

**NNK STAFF SAVINGS AND CREDIT  
SOCIETY**

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**LOAN NO :** \_\_\_\_\_

**LOAN APPLICATIONS AND LOAN AGREEMENT FORM**

**A.) PERSONAL INFORMATION**

<b>Name:</b>	<b>Net monthly income:</b> Ksh: _____
<b>Address:</b>	<b>Monthly Expenditure:</b> Ksh: _____
<b>Payroll Number:</b>	<b>Terms of Service:</b> Permanent <input type="checkbox"/> Temporary <input type="checkbox"/> Contract <input type="checkbox"/> Pension <input type="checkbox"/>
<b>Member Number:</b>	<b>Position in society:</b>
<b>Workstation:</b>	
<b>Employer and Mailing Address:</b>	

**LOAN POLICY FOR NNK STAFF SACCO**

*Applicants must read the following requirements and instructions before completing this form*

1. Application must be made on original loan form.
2. The applicant must fill the loan form in full. Incomplete forms will be rejected.
3. Loans are granted/processed in accordance with the loaning policy and lending conditions existing at the time of application.
4. No member will be allowed to suffer deductions including loan repayment in excess of two third of his/her basic salary, where basic salary excludes house allowance and other allowances.
5. Members are entitled to a normal loan three times equal to his/her deposits unless directed otherwise.
6. Guarantors who must be members of the society shall not guarantee more than six (6) long term loans.

7. The amount applied for shall be fully covered by the loanee's plus guarantors' pledges. The Credit committee reserves the right to ask for additional security depending on the amount borrowed.
8. The applicant is required to attach one (1) recent original current pay-slip.
9. To qualify for consideration of a loan, a member must have contributed to the Sacco for a period of six (6) months.
10. To qualify for consideration a fresh loan and/or top-up, a member must have cleared his/her previous loan(s) or must have paid  $\frac{3}{4}$  of the previous loan.
11. A member wanting a loan equal to his/her deposit will only need a witness. The credit committee may however demand for the guarantors depending with the amount of loan requested and the guaranteed loans by the borrower. This will safeguard the interests of all members.
12. Minimum deposit contributions to the Sacco for all members is Kshs.1000.00 per month and may be reviewed from time to time.
13. Emergency/school fees/loans Advance & Holiday loans shall be repayable within a period of 24 months while development and refinancing loans within a maximum period of 72 months.
14. A member will not be considered for a loan if his/her employer is not remitting his/her monthly/loan repayments/contributions to the society.
15. Any alteration on the loan form may cause disqualification.
16. In case of the default of loan repayment the security offered shall be subject to realization/enforcement
17. Registration fee for any new member is Kshs. 2000 non-refundable.
18. Emergency loan will be a maximum of Kshs. 100,000/-.
19. Share contribution for all members remain Kshs. 100/- per month

## **B.) LOAN APPLICATION AND REPAYMENT**

I \_\_\_\_\_ hereby apply for a loan of Kshs. \_\_\_\_\_ For a period of \_\_\_\_\_ months to be paid in installments of Kshs. \_\_\_\_\_ Each month commencing on \_\_\_\_\_

**C.) PURPOSE FOR WHICH LOAN IS APPLIED**

1. \_\_\_\_\_ Kshs. \_\_\_\_\_ 2. \_\_\_\_\_  
 \_\_\_\_\_ Kshs. \_\_\_\_\_  
 3. \_\_\_\_\_ Kshs. \_\_\_\_\_

#### **D.) SECURITY OFFERED FOR LOAN**

1. \_\_\_\_\_ 3. \_\_\_\_\_  
2. \_\_\_\_\_ 4. \_\_\_\_\_

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 in respect of Section B above. I hereby authorize the necessary deductions including one percent 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 borrower or endorser.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Payroll No: \_\_\_\_\_

## E.) REPAYMENT GUARANTEE

We the undersigned hereby accept jointly and severally, liability for the repayment of the loan on the event of the borrower's default. We understand that the amount in default may be recovered by an off-set against our deposits in the society or by attachment of our property or salary and that we shall not be eligible for loan unless the amount in default has been cleared in full.

## GUARANTORS

[illegible]

Deposits \_\_\_\_\_ x4 minus loan \_\_\_\_\_ minus guarantee  
\_\_\_\_\_ minus loan applied \_\_\_\_\_ = kshs. \_\_\_\_\_

**F.) COMMENTS BY EMPLOYER**

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 should the finance be transferred or  
discharged from the company signature.

Name: \_\_\_\_\_ Employer's Signature: \_\_\_\_\_

Address: \_\_\_\_\_

**G.) FOR OFFICIAL USE ONLY**

Total Deposits: \_\_\_\_\_

Total Loan outstanding Kshs: \_\_\_\_\_

Frequency Loans during the year: \_\_\_\_\_

Amount currently requested: \_\_\_\_\_

New Total loan will be Kshs \_\_\_\_\_

**Calculations**

Deposits Kshs. \_\_\_\_\_ x3 = Kshs. \_\_\_\_\_

Member's present net monthly income Kshs. \_\_\_\_\_ x0.66 = Kshs. \_\_\_\_\_

Total monthly payment to society including payments on loan requested are Kshs \_\_\_\_\_  
(must not exceed amount above)

The guarantors cover the loan amount (yes/no): \_\_\_\_\_

I certify that the application is/is not within the rules of the society:

If not, say why: \_\_\_\_\_

Official's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**CREDIT COMMITTEE**

Loan approved Kshs. \_\_\_\_\_ recoverable in \_\_\_\_\_

Installments at an interest rate of one (1%) percent per month on a reducing balance.

Indicate the reason for deferral or rejection by ticking the appropriate box.

**Reasons for deferment**

1. Incomplete information or lack of supporting documents ☐
2. Timelines ☐
3. Renegotiate terms or purpose ☐
4. Inadequate funds to meet loan demand ☐

**Reasons for rejection**

1. Inability to repay or bad repayment history ☐
2. Loan not in proportion to deposits ☐
3. Clear outstanding loan ☐
4. Excessive loan frequency ☐
5. Lack of proper guarantors or security ☐
6. Membership period ☐
7. Ineligible purpose ☐

Credit Committee Minute No. \_\_\_\_\_ Date: \_\_\_\_\_

Chairman's Signature: \_\_\_\_\_

Member's Signature: \_\_\_\_\_

Member's Signature: \_\_\_\_\_

