

**PART D: Endorsement by Society's Credit Committee**

I/We have examined the above application in conjunction with the above remarks and decided as follows;

Loan approved Kshs \_\_\_\_\_ (amount in words) \_\_\_\_\_

Recoverable in \_\_\_\_\_ installments.

\_\_\_\_\_  
 Chairperson                      Secretary                      Member                      C.E.O.

Date \_\_\_\_\_ Date \_\_\_\_\_ Date \_\_\_\_\_ Date \_\_\_\_\_

Credit Manager

Date \_\_\_\_\_

**MAGEREZA SACCO SOCIETY**

*Pamoja Twastawi*

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CUSTOMER CARE STAMP

**LOAN APPLICATION FORM**

**TYPE OF LOAN APPLIED (TICK AGAINST):**

- NORMAL (Max. period 36 MTHS)
- EXPRESS (Max. period 30 MTHS)
- SUPERSAVER (Max. period 48 MTHS)
- SUPER LOAN (Max. period 60 MTHS)
- INUA LOAN (Max. period 36 MTHS)
- OTHERS (SPECIFY) \_\_\_\_\_

**PART A – Personal Information**

Membership No. \_\_\_\_\_ Pf/No \_\_\_\_\_ Applicant's Name: \_\_\_\_\_

ID/No. \_\_\_\_\_ (*Attach Copy*)

Age \_\_\_\_\_ Mobile phone number \_\_\_\_\_ Station \_\_\_\_\_

Present Address \_\_\_\_\_ Terms of Service \_\_\_\_\_ GHRIS Password \_\_\_\_\_

County/Formation: \_\_\_\_\_ Division \_\_\_\_\_ Rank \_\_\_\_\_

Basic Salary \_\_\_\_\_ (*Attach 2 current original payslips*)

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Amount Applied for in figures: \_\_\_\_\_ to repay in \_\_\_\_\_ Monthly installments

Amount Applied for in words: \_\_\_\_\_

Purpose of the Loan:

1. \_\_\_\_\_ Kshs \_\_\_\_\_

2. \_\_\_\_\_ Kshs \_\_\_\_\_

Total deposits held (Ksh): \_\_\_\_\_ Number of outstanding loans: \_\_\_\_\_ Other Liabilities \_\_\_\_\_

**BASIC RULES APPLICABLE AND LOAN AGREEMENT DECLARATION**

I understand the basic rules applicable are as listed here below and the loan will be granted only according to these rules and as directed in the Loan Policy issued.

1. (a) Normal loan entitlement is limited to 3 times the value of deposits held and this may vary depending on the ability to pay and funds available in the society. Repayment period is 36 months, interest rate of 1.15% p.m.
2. (b) for supersavers, minimum deposit is Kshs.200,000/- the entitlement is 4 times the value of deposits, repayment period is 48 months. Interest rate of 1.15% p.m.
- (c) For Super loan, minimum deposit is Kshs.200,000/- the entitlement is 4 times the value of deposits, repayment period is 60 months. Interest rate of 1.25% p.m
- d) Inua loan is for those members who have been in service for not more than 4 years, deposits are boosted by the sacco at the rate of 10% of the amount boosted, loan entitlement is 3 times the value of deposits, maximum repayment period is 36 months, maximum loan is Ksh500,000= . Interest rate of 1.2% p.m.
3. Loan deduction and other statutory deductions or otherwise shall not reduce member's net earnings to less than 1/3<sup>rd</sup> or 33.3% of basic salary per month.

4. The loan repayment will either be on reducing balance or amortized according to the Sacco's processing procedure.
5. A member must have been a contributor for a minimum period of six months and have minimum deposits of Kshs.6,000/-.
6. Monthly deposit contribution shall not be reduced in the course of repayment of any loan.
7. All applicants are required to provide their passwords/ (access identification) to GHRIS for payslip verification.
8. Loans granted shall be deposited in member's MagFosa Account for clearance after which the member may withdraw the cash.
9. Deposits for both guarantors and applicants with the society must be equal to or more than loan applied for.
10. That my present employers as well as my future employers have my 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 Magereza Sacco Society Ltd until the loan is repaid in full.
11. That in the event that I should leave the service of my present employer, the sum of money due to me for whatever purpose may be utilized to the extent necessary to liquidate any balance remaining in my loan account.
12. That, this authority is unconditional and may not be revoked during the life of the loan without express consent of Magereza Sacco Society Ltd as well as my guarantors.

**Security**

I offer the following security;

1. \_\_\_\_\_
2. \_\_\_\_\_

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 and Loaning Policy of the society and variation by the Credit Committee in respect of amount of loan applied and repayment period. I hereby authorize the necessary recoveries to be made from my salary/savings, deposits and shares as repayment for this loan. I understand that in case of default of the above loan, the society shall forward the details to the Credit Reference Bureau, and use all means to recover the loan in default.

**Applicant's Signature:** \_\_\_\_\_ **ID** \_\_\_\_\_ **Date:** \_\_\_\_\_

**FOR THOSE WHO WOULD LIKE THEIR OUTSTANDING LOANS TO BE CLEARED BY FOSA**

Kindly clear for me the following loan balance(s)

**Bosa** 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_  
**Fosa** 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_

**Others: Amount Kshs** \_\_\_\_\_ **Institution (specify)** \_\_\_\_\_

**PART B – TO BE COMPLETED BY GUARANTORS.**

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/shares in the society or by attachment to our salary or any other means.

No.	Pf/No.	M/No	Name	Address	Id/No.	Sign	Mobile. No.
1							
2							
3							
4							
5							
6							
7							

NB: All normal loans must have a minimum of 5 guarantors.

**PART C – Recommendations by the officer in charge/Rc.**

The applicant is stationed at.....and holds the rank of ..... I certify that the above is not likely to retire from service within the next four years and his conduct is good. He/she has no outstanding welfare loan and any other known government debts. Subject to rules and loaning policies of the society, I also confirm all guarantors above are stationed in this station and they have personally signed and witnessed in my presence. I therefore recommend a loan of Kshs.....Amount in words) .....

Oic (station)/Rc..... Signature..... Date.....

**FOR OFFICIAL USE ONLY (to be completed by Fosa Manager/Accountant)**

Member's Fosa A/c \_\_\_\_\_

Jijenge loan \_\_\_\_\_ Principal \_\_\_\_\_

School Fees Loan \_\_\_\_\_ Principal \_\_\_\_\_

Salary in Advance \_\_\_\_\_ Principal \_\_\_\_\_

Bosa Loan Advance \_\_\_\_\_ Principal \_\_\_\_\_

Loan Clearance Advance \_\_\_\_\_ Principal \_\_\_\_\_

Defaulted loan \_\_\_\_\_ Principal \_\_\_\_\_

Any other (specify) \_\_\_\_\_ Principal \_\_\_\_\_

**LOAN APPRAISAL AND ELIGIBILITY CALCULATION**

Amount applied for in Kshs \_\_\_\_\_

	Loan Balance	Monthly Repayment	Monthly Interest
Normal Loan			
Super Loan			
SuperSaver Loan			
Inua Loan			
Branch Loan			
Defaulted Loan			
Fosa Loan			
<b>TOTALS</b>			

Total deposits Kshs \_\_\_\_\_ Loan Entitlement Kshs. x \_\_\_\_\_

Basic Salary Kshs \_\_\_\_\_ Net Salary \_\_\_\_\_

Further Loan/Fresh loan of Kshs \_\_\_\_\_ for \_\_\_\_\_ months will leave the member with a Net pay of Kshs \_\_\_\_\_ per month \_\_\_\_\_ Member's 1/3<sup>rd</sup> basic salary is Kshs \_\_\_\_\_

Prepared by \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Certified by \_\_\_\_\_ Credit Manager \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_