Lavington Security SACCO Society Ltd

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LOAN APPLICATION & LOAN AGREEMENT **Form Loan No: …….....**

A. PERSONAL AND EMPLOYMENT DETAILS

1. Member's Name.....D.O.B.....Tel No.....
2. ID No…….....Payroll No..... KRA Pin…….…….....
3. Present Address..... Residence.....
4. Marriage status……Next of Kin……Relationship……..……....
5. Dependants…….....
6. Work station.....Incharge/Manager.....
   Contacts:.....
7. Terms of service – Permanent / Temporary Contract; other-specify.....
8. Position in society –Committee/Member/Officer/Employer; other specify…….....
9. Present Gross Income Kshs.....Net Income..... per Month

B. LOAN APPLICATION & REPAYMENT

1. Loan applied for Kshs …….....
2. Amount in words…….....
3. Purpose of Loan …….....
4. Repayment Period:.....Monthly payment..... .....
   Commencing on..... .....

C. LOAN DETAILS

Loan Type	Interest Rate	Repayment Period	Tick
Development Loan:	1% per month	36 months	
School fees Loan:	1% per month	12 months	
Motor bike Loan:	1% per month	24 months	
Car Loan:	1% per month	36 months	
Emergency Loan:	1% per month	12 months	
Ondoa Msoto Loan:	6% per month	6 months	
Instant Loan:	5% per month	12 months	
Home Appliances Loan:	1% per month	6 months	

D. SECURITY WHICH I OFFER FOR THE LOAN IS

1…….. 2…….....

2…….. 4…….....

E. PAYMENT MODE

1. Bank …….....A/c name…….....
   A/c. no…….....Bank Branch…….....

F. **BORROWER'S DECLARATION**

I hereby declare that the foregoing particulars are true to the best of my knowledge and belief and agree to abide by the society's Loan policy, and any variations by the credit committee, in respect of section B above. I hereby authorize the necessary deductions including interest to be made from my salary as repayment for this loan. I also declare that incase the employer delays the deductions, I will be paying personally to LAVINGTON SECURITY SACCO every month until action is taken by the employer.

OTHER LIABILITIES;

I declare that I have/ not any outstanding liability of Kshs..... indebted to any other credit society, Bank or Loan Agency (except as listed herein) either as borrower or endorser.

Signature …….. Date……...

Witnessed signature ……..... Name.....

Tel No…… Present Address …….....

G. REPAYMENT GUARANTEE

We, the undersigned, hereby accept jointly and severally, liable for the repayment of the loan in the event of the borrowers 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 property or salary and that we shall not be eligible for loans unless the amount in default has been cleared in full.

H. GUARANTORS

Pay roll No.	**Name**	**Amount guaranteed (Ksh)**	**Signature**	**Contacts**
TOTALS				

Consent Clause

1.By entering into this agreement, I authorize Lavington Security Sacco Limited to access and query my credit information from any of the licensed CRBs and to receive credit reports/scores from any of the licensed **CRBs** on behalf of myself in order to assess my credit worthiness, wherever and whenever I apply for a new facility and during the persistence of such facilities in order to assist Lavington Security Sacco Limited to accomplish its objectives and to enforce its rights under this agreement. I further consent to my credit information being shared with the licensed credit reference bureaus.

2. This consent shall not be withdrawn during the period in which my application is pending to or I have an outstanding balance with Lavington Security Sacco Limited.

3. This consent shall automatically terminate upon clearance of all existing loans by myself to Lavington Security Sacco Limited and as long as I have no outstanding facilities with Lavington Security Sacco Limited.

Name ……Signature……Date…….....

I. COMMENTS BY THE EMPLOYER (OPTIONAL)

The applicant is employed by ……..in……
……..town……
Subject to the rules and loan policy of the society, I support the application and will inform the society, I support the application and will inform the society should the finance be transferred or discharged from the company signature.
Commission
Name …… Employer's signature ……...

J. FOR OFFICIAL USE ONLY

Total shares: Kshs……Total loan outstanding: Kshs ……Amount currently requested: Kshs……
New Total loans will be Kshs……Eligibility: Shares Kshs……x 3 = Kshs…….
Total monthly deductions including payment on loan requested are Kshs……New net pay is gross pay less total deductions above Kshs…… Members present Gross monthly income Kshs……..
The guarantors cover the loan amount YES/No……I certify that the application is/is not within the rules of the society. Amount recommended is Kshs……repayable in …….....Months.

CREDIT REPORT

Accepted .....Declined.....
Comment**:**.....
.....
Name …….Designation …….Signature…….. …..Date …….....

MANAGER'S REMARKS.

This loan application should be accepted/rejected for the amount of Kshs……at rate of……%per month and repayable in ……..months. The loan application is rejected or amount requested reduced for reasons: 1. …….....2;……
Name …….....Signature…….....Date…….....

✓ **ACCOUNTANT**

Insurance fee.....Processing Fee.....

Comment:.....
.....
……
Name …….Designation …….Signature…….. …..Date …….....

A. **CREDIT COMMITTEE**

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

(a) Loan amount approved Ksh……..... recoverable in……. months.

(b) Deferred/rejected for the following reasons 1. …….....

2…….....3…….....

Member 1 ……..... Member 2…….....

Date …… Credit Committee minute No…… Chair's sign…….....

TERMS AND CONDITIONS FOR LOAN APPLICATION
(All loans are granted in accordance with the Loan policy basic requirements)

(i) Member should be an active share contributor either through cash, check-off or standing order not less than Three (3) months and must have contributed Kshs. 3000.00

(ii) In granting the loan, member shall provide;
   a) The original copy of this loan form, a copy of his/her Identity card, KRA pin, at least Original Pay slips (Three (3) Months) duly stamped and forwarded by the employer; and Bank statement (Three (3) Months).
   b) Not be granted loans exceeding Three (3) times his/her deposits unless deposit is not part of the terms;
   c) Not be allowed to suffer deductions including loan repayment in excess of 2/3 of his/ her basic salary;
   d) Be required to attach not less than Three (3) active members as guarantors.

(iii) Lavington Sacco reserves the rights to charge such rate or rates of interest as it may from time to time. The Sacco shall give the borrower notice prior to any change in the rate or rates of interests payable and changes in the terms and conditions in such manner as permitted by the loan policy.

(iv) In case of loan default, the society reserves the right at its discretion to:
   a) Recover the outstanding loan balance from guarantors upon notification
   b) Charge a default interest rate or any other amount incurred by the society or its agent in recovering the defaulted loan.
   c) Upon notification and subsequent lapse of grace period, list the member with the Credit Reference Bureau

(v) Repayment of the loan will be effected directly through check-off from your employer. Lavington Sacco reserves the right to ensure the check- off arrangements are finalized and confirmed with your employer before release of funds. In the event that the check-off arrangements are not finalized as anticipated for whatever reason, your obligation to repay will remain and you will be expected to make direct payments into your loan account as they fall due, until your employer affects the check-off or until the loan is repaid in full, whichever will come earlier.

(vi) Appraisal fee and interest will be charged as per the terms of products borrowed.

(vii) A non-refundable Insurance fee will be charged on a monthly basis to cover death and permanent disability to the borrower. The amount payable under this cover will be solely for clearing the outstanding loan or part thereof as at the date of the accident, depending on the extent of disability caused. You will make necessary prior arrangements to ensure that in the event of death or incapacitation, the matter is reported to the Society without delay to facilitate lodging of claim. Any claim made after Six (6) months from the date of the accident/death will be time–barred and will not be acted upon.

(viii) For confidentiality of information, the society may hold process or disclose any information obtained about the Borrower on the Society's Customer system to bring to its attention products and service which may be of interest to the borrower.

(ix) The borrower acknowledges and agrees that, notwithstanding the terms of any other agreement between the borrower and the society, a disclosure of information by the society in the circumstances contemplated by this paragraph does not violate any duty owed to the borrower either in common law or pursuant to any agreement between the society and the borrower or in any ordinary course of society business and the customs, usage and practice related thereto and further authority from the borrower and without inquiry by the society as to the justification for or validity of such disclosure.

I have read, understood to comply, observe and be bound by the Terms and Conditions and Tariffs.