

NKAIMURA WELFARE GROUP

P.O Box 10, KINORU, MERU. Tel. 0727748562.

EMERGENCY LOAN APPLICATION FORM

(This form should be completed after reading the notes under paragraphs C)

A: L O A N P A R T I C U L A R S:

1. (i) Member's Names [*As per ID*].....
(ii) Identification Card No.....
2. Contact Address..... Station.....
3. Telephone/cell phone No.....
4. Amount of loan: Kshs(In words).....
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5. Repayment period One (1) month

6. IRREVOCABLE AUTHORITY

*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 Welfare Group, the Emergency loan policy and any variations by the credit committee in respect of the above. I hereby give irrevocable authority to the group to recover this loan **plus interest at the rate of 200% per month** from my personal assets and belongings until the loan is repaid in full.*

Loanee's SignatureDate.....

Witness Name.....

Witness M/No.....ID. No.....

Witness Signature Date

B. 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 for its repayment in the event of the borrower's default. We understand that the amount in default may be recovered by an offset against our shares in the Society or by attachment of our personal property and that we shall not be eligible for loans unless the amount in default has been cleared in full.

1. Name.....I.D.No.....
Address.....Tel./Cell No.....
Membership No.....
Amount of Shares covering this Loan.....
Signature.....Date.....

2. Name.....I.D.No.....
Address.....Tel./Cell No.....
Membership No.....
Amount of Shares covering this Loan.....
Signature.....Date.....

C. Emergency Loans Are Granted In Accordance With the Loaning Policy, the Basic Requirements of Which Are: -

- (1) A member must have been a contributor of shares for a minimum period of SIX MONTHS and paid savings up to date of borrowing.
- (2) Emergency loan shall not exceed more than a member's share contribution.
- (3) The emergency loan repayment period shall be exactly one month.
- (4) The rate of interest on emergency loan shall be 10% per month.
- (5) In case of default the loaned emergency amount shall be doubled or paid at 200% of loan amount.
- (6) Any member with normal loan shall not be allowed to take emergency loan unless he/she has paid 50% of the normal loan.
- (7) A member must be guaranteed by at least two guarantors, who must be members of the Society, shall not guarantee more than three loans and such loans must not exceed three times the guarantors' shares.

D. For official use only

➤ **Recommendation by the Executive/ Loan committee**

Secretary.....

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Treasurer.....

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Chairman.....

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➤ **Vetting and recommendation by auditor**

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➤ **Approval or Rejection by the Patron.**

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