



Batch No.

Date Received:

JIJENGE LOAN APPLICATION AND CONTRACT FORM

APPLICANT'S DETAILS (Please fill in appropriately)

UON/PR No. Member No. Mobile No.

FOSA Account No: Date of Application

PART 1: APPLICANT'S PARTICULARS – Attach a copy of ID (Please fill in appropriately)

1.1 Name: ID No: Date of Birth:

1.2 Home address: City/Town:

County: Nearest institution to home:

1.3 Source of Income: Salary/Business/Others Occupation.....

1.4 Employer: Work Station

Postal address: P.O. Box Postal Code..... City/Town.....

1.5 Terms of Service: Permanent/Temporary/Contract/Others (specify).....

1.6 KRA PIN: E-mail:

PART 2: LOAN PARTICULARS/LOAN TYPE (Tick the appropriate box)

2.1. I wish to apply for Kshs..... In words.....

For a period of 72 (Seventy Two months).

2.2. Purpose of the Loan:

PART 3: LOANS TO BE CLEARED BY CHUNA

3.1. I wish to apply for FOSA clearance on my loans as indicated below:

TYPE OF OUSTANDING LOAN	AMOUNT (KSHS.)
1	
2	
3	
4	
5	



NOTE 1: Bank and other institutions loan(s) to be cleared must be supported by a statement showing the current balance to be cleared, the Bank Early Repayment Fee (ERF) and the Bank Loan Account Number.

PART 4: GUARANTORS

(MUST be signed by the guarantor him/herself and should have known the Loan amount being applied for or guaranteed)

"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 in the event of 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".

S/NO	M/NO	PF/NO.	NAME OF GUARANTOR	AMOUNT GUARANTEED	MOBILE NUMBER	SIGNATURE
1						
2						
3						
4						
5						
6						
7						
8						

Note 1: **This loan** must have **eight (8) guarantors**. This rule may be waived if remaining amount (after some guarantors have signed) to be guaranteed will be equal to the deposits plus payable interest.

Note 2: **Self guarantee** - possible on condition that the deposits are more than or equal to the loan plus interest and one has not committed the same shares on guaranteeing others.

PART 5: PERSONAL COMMITMENTS AND DECLARATION

5.0 I further pledge..... as additional security for the loan so approved.

5.1 I authorized you to: (Please delete whichever is not applicable)

a) Reduce / increase my share contribution.....

b) Retain my share contributions.....

5.3(a) 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 loan policy and variations by the Credit Committee. I also consent to be referenced upon this application in the Credit Reference Bureau (CRB) and be listed in the same in case of default. I release CHUNA Sacco and its officers, employees and agents from any claims, actions or proceedings of whatsoever nature and howsoever arising, suffered or incurred in connection with CRB sending/ delivering/emailing my credit report to the addresses that I have provided.

(b) I also without any reservation whatsoever allow CHUNA SACCO to auction any of my properties in case of defaulting to repay this loan once I have accessed it. I hereby authorize the necessary deductions to be made from my salary for repayment of the loan.

Name:Signature:

Date:

PART 6: GENERAL TERMS AND CONDITIONS FOR LOANS

- 6.1. Application must be made on the **official loan form** fully completed and appropriately signed by both the Loan Applicant and Guarantor(s) in their own handwriting.
- 6.2. The Loan Applicant **MUST** attach **original pay slip** (not more than one month old to the date of application).
- 6.3. Loans are granted in accordance with the loan policy and lending conditions existing at the time of application.
- 6.4. For a member to qualify for a loan consideration, he/she must have contributed shares for a minimum period of three months subject to the policy in force.
- 6.5. Any amount of money deposited by a member either in cash or by cheque to boost shares shall wait for three months, or **pay 10%** of the boosting amount, before that amount can be used to secure a loan.
- 6.6. A member whose share contributions or loan repayments have fallen off the payroll but has continued repaying his/her loan and is in need of a new loan will be required to update his/her shares and loan repayment account by repaying in cash or authorize an offset from loan of an equivalent amount of the arrears.
- 6.7. The prevailing interest rates at time of application shall apply. The interest rates shall however be reviewed by the Board of Directors from time to time and the same communicated to members.
- 6.8. This loan will attract **a 0.5%** processing fee on amounts approved. All appraisal fees will be recovered up-front.
- 6.9. Members on short term contract terms of employment to be **granted loans at 80%** of their deposits if they do not have a renewed contract. Whereas, those with a contract will be granted and recovered loans within their contract period. Loans can be issued beyond contract period but permanent guarantors must be provided and they have to sign the re-guarantee form.
- 6.10. The loan amount applied for shall be fully covered by the Loan Applicant plus Guarantors deposits.
- 6.11. Minimum share contribution for those with loans shall be determined by the share banding on the amount approved.
- 6.12. A member who has been dormant for a period of **3months shall** not be considered for any loan.
- 6.13. Minimum share contribution for members without loans **is KShs. 2,500.00 per month** and/or subject to policy in force.

6.16. Loans shall be appraised based on 3 times of members' savings and ability to repay. The applicant must always remain with **at least one third (1/3) of basic salary as NET PAY** after all deductions have been made, except for the Emergency loan of 6 months.

6.14. A Member can take a top up loan in addition to existing loan without necessarily clearing the outstanding loan subject to ability to pay. A top up **interest of 10%** shall be charged on outstanding balance and recovered upfront.

6.15. All Loans shall be paid to member's FOSA account.

6.16. If a member decides to cancel his/her loan after the process has been finalized, a fee of 10% of the amount approved for shall be charged.

6.17. No alteration whatsoever will be allowed on the loan form

6.18. Loan Insurance fee is **charged at 1.8%** of the granted Loan amount and is recoverable upfront.

6.19. For recovery of the loan and interest thereto, the applicant must present evidence to the SACCO of IRREVOCABLE STANDING ORDER or DIRECT DEBIT INSTRUCTIONS from her/his bank.

6.20. The SACCO reserves the right to involve the services of registered debt collectors and auctioneers to recover any amount arising from default.

6.21. The SACCO may accept **collaterals** from loan applicants. The loan applicant shall bear all the costs pertaining to the collateral being acceptable and charged

6.22. Loans issued past 14th of every month shall be charged interest upfront for the remaining days of the month.

PART 7: SPECIFIC TERMS AND CONDITIONS FOR JIJENGE LOAN

1. **Interest rate:** 1.2% pm on reducing balance (effective rates p.a. is 8.32% and p.m. is 0.69%)

2. **Maximum repayment period:** 72 month (6 years)

3. **Maximum amount:** Kshs. 6,000,000.00 (Six million)

4. **Deposits Multiplier:** 3 (three) times

5. **Requirements to qualify:**

- i. Must have been a member for at least three months.
- ii. Fully filled Jijenge Loan application form.
- iii. Latest pay slip.
- iv. CHUNA FOSA being your monthly salary pay point.

6. **Waiting period:** Strictly one month (subject to availability of funds), however, for members consolidating (i.e. amalgamating many loans into one loan) for the purpose of restructuring their pay slips, it will be two weeks utmost, subject to availability of funds.

Acceptance of the terms and conditions contained in this agreement shall be indicated by the applicant providing the Sacco society with the original of this loan contract duly signed as evidence of acceptance of the terms and conditions as stated.

Signed by the Applicant: Name..... ID No..... Signature..... Date:.....

In the presence of: Namem/no.: P/R No..... Signature..... Date.....

CHUNA Official: Signature Date