



Wanandegge Savings & Credit Cooperative Society Ltd

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FORM WAN/002 (REV 2022)

CONFIDENTIAL

LOAN APPLICATION AND AGREEMENT FORM.

A. TERMS AND CONDITIONS

- 1.1 Application must be made on the official loan form fully completed and appropriately signed by both the loanee and guarantors in their own handwriting
- 1.2 The applicant is required to attach original pay slip (not more than two months old to the date of application).
- 1.3 Loans are granted in accordance with the loan policy and lending conditions existing at the time of application.
- 1.4 For a member to qualify for loan consideration, he/she must have contributed deposits for a minimum period of six months, subject to the loan policy in force.
- 1.5 Any amount of money deposited by a member either in cash or by cheque to boost deposits shall wait for three months before that amount can be used to secure a loan.
- 1.6 A member whose deposit contributions 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 deposits account by repaying in cash or authorize an offset from loan of an equivalent amount of the areas.
- 1.7 A member who desires an additional loan though he has not cleared the previous loan will be allowed to get an advance from the FOSA to clear the outstanding loan to qualify for a new loan.
- 1.8 Guarantors who must be members of the Society shall not guarantee more than six times their deposits.
- 1.9 Interest on back office deposit for members with star and maisha loan will be capitalized.
- 1.10 The type of loan applied and repayment period shall be clearly indicated by the applicant.
- 1.11 The interest rates shall be determined by the Board of Directors from time to time.
- 1.12 All loans shall attract an insurance fee of 2% and process fee of 1% of the amount approved and recovered up-front.
- 1.13 The amount applied for shall be fully covered by the loanees and guarantors' deposits.
- 1.14 Minimum share contribution for those with loans shall be determined by the share banding on the amount approved.

LOAN AMOUNT IN KSHS	MINIMUM DEPOSIT CONTRIBUTION
BELOW 250,000	3,000.00
250,001 -500,000	5,000.00
500,001 - 750,000	8,000.00
750,001 - 1,000,000	10,000.00
1,000,001 - 1,500,000	13,000.00
1,500,001 - 2,000,000	15,000.00
2,000,001 - 3,000,000	20,000.00
ABOVE 3,000,000	30,000.00

- 1.15 A dormant member shall not be considered for any loan.
- 1.16 Minimum deposit contribution for members without loans will be Kshs. 3000.00 per month subject to change from time to time.
- 1.17 No member will be allowed to suffer total deduction including loan repayment in excess of two thirds of the basic salary and permanent allowances.

- 1.18 Members can take a second loan other than emergency/school fees in addition to existing loan without necessarily clearing the outstanding loan subject to ability to repay.
- 1.19 Loans shall only be credit to member's FOSA account
- 1.20 If a member decides to cancel his/her loan application after the process has been finalized, a cancellation fee of Kshs. 1,000/= shall be charged in addition to the processing fee.
- 1.21 Any alteration on the loan form may cause disqualification.

B. APPLICANTS PARTICULARS

Please attach the following documents

1. Copies of last two months' payslips
2. Copy of your National ID card or passport
3. Supporting documents where necessary
4. Letter of appointment if on contract.

Name:		ID No		
		Date of Birth		
Staff No.		Designation		
Employer		Terms of Appointment	Permanent	Contract
P.O. Box				
Code		Date of Appointment		
Email Address		Telephone		
Position in Sacco (Member/Board/Staff)		FOSA Branch	Nairobi	Mombasa

C. LOAN REQUIRED

I hereby apply for a loan of Kshs.
 (amount in words)..... For a period of months to be repaid in
 instalments of Kshs.each month commencing on (Date) Month Year.....

D. TYPE OF LOAN AND PERIOD (SPECIFY)

Tick the appropriate box below for the loan type and repayment period. If the desired period is not indicated specify.

DEVELOPMENT LOAN	48	RE-FINANCE LOAN	48	STAR LOAN	72
MAISHA LOAN	48	SCHOOL FEES LOAN	12	EMERGENCY	12
ANNUAL LEAVE LOAN	12	MATERNITY/PATERNITY LOAN	12	BASH LOAN	12
LONG TERM ADVANCE	12	SUPER LOAN	60		

E. PURPOSE FOR WHICH LOAN IS REQUIRED

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F. SECURITY

In consideration of the society granting me the above loan or less as may be approved, I pledge the under listed as security for the loan repayment.

1. My current and future salary ☐
2. My deposits with the Sacco ☐
3. Guarantors Deposits ☐
4. Terminal Benefits from my employer ☐
5. Others (Specify for consideration).....

G. DECLARATION

I hereby declare as follows: -

1. That my present employer as well as my future employers have authority to deduct from my salary every month such a sum of money consisting of principal loan repayment and interest as may be determined by Wanandegge Sacco Society Limited until the loan is repaid in full.

2. That this authority is unconditional and may not be revoked during the life of the loan without express consent of Wanandegge Co-operative Society as well as guarantors.
3. That the foregoing particulars are true to the best of my knowledge and belief and agree to abide by the Society bylaws, loan policy and any variation by the Credit Committee in respect of amount approved.
4. I am aware that Wanandegge Sacco Limited shares member's credit information which includes positive and negative information with TransUnion Credit Reference Bureau. In the event of loan default, I authorize the Sacco to forward my name to the CRB and I am aware of the attendant consequences as governed by CRB Regulations.
5. I will abide by the Terms and Conditions governing this loan as may be approved by the Board of Directors and acknowledge that they are subject to change from time to time.
6. I am aware that this Agreement shall be governed by and shall be construed in accordance with Kenyan Law.
7. Wanandegge Sacco Limited is the custodian of your data in compliance with Data Protection Act, 2019. The SACCO may disclose your Personal Data to 3rd Parties in good faith. This may be necessitated by but not limited to; legal obligations, loan recovery and IT Systems service providers contracted to work for the Sacco. By submitting this form, you are consenting to the above.

Iof Box No.hereby confirm that I have read the above terms and conditions and hereby signify my acceptance of terms and conditions.

Applicants SignatureS/No. Date.....

Witness to Applicants Signature

Name of Witness Signature.....S/No.....

H. TO BE COMPLETED BY THE GUARANTORS

Note 1. Guarantors are advised to read all the information supplied in this form by applicant and the terms and conditions contained herein in order to understand the full implication of this part.

Note 2. Guarantors to fill their details in the table below in their own underwriting and should sign after the Application has indicated the amount applied and guaranteed both in figures and in words.

1. Amount of loan guaranteed Kshs. in words.....
2. Repayment period months
3. In consideration of granting the above loan or less amount that may be approved, we the undersigned accept jointly and severally liability for its repayment in the event of the borrower's default.
4. We understand that if the amount of loan granted above is defaulted, it will 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 a loan unless the amount in default has been fully cleared.
5. We are fully aware of the loanees age and / or contract period and undertake to guarantee this loan to its full repayment.

GUARANTORS

NAME	STAFF NO	TELEPHONE NO	ID NO	SIGNATURE	DATE	DEPOSITS (for official use only)

(Guarantors will be sent confirmation text messages, the cost will be charged to the Loanees FOSA Account)

RECOMMENDATION / GUARANTEE OR REMITTANCE BY THE EMPLOYER

Company Name:

We hereby certify and confirm that the applicant is in our employment and that he has no negative records in HR that may frustrate the repayment of the loan. We further confirm that his/her salary is capable of meeting the loan repayment as applied and will not suffer deductions in excess of the 2/3 rule. The company undertakes to deduct the repayment amount and remit to the Sacco on a monthly basis until the Sacco advises otherwise. The company undertakes to inform the society in the event the loanee is discharged from the company.

OFFICER'S NAME.....

EMPLOYER'S SIGNATURE AND STAMP

DESINATION.....**DATE**.....

FOR OFFICIAL USE ONLY

I. CREDIT APPRAISAL

Current Sacco Deductions:	Kshs.
Total Deductions after new loan	Kshs.
1. Total Savings Kshs. X 3	Kshs.
2. Total outstanding loan	Kshs.
3. Maximum Credit as per deposit (1-2)	Kshs.
4. Amount currently requested	Kshs.
5. Members Basic Salary	Kshs.
6. Recurrent Deduction including new loan	Kshs.
7. Two thirds of Basic Salary	KShs.
8. Amount Recommended	Kshs.
9. Repayment within	Kshs.

I certify that the foregoing details and information is true in all respects to the member's statement of account I confirm that the information given in this section is correct in all aspects.

Credit Analyst Signature Date.....

J. CREDIT APPROVAL

We have examined this loan application and as guided by the credit appraisal notes and requirements of the credit policy have decided as follows: -

1. Loan approved Kshs. Recoverable in instalments and interests at prevailing rate per month.
2. Deferred / Rejected / Reduced for the following reason(s).....

H.O.O. **Signature** **Date:**

C.E.O. **Signature** **Date:**

Credit Committee Chair **Secretary** **Member:**

K. CREDIT DISBURSEMENT:

Authorized for disbursement through FOSA Account Amount

Finance Manager..... **Signature** **Date:**