



BUNISTA NON- WDT SACCO SOCIETY LTD

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BAHARI LOAN APPLICATION & LOAN AGREEMENT FORM

APPLICATION NO..... DATE.....

MEMBERSHIP NUMBER

PART I: LOAN APPLICATION TERMS AND CONDITIONS

Please read the following requirements and conditions carefully before completing the form:

1. The loan application form must be fully completed and supported by **two most recent pay slips** and a **copy of the applicant's ID**.
2. A new member can apply for a loan after making contributions for six consecutive months.
3. Total deductions shall not exceed two-thirds of a member's basic pay. The amount applied for should be equal to or not less than the loanee's deposits and those of the guarantors.
4. A member may have one running loan of each loan type at any one time.
5. The total loans outstanding shall not exceed **four times** the total deposit contribution of a member.
6. A member must actively contribute deposits to qualify for a loan. Loans shall not be granted to members who are dormant or defaulters.
7. All loan repayment arrears for any existing loan have to be cleared before a member can apply for another loan.
8. Top-up shall only apply to Normal, Bahari & Home Development loans and shall attract a 2.5% commission charge on interest waived for a premature top-up.
9. All long-term loans will be charged a processing fee of 0.5% and short-term loans will be charged a processing fee of 1% on the principal borrowed.
10. For loans to be recovered outside the payroll check-off system, a standing order for the loan repayment has to be presented to the loan officer before disbursement.
11. All guarantors must be active members of Society. No defaulters or dormant members shall be accepted as guarantors.
12. A member can guarantee his/her loan with his/her own deposits as long as the deposits have not been used to guarantee other loans. The loan must be within the member's deposits.
13. Any loan unpaid for 90 days or more will be in default and the member's savings and those of the guarantors will be offset against the loan.
14. All defaulters' details will be shared with a Credit Reference Bureau (CRB) selected by the society. All loans listed with CRB will remain listed for five years (5) after the loans are cleared, thus affecting access to credit from other financial institutions in the future.

1. Member's Name _____
2. Members' Mobile Phone No. _____
3. P/F / TPY Number _____
4. Bank _____ Account Number _____
5. AGE _____
6. I / D NO. _____
7. DEPT / School _____
8. Designation _____
9. Position in the Sacco (Committee / Member / Officer) _____
10. Terms of Service Permanent / Temporary / Contract / Pension _____

A. LOAN APPLICATION AND PAYMENT

I (Name) _____ hereby apply for a loan of

Kshs _____ (amount in words) _____

Recoverable in _____ Months

B. SPECIFIC PURPOSE OF WHICH LOAN IS APPLIED (In case of several uses of the loan, state the exact amount for each use)

1 _____ Kshs _____

2 _____ Kshs _____

3 _____ Kshs _____

C. SECURITY OFFERED FOR THE LOAN

1. _____ 2. _____

D. I hereby declare that the forgoing particulars are true to the best of my knowledge and belief and agree to abide by the laws of the society, the loan policy, and variations by the credit committee in respect of section B above. I hereby authorize the necessary deductions including **1.5% interest monthly** to be made from my salary as repayment for this loan. I declare that I am not indebted to any other credit society, bank, or loan agency as a borrower or endorser.

Name of the Loanee _____

Signature of Loanee _____

Name of witness _____ PF / No. _____ M / No. _____

Department/School of witness _____

Signature of witness _____

E. REPAYMENT GUARANTEE

We, the undersigned, hereby accept jointly and severally liability for the repayment of the loan in the event of the borrower's default. We understand that the amount in default may be recovered by an offset against our deposits in the society or by attachment of our property or salary and that we shall not be eligible for loans unless the amount in default has been cleared in full.

Guarantors

M / No.	P / F	Guarantor`s Name	Department/School	Signature	Loan	Shares

PART F: FOR OFFICIAL USE ONLY – LOAN'S OFFICE APPRAISAL

Total Shares Kshs. _____ Loan outstanding Kshs. _____

Amount currently requested Kshs. _____ The new loan balance will be Kshs. _____

Shares Kshs. _____ X 4 _____

Present monthly income Kshs. _____ X 2/3 = Kshs _____

The total payment to society including payments on the Loan requested is Kshs. _____

Do the guarantors cover the loan requested? _____

I certify that the application is within the rules of the Society and the member is **qualified/not qualified** for the loan

Loans Officer's Name: _____ Signature: _____ Date: _____

C.E.O

Loan Approved Kshs. _____ Recoverable in _____ months at 1.5 % per month on R.B.

Name: _____ Signature: _____ Date: _____

PART G: CREDIT COMMITTEE MINUTE NO. _____

Loan Approved Kshs. _____ Recoverable in _____ months at 1.5 % per month on R.B.

Designation: _____ Designation: _____

Sign: _____ Sign: _____

Date: _____ Date: _____

PART H: FINANCE & ADMINISTRATION COMMITTEE (Checked & Approved/Not Approved)

Designation: _____

Designation: _____

Sign: _____

Sign: _____

Date: _____

Date: _____

PART I: REASONS FOR DEFERRED/REJECTED LOAN

The loan was rejected for the following reasons: -

- i. Inability to repay
- ii. Loan default
- iii. Loan not in proportion to deposits
- iv. Lack of proper guarantors
- v. Membership period
- vi. Others (specify)

PART J: LOAN DISBURSEMENT**a) Accounts Section**

I) Loan granted - Kshs.....

II) Loan to be recovered at Kshs..... per month

III) Loan duration

Recovery ending

Name Signature Date.....

(b) Internal Audit Section

I have examined and satisfied myself that this loan has been granted in accordance with the by-laws, and society rules and as per Bunista Loan Policy.

Name.....Signature.....Date.....