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Type of Loan Applied
(Please tick)

- Development
- College Fees
- School Fees
- Emergency
- Elimu Vision
- Elimu Herbal
- Tujenge Jamii

LOAN APPLICATION FORM

APPLICATION NO.....

DATE RECEIVED.....

NAMEM/NOP/NO.....

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 three 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 less than the loanee's deposits and those of the guarantors.
4. For Development, Herbal and Vision loan applications, a member has to ensure that they offset all the existing loans.
5. A member may have one running loan of each loan type at any one time.
6. The total loans outstanding shall not exceed three times the total deposit contribution of a member.
7. A member applying for a loan must also be an active contributor to the Loan Risk Fund and Elimu Benevolent Fund.
8. A member must be actively contributing deposits in order to qualify for a loan. Loans shall not be granted to members who are dormant or defaulters.
9. All loan repayment arrears for any existing loan have to be cleared before a member can apply for another loan.
10. Loans that are offset before the end of the scheduled loan repayment period shall be levied a clearance fee. This does not apply to loan clearance via cash/cheque/direct transfers.
11. A one off commission is applicable on all college fee loans. premium development loans and instant development loans
12. All loans will be charged a processing fee of Kshs 220 and will be subject to the prevailing interest rates approved by the board of directors.
13. For loans to be recovered outside the payroll check off system, a standing order for the loan repayment has to be presented to the loans officer before disbursement.
14. No member shall be allowed to guarantee more than twelve (12) loans subject to a maximum of no more than three times the member's deposits.
15. All guarantors must be active members of the Society. No defaulters or dormant members shall be accepted as guarantors.
16. 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.
17. All loan disbursements shall be done through our Front Offices. Disbursements will thereafter be done via cash withdrawal, M-Pesa, Bank transfers or bankers cheque.
18. All loans repayments must commence by latest the end of the month following the loan disbursement.
19. Any loan unpaid for 90days or more will be in default and the member's savings and those of the guarantors will be offset against the loan.
20. 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 a period of five years (5) years after the loans are cleared and thus affecting to access to credit from other financial institutions in future.

PART 2 : APPLICANT'S DETAILS

Applicant Name..... Member No.....

ID No.....Age..... Personal Number..... Mobile No.....

Present Address..... Email Address.....

Terms of Employment (Please tick) Probation Temporary Contract Permanent Employment Position

Position in society (Please tick) Member Delegate Staff Board

Loan Amount Applied for (Kshs)..... In words.....

Loan Purpose.....

Repayment Period (Months)..... Effective From (Month).....

PART 3: LOAN DISBURSEMENT INSTRUCTIONS (Please tick as appropriate)

M-pesa FOSA Savings Account Bankers Cheque Bank transfer/deposit

I authorize the loan to be deposited to my bank account whose details are as below :(For members who want funds deposited in their accounts)

Bank Details: Bank..... Branch..... Bank Account No.....

PART 4: DECLARATION

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, conditions and terms of the loan policy. I agree that falsification of information shall cause the automatic rejection of this loan and forfeiture of any security offered.

I hereby authorize the necessary deductions to be made from my salary as repayment of the loan and offer my deposits as security of the loan.

Name..... SignatureDate.....

Recommendation by Head of Department/Head of Institution.

.....
.....

Mobile No..... Email Address.....

NameDesignationSign..... Date.....

This section should be stamped

(For educational institutions only) The bursar confirms that all deductions are included in the members' payslip.

No deductions out of payroll Deductions not indicated in payslip(Indicate amount).....

Bursar's NameSign..... Date.....

Witnessed by County Official of the Society (Chairman, Secretary or Treasurer)

NameSignatureDateBranch.....Mobile No.....

PART 5: LOAN GUARANTORS

We, the undersigned, acting as guarantors of the loan requested in this agreement agree that all deposits and interest with Elimu Co-operative Savings and Credit Society and owned by us are hereby pledged individually and severally as security for the said loan or such part of it as may be granted. In case of default by the loanee, we hereby authorize the Society to deduct any balance, interest and costs pertaining to the aforementioned loan from the deposits hereby pledged. Should the loan not be granted this guarantee automatically becomes null and void.

GUARANTORS

NO	NAME	M/NO	PERSONAL NO.	DEPOSITS GUARANTEED KSHS	MOBILE PHONE NO	SIGN	LOAN OFFICER REMARKS

FOR OFFICIAL USE ONLY

PART 6: APPLICATION REQUIREMENTS:

Copy of applicant's ID Two most recent pay slips Application form duly filed with sufficient guarantors

Other Comments.....

Guarantors' records

I confirm that the guarantor's details have been accurately posted

Confirmed by: Name **Signature** **Date**

PART 7: LOAN APPRAISAL

Total deposits Kshs..... Deposits x 3 Kshs.....

Total Loans Outstanding Kshs Shares Ability Kshs.....

Outstanding Similar loan (Kshs).....

a. Gross Salary Kshs b. Current Deductions Kshs.....c. New loan deductions Kshs.....

d. Total loan deductions (b+c)..... e. Net Salary (a-d) Kshs..... 1/3 Basic salary Kshs

Maximum Loan entitlement Kshs..... Loan Recommended Kshs No of Months.....

Appraised by: Name..... **Signature**..... **Date**.....

*Total deductions must not exceed 2/3 gross salary

LOANS OFFICER'S COMMENTS

The loan amount to be granted should be Kshs to be repaid in months at the rate of

Kshs at an interest of% with effect from.....

This loan is rejected for the following reasons

Recommended by: Name..... **Signature**..... **Date**.....

PART 8: LOAN APPROVAL

CREDIT COMMITTEE

We have today examined the above application in conjunction with the above remarks and decided as follows:-

Loan approved Kshs.....

Amount in words.....Recoverable in.....months

Deferred/rejected for the following reasons: -

Signature: Chairman.....Secretary.....Member..... Date.....

BOARD OF DIRECTORS:

To be completed in cases which require special consideration according to the conditions stated in the loans policy.

VARIATION:

The Board of Directors, taking into consideration the special circumstances, as agreed to the variation of the current loan policy necessary to

effect a loan of Kshs repayable inmonths

Reasons.....

This decision was taken at a Board of Directors meeting held on.....Minute no.....

Signature:Chairman.....Treasurer.....Secretary.....Date.....

PARTIX: LOAN RECOVERY

I certify that the approved loan has been effected for recovery as follows:

Monthly recovery effected: Kshs..... with effect from..... Date Sent.....

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

PART X: AUTHORIZATION FOR PAYMENT

RECOMMENDATION FOR PAYMENT

KSHS.....

C.E.O..... DATE.....

AUTHORITY IS GRANTED

TREASURER.....

DATE.....

PART XII: PAYMENT DETAILS:

Payment Voucher No:

Cheque no..... Sign.....

Date.....