pay-off my outstanding loans in case of default.

F: REPAYMENT GUARANTEE (Caution- Guarantor Details)

Guarantors are strongly advised to read all the information supplied in this form by the applicant and terms and conditions contained herein, so as to understand the full implication of signing this part.

In consideration of granting the above loan or any lesser amount that may be approved, we, the undersigned, hereby accept **jointly and severally the liability** for -its repayment including all accrued interest and charges in the event of borrower’s default. We understand that the amount in default shall/may be recovered by an offset against our deposits in the Society or by attachment of our property or salary/pension, and that we shall not **be eligible for loans** unless the amount in default has been cleared in full

By acting as guarantor, you agree as follows:

- 1) I am guaranteeing this account without undue influence or duress.
- 2) I am entering into a legally binding commitment to repay the outstanding loan amount, interest and all associated charges if the borrower fails to repay or becomes unable to pay his/her loan in accordance with the Sacco agreement.
- 3) Once entered, the guarantee will only cease when the loan is repaid in full.
- 4) My ability to withdraw my Sacco savings (if any) or to borrow from Utafiti Sacco Limited may be affected by my status as Guarantor.
- 5) If the borrower defaults on his/her loan repayments, I will be notified of such default.
- 6) I am fully aware and understand that I can seek independent legal advice as to the implications of guaranteeing a loan with Utafiti Sacco. I have read the above statements and I am fully aware of the implications of guaranteeing a loan for a member of Utafiti Sacco. I waive my right to obtain independent legal advice.

If, after reading and understanding the implications of guaranteeing a loan, you are willing to act as a guarantor to this loan, please sign below.

GUARANTORS

Name	Deposits (Kes)	Loans (Kes)	Guaranteed Amt (Kes)	ID. No.	Phone No.	Signature	Date
TOTALS							

G: DECLARATION

1. I hereby declare that the foregoing particulars are true to the best of my knowledge and belief and agree to abide by the by-laws of the Society, the savings and loan policy, and any variations by the Credit and Risk management Committee in respect of Section C above.
2. I hereby authorize the necessary deductions, including monthly interest payable, to be made from my salary as repayment of this loan.
3. 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.
4. I have also authorized the Sacco to deduct my loan from my source of income provided and that the source of income documents provided are true to the best of my knowledge.
5. I further authorize Utafiti Sacco to confirm my credit information in other financial institutions and also any registered Credit Reference bureau (CRB) before processing this loan and also during repayment.
6. I consent to my name, transaction and default details to be forwarded to CRB for listing in the event my account goes into default.
7. I also authorize Utafiti Sacco Ltd to use any registered debt collector to recover any outstanding liability owed.

8. In the event this loan is not paid for 3 consecutive months, it shall be deemed to be defaulted and the following shall apply: -
- i. The entire balance of this loan will immediately become due and payable as per the savings and loans policy.
 - ii. All deposits owed and any due will be offset against the loan balance owed before guarantors are attached.
 - iii. That the Sacco will forward my default information to the Sacco's debt collector or/and lawyer who will follow their due process in debt recovery.
 - iv. I will be liable for any debt collectors' costs or/and lawyer's costs incurred in collection of the loan balance and accumulated interest.

H: DATA PROTECTION STATEMENT

I hereby on execution of this form as an applicant clearly consent to the collection, use, and transfer in electronic or other form, my personal data as described in this document by the Sacco and its subsidiaries for the purpose of assessing and processing this loan application and any future product analysis or marketing whether in electronic or other form. I confirm that I have authorized the Sacco to share my credit information and access my credit profile with and from Credit Reference Bureau. Utafiti commits to securely store and safeguard the data provided in this form, and only use it for purposes indicated in this application.

I: APPLICANTS' NAME AND SIGNATURE

Name:

Id no:

Signature:

Date:

Application witnessed by:

Name:

Signature.....

Address.....

J: MEMBER ACCOUNT DETAILS

Account Name.....Account No.....

Bank.....Branch.....



K: FOR OFFICIAL USE ONLY

Applicant's total deposits **Kes**.....Total loan (s) outstanding; **Kes**.....

Amount currently requested; **Kes**.....New Total Loans will be: **Kes**.....

Eligibility calculations:

Total deposits: **Kes** X 3. = **Kes**.

Applicant's present Net monthly income **Kes**..... x 2/3 = **Kes**.

Total monthly payment to society including payments on Loan requested = **Kes**.....

(Must not exceed amount above)

The guarantors cover the Loan amount: **Yes** **No.**

I certify that the application is/is not within the rules of the Society.

If not, say why

Loans Officer (Name) Signature..... Date.....

Approval by Technical Credit Committee:

Approval By:Signature..... Date:

Approval By:Signature..... Date:

Comments: _____

Payment By:Signature..... Date:

L: FOR ACTION BY THE CREDIT COMMITTEE ONLY

We have examined the above application in conjunction with the loan appraisal and decided as follows:-

Loan approved, Kes.....recoverable in instalments at an interest rate of.....per cent per month on a reducing balance.

Reasons for Rejected Loan

- Inability to pay or bad repayment history
- Loan not in proportion to shares
- ar outstanding loan
- Excessive loan frequency
- Lack of proper guarantors or security
- Membership period
- Ineligible purpose
- Others – specify**

In addition, the treasurer/accountant is hereby requested and authorized to do a cheque/funds transfer for the above amount.

Ref No Date.....

Chairman: Date.....

Member: Date.....

Member: Date.....

Type	Product	Interest rate PM	Max Repayment period (Months)	Special conditions
Type 1	Super Saver	1.083%	72	Member should have been in the Sacco for 3 years, minimum monthly contribution Kes.10,000 Member should not have any other type 1 loan, Minimum amount is Kes.2M. Loan can only be refinanced to itself, one must have paid at least 20% of the super saver loan to qualify for a top-up
	Premium	1.083%	60	Member should not have any other type 1 loan, minimum amount is Kes. 1M.
	Development	1.00%	60	Member should not have any other loan
	Dhamana	1.083%	72	Collateral based, 20% of the loan being applied as deposits, max 75% of the value of property up to Kes. 20M. Minimum monthly contribution of Kes.10,000
	Normal	1.00%	48	Type 2 loan, Loan can be refinanced to any other loan
Type 2	Special	1.00%	30	Can qualify for any other type 2 loan and only one type 1 loan, Member qualifies for one special loan at any given time, loan cannot be refinanced
	School Fees	1.00%	24	Can qualify for any other type 2 loan and only one type 1 loan, loan cannot be refinanced, Member qualifies for one school fees loan at a given time
	Emergency	1.00%	18	Can qualify for any other type 2 loan and only one type 1 loan, Member qualifies for one emergency loan at any given time, loan cannot be refinanced
	House Hold	1.00%	12	Can qualify for any other type 2 loan and only one type 1 loan, Product is for direct purchase of household items, Cheques will be drawn in favor of the vendor/merchant and not the member, A commission of Kes.500 is charged on every Cheque drawn in favor of the vendor, Member qualifies for one household goods loan at any given time.
	Car Insurance	1.00%	12	Can qualify for any other type 2 loan and only one type 1 loan
	Salary Advance	5.00%	1	Member has to be on payroll
Other Fees	Refinancing Fee	3.00%	1	Charged on the loan/s being refinanced