Mug - Muguga Savings & Credit Co-op Society
INVEST WHERE YOU HAVE A SAY
Kikuyu May House 2nd Floor Room No. 3
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506 **LOAN APPLICATION FORM**

PART A: TERMS AND CONDITIONS

(Applicants must read the requirements before completing the loan form)

1. The applicant must complete the original form in full and any incomplete form will be returned unconsidered. Any alteration on the loan form may cause disqualification.
2. Members must have been contributors for a minimum period of six months.
3. Guarantors, who must be active members of the society shall not guarantee more than three loans at any one time.
4. The total loan granted shall not exceed three times a members Sacco shares with repayment period not exceeding three years.
5. The guarantors must be ready to assist the society to make sure that the borrower repays all the money given to him/her within the specified period.
6. The total guarantors shares together with that of the applicant must be equal or more than the loan applied for.
7. Minimum monthly share contribution per member is Ksh 1,000.
8. All loan repayment to be done by 10th of every month or last working day if 10th falls on a weekend or public holiday. Any delay or default on repayment shall attract a penalty of 10%.
9. Loans are granted in accordance with loan policy and lending conditions existing at the time of application.
10. Lump sum contribution for the purpose of securing a loan can be considered only if such money remains in the society for at least six months.
11. Lump sum loan repayment for the purpose of borrowing a new loan must be retained in the society for at least one month.
12. Mug-Muguga Enterprises projects shares can be used as guarantee when securing a loan.
13. In case of default the project shares offered as security will be floated to the members at market price.
14. Loans shall be paid to members by cheque.
15. Loan form will be available at Ksh 100.
16. A copy of applicants and guarantors ID copy MUST be provided /attached.
17. A defaulter will not be considered for another loan before completion of 6 months following final payment of the defaulted months.

CONSENT TO CREDIT BUREAU REFERENCE LISTING.

I...ID...............................confirm that I have authorized Mug-Muguga Sacco to share my credit information, and to access my Credit Profile from Credit Reference Bureau.

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

PART B: PERSONAL INFORMATION

Membership No: ………………………………………………………………………

Full Names ………………………………/…………………………………/………………………

(As they appear in the ID/Passport)

ID ……………………………………………………Year of Birth: ……………………………………

Occupation: ……………………………………………Residence: ………………………………………

Current Address……………………………………..Code:………………… Town:………………

Tel/Cell No. ………………………………………… Email: ……………………………………………

Bank: …………………………………………………… A/C: ………………………………………………..

TYPE OF LOAN (TICK APPROPRIATELY)

DEVELOPMENT LOAN (3 Years) ☐

SHORT TERM (20 months) ☐

EMERGENCY (8 months) ☐

PURPOSE OF THE LOAN: ……………………………………………………

I hereby apply for a loan of Kshs ………………………… In words ……………………………….

………

For a period of ……………. months. To be repaid in Monthly installment of Kshs ……………...

Commencing ……………………in the month of ……………… year………………….. on reducing balance

I have guaranteed the following loans:

No.	NAME OF LOANEE	AMOUNT IN KSH	SACCO SHARES	OFFICIAL REMARKS

Any other loan from another financial institution ? Yes/No. Give details ………………………...

………

SECURITY OFFERED FOR THE LOAN

1. **Sacco Shares** **No. of Shares** …………………….. **Amount** ………………...
2. **Githurai 1** **No. of Shares** …………………….. **Cert No** ………………...
3. **Githurai 2** **No. of Shares** …………………….. **Cert No** ………………...
4. **Kawangware** **No. of Shares** …………………….. **Cert No** ………………...
5. **Guarantor** ……………………………………………………………...

PART C: GUARANTEE/ SECURITY

(To be completed by guarantors)

NOTE: Amount guaranteed must be equal to or more than the amount applied for:

In consideration of guaranteeing the above loan or less amount that may be approved we the undersigned accept individually & jointly the liability for its repayment in the event of borrowers' default.

We understand that if the amount of loan granted is defaulted it will be recovered by an offset against the Sacco shares in the society including the interest and any other expenses included on this transaction or **other projects** Shares in the company and that we shall not be eligible for a loan unless the amount in default has been fully cleared.

Amount of loan applied Kshs ………………………………... (in words) ………………..
……………………………………………………………………………………………………

R	NAMES IN FULL	ID NO.	AMOUNT GUARANTEED	SACCO PROJECT	SIGNATURE	OFFICIAL REMARKS

PART D: DECLARATION BY APPLICANT

I declare that the above particulars are true and to the best of my knowledge and belief. I agree to abide by the terms and conditions of loan policy and variations by the credit committee in condition 9 part A above.

Signature of Applicant ……………………………….. Date: ……………………………...

Witnessed by:(Guarantor) …………………………… Date: …………………………..

FOR OFFICIAL USE

PART E: LOAN APPRAISAL.

REGISTRY DEPARTMENT.

The above guarantors except the stared * (if applicable) are members and have not guaranteed more than three loans. I have checked the particulars in Part B and C above of this application and hereby confirm the same to be correct/incorrect.

Comments:
....

Names (in full) .... Sign .... Date......................

Confirmed by:

Names (in full) .... Sign .... Date......................

CREDIT COMMITTEE RECOMMENDATIONS

We the undersigned recommend /do not recommend that this Loan application form no. .... of Ksh .... be approved / not approved. Repayable in .... months.

Minute No. .... Date ....

Credit committee

Member 1 .... Member 2 ....

MANAGEMENT COMMITTEE

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

Loan approved Kshs .... Recoverable in .... Months.

Deferred / rejected for the following reasons:

....

Chairman's signature ....

STAMP ....

PART F: VERIFICATION BY INTERNAL AUDITOR

I have examined and satisfied myself that this loan has been granted in accordance with the society's by laws and rules and as per the loaning policy currently in force.

The cheque No. .... of Ksh .... has been collected by ....ID ....Sign ....

Name(Auditor) ....SIGN.......................... DATE ....