

Balozi Co-operative Savings and Credit Society Ltd



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LOAN APPLICATION FORM

MNO _____ Official Loan No _____

PART I – INSTRUCTIONS

*** Applicants MUST read the following requirements and instructions before completing this loan form.**

Please note that this application form contains the initial desire of the member to be bound contractually with the Society by the way of a loan disbursement.

1. Application must be made in Balozi Sacco loan application form
2. The applicant must fill the loan application form in full including bank account details. Incomplete forms will be returned unconsidered. It is desired that all members hold bank accounts for the purpose of loan facilitation.
3. Loans are granted in accordance with the following loan policy requirements which may vary from time to time:
 - a. A member shall have only one loan of each category at a time e.g. Normal.
 - b. The total loans granted shall not exceed 5% of the Society's deposit, in so far as funds are available. The Society reserves the right to defer a loan if funds are not adequate.
 - c. The total deductions including loan repayment shall not exceed two thirds ($\frac{2}{3}$) of a member's gross salary.
 - d. Guarantors who MUST be members of the Society shall not guarantee more than four times their outstanding deposit provided no one guarantor shall guarantee further loans if his/her deposit values have already been exceeded by previous guarantees.
 - e. To qualify for a loan, a member must be at least 6 months old in the Society and shall have saved minimum deposit per month over a period of 6 months. Exemption is made for Karibu loan whose waiting period is 2 months.
 - f. Cash payments to boost deposits do not qualify for consideration in granting any loan until after the expiry of three months.
 - g. Members monthly minimum savings contributions, minimum loan repayment amount and maximum loan repayment period shall be according to the Society's policy.
 - h. The repayment period and interest on the loans may change from time to time.
 - i. The interest charged on bridging and amalgamation may change from time to time.
 - j. School Fees loan applications MUST be supported by relevant documentary evidence as a basis of proof.
 - k. Collateral loan MUST include documentation for the property to be charged.
 - l. The loan application form including all attachments MUST be countersigned.

Check website for detailed information on each loan category.

4. The applicant is required to attach a copy of his/her national ID card, a pay slip (not more than 2 months old) and an allotment form.
5. A member will not be considered for a loan if his/her employer is not remitting his/her bi-weekly/monthly contributions to the Society or when he/she has defaulted in loan repayment.
6. A member shall be considered a defaulter, and the loan recalled, after he/she has failed to make payments for three consecutive months. The default shall be remedied by forfeiture of the member's deposit pro rata. In the event that the same is insufficient to make good the proceeds of the loan, the member shall inject cash to enable him/her to continue as a member of the Society.
7. In case of default, the Society may share your contact and loan information with your guarantors, CRB and debt collectors.

PART II - TO BE COMPLETED BY THE APPLICANT

The statements included in this part must be a true and fair representation of the member's status. In the event that a false representation is made, the Committee reserves the right to deny a loan and the member may be liable to civil action at law. Any alteration(s) must be fully countersigned for. No member should use white out for any alteration(s).

1. Application for loan in the month of _____ Year _____
2. Payment options (Bank or M-Pesa)

Bank <input style="width: 50px; height: 20px;" type="checkbox"/> Bank Name _____ Branch _____ Account No _____	OR	M-Pesa <input style="width: 50px; height: 20px;" type="checkbox"/> (For loans within Ksh. 150,000/- only) Phone number MUST be registered for M-Pesa in Safaricom and updated as the default contact in the SACCO
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The Society shall not be held responsible for directing payment into a wrong account /phone number as provided by the member.

3. Member's Names (in full) _____ Nationality _____
4. Member No _____ Payroll No _____ ID No. _____
5. Present Address _____ Mobile No _____
 Email Address _____
6. Employer and Address _____ Department _____
7. Position in Employment _____ Terms of Employment _____
8. Specify the type of loan (e.g. Normal) _____
9. Specify the type of application (New, Bridging or Amalgamation) _____
 For amalgamation specify the loans to be consolidated _____
10. Amount of loan applied (in figures) Ksh. _____
 In words _____
11. Repayment period in months _____
12. Purpose of loan _____
13. The securities I offer to cover for the loan are (tick appropriately)
 Deposit Salary Guarantors Collateral
14. 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. I hereby authorize the necessary deductions, including applicable monthly interest, to be made from my salary as repayment for this loan. I declare that I am not indebted to any other credit society, bank or loan agency (except as listed herein) either as a borrower or endorser.
 Signature _____ Date _____

WITNESS DETAILS

Name _____ Member No _____
 ID No _____ Mobile No _____
 P.O. Box _____ Email Address _____
 Employer _____ Workstation _____
 Signature _____ Date _____

PART III – GUARANTEE

(THE TWO TABLES TO BE COMPLETED BY THE GUARANTORS)

- A) 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 event of the borrower’s default.
- B) We understand that the amount in default may be recovered by an offset against our deposit in the Society or by attachment of our property or salary, and that we shall not be eligible for a loan until the amount in default has been cleared in full.

NO	MEMBER NO	NAMES IN FULL	AMOUNT GUARANTEED	SIGNATURE	WITNESS SIGNATURE

- C) I, as the guarantor of aforesaid make an oath that the information provided herein is true and that I have not guaranteed any other member(s) to the extent that shall compromise my ability to repay this loan in the event of the applicant’s default.

DATE	NAMES IN FULL	ID NO	MOBILE NO	EMAIL ADDRESS	SIGNATURE

For Official use only

PART IV – LOANS APPROVAL

A) LOANS DEPARTMENT

- i) The loan is hereby recommended for (in figures) Ksh _____
(In words) _____

- ii) Recoverable in _____ months
- iii) Appraised By _____ Signature _____ Date _____

B) CREDIT COMMITTEE

We have examined the following application in conjunction with the above recommendations and have decided as follows:

- i) Amount of loan approved (in figures) Ksh. _____
(In words) _____

- ii) Recoverable in _____ months
- iii) Signature of Loans Manager _____ Date _____
- iv) Signature of Chief Executive Officer _____ Date _____
- v) Signature Credit Committee _____ Date _____