

NKAIMURA WELFARE GROUP

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

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 [*Attach Copy of ID*].....
2. Contact Address..... Station.....
3. Telephone/cell phone No.....
4. Membership No.....
5. Employer and Address /Location of Business and Address
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6. Position in Employment/Business
7. Nature of business/Employment.....
8. Position in Group (Specify-Committee member/Employee/Member).....
9. Amount of loan: Kshs(In words).....
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10. Repayment period
11. Purpose of loan
12. No. of outstanding loansTotal amount (Kshs)
13. Additional security other than shares and guarantors.....

14. 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 Society, the loan policy and any variations by the credit committee in respect of items 9-11 above. I hereby give irrevocable authority to the group to recover this loan **plus interest at the rate of 1% 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 address.....

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.....

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

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

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

C. 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) A member shall present a written business proposal to the executive committee i.e. Chairman, Secretary and Treasurer for initial consideration and recommendation which will further be vetted by the auditor and approved by the patron.
- (3) The **total loans** granted shall not exceed **two times a member's** shares and payable for a period not exceeding **48 months** but subject to maximum of 5% of the Society's Share Capital and Reserves.
- (4) Loan interest will be charged at the rate of **12% P.a. i.e. 1% per month** on the reducing balance method.
- (5) 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**

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- **Vetting and recommendation by the auditor**

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

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