

**CONFIDENTIAL**

**FARMER'S CHOICE CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LTD**

**LOAN APPLICATION & LOAN AGREEMENT**

Form Loan No: .....

**A. PERSONAL INFORMATION**

- |                                     |   |
|-------------------------------------|---|
| 1. Member's Name .....              | 6. Position in Employment .....                   |
| .....                               | 7. Terms of service - Permanent /Temporary /      |
| 2. Payroll Number .....             | contract/pension .....                            |
| 3. Member's Number .....            | 8. Position in the Sacco Committee/Member/Officer |
| 4. Work station .....               | Employer/Other - Specify .....                    |
| 5. Employer and Postal Address..... | .....   |
| .....                               | .....   |
| .....                               | .....   |

**B. LOAN APPLICATION & REPAYMENT**

I .....hereby apply for a loan of Ksh .....  
 (amount in words) ..... for a period of ..... months to  
 be paid in installments of Kshs .....each month, commencing on .....

**C. PURPOSE FOR WHICH LOAN IS APPLIED (in case of several uses of the loan, state the exact amount for each use)**

- |         |            |
|---------|------------|
| 1. .... | Kshs ..... |
| 2. .... | Kshs ..... |
| 3. .... | Kshs ..... |

**D. SECURITY WHICH OFFER FOR THE LOAN IS [KINDLY TICK WHERE APPLICABLE]**

- Shares ☐
  - Guarantors (see section F for details). ☐
  - Final dues in the event of termination of my employment (I authorise the company to pay any final dues directly to the Co-operative in the event of any outstanding loan amount owing to the Co-operative following termination of my employment, in preference to recovery from Guarantors, but after recovery from my shares). ☐  
 Other .....
- (I acknowledge and understand that I am not allowed, by law, to assign any Pension or Provident Fund benefits as security for any loan).

Applicant Signature ..... Date .....

**E. DECLARATION**

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 authorise the necessary deductions, including one per cent interest monthly, 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.

Applicant Signature ..... Date.....

Witness Signature .....

Witness Name .....

Witness Address .....

Witness Payroll No. ....

**F. GUARANTORS**

We, the undersigned hereby accept jointly and severally, liability for the repayment of the loan in the event of the borrowers default. We understand that the amount in default be recovered by an offset against our shares in the Society or by attachment of our property or salary and that we shall be eligible for loans unless the amount in default has been cleared in full.

**GUARANTORS**

Payroll No.	Name	Approved Amount in Words	Amount Approved	Signature	Telephone No.
TOTAL					

WITNESS SIGNATURE ..... PAYROLL NO .....

**G. MODE OF PAYMENT:**

BANK NAME.....

BANK BRANCH.....

BANK ACCOUNT.....

CHQ.....SELF.....FCL.....

PHONE/MOBILE NUMBER

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**H. CREDIT REFERENCE BUREAU (CRB) CLAUSE**

By you signing this form you give us the consent to share your information with CRB (Credit Reference Bureau)

Name : .....

Address : .....

.....

ID No. ....

Signature: .....

Date: .....

**I. FOR OFFICIAL USE ONLY**

Total Shares ..... Total Loans Outstanding Shs .....  
Frequency Loans during the year ..... Amount Currently requested.....  
New Total Loans will be Kshs. .... Eligibility calculations .....  
Shares Shs ..... x3=Shs. ....  
Members present net monthly income Shs. ....x 0.66 = Shs. ....  
Total monthly payment to society including payments on loan requested are Shs. ....  
..... (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 per cent month on a reducing balance  
Indicate the reason for Deferred or Rejection by ticking the proper box.

**Reasons for Deferred Loans**

1. Incomplete information, or lack of supporting documents
2. Timeless
3. Renegotiable loan terms of purpose
4. Inadequate funds to meet loan demand

**Reasons for Deferred Loans**

- A. Inability to repay or bad repayments history
- B. Loan not in proportion to shares.
- C. Clear outstanding loan
- D. Excessive loan frequency
- E. Lack of proper guarantors or security
- F. Membership period
- G. Ineligible purpose.

Credit committee minute No. .... Date.....  
Chairman's Signature: .....  
Member's Signature: .....  
Member's Signature: .....