



BUNISTA NON- WDT SACCO SOCIETY LTD
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LOAN APPLICATION TERMS AND CONDITIONS

Please read the following requirements and conditions carefully before completing the form:

1. The loan application form must be fully completed and supported by **two most recent pay slips** and a **copy of the applicant's ID**.
2. A new member can apply for a loan after making contributions for six consecutive months.
3. Total deductions shall not exceed two-thirds of a member's basic pay. The amount applied for should be equal to or not less than the loanee's deposits and those of the guarantors.
4. A member may have one running loan of each loan type at any one time.
5. The total loans outstanding shall not exceed **four times** the total deposit contribution of a member.
6. A member must actively contribute deposits to qualify for a loan. Loans shall not be granted to members who are dormant or defaulters.
7. All loan repayment arrears for any existing loan have to be cleared before a member can apply for another loan.
8. Top-up shall only apply to Normal, Bahari & Home Development loans and shall attract a 2.5% commission charge on interest waived for a premature top-up.
9. All long-term loans will be charged a processing fee of 0.5% and short-term loans will be charged a processing fee of 1% on the principal borrowed.
10. For loans to be recovered outside the payroll check-off system, a standing order for the loan repayment has to be presented to the loan officer before disbursement.
11. All guarantors must be active members of Society. No defaulters or dormant members shall be accepted as guarantors.
12. A member can guarantee his/her loan with his/her own deposits as long as the deposits have not been used to guarantee other loans. The loan must be within the member's deposits.
13. Any loan unpaid for 90 days or more will be in default and the member's savings and those of the guarantors will be offset against the loan.
14. All defaulters' details will be shared with a Credit Reference Bureau (CRB) selected by the society. All loans listed with CRB will remain listed for five years (5) after the loans are cleared, thus affecting access to credit from other financial institutions in the future.

TYPE OF LOAN (TICK AS APPLICABLE)

1	Bahari Loan		4	Instant Loan		7	Karibu Loan	
2	Normal Loan		5	Okoa Loan		8	School Fees Loan	
3	Home Development Loan		6	Emergency Loan		9	Asset Finance Loan	

A. APPLICANTS DETAILS

Name Staff No. M. No.
 Mobile Phone: ID No.
 Bank. Account No.
 Institution (Employer.
 Department. Designation.
 Position in Society: (Committee/Member/Officer)
 Terms of Service: (Permanent/Contract/Temporary/Pension)

B. LOAN APPLICATION AND REPAYMENT

I, hereby apply for a loan of Kshs.
 amount in words.....
repayable in Months

Note: Alteration on amount applied above will not be allowed.

C. SPECIFIC PURPOSE OF WHICH LOAN IS APPLIED (In case of several uses of the loan, state the exact amount for each use)

1 Kshs
 2 Kshs

D. SECURITY OFFERED FOR THE LOAN

Salary Deposits Guarantors Gratuity

E. DECLARATION

I hereby declare that the forgoing particulars are true to the best of my knowledge and belief and agree to abide by the laws of the society, the loan policy, and variations by the credit committee in respect of section B above. I hereby authorize the necessary deductions to cover the loan principal and interest monthly to be made from my salary. I further confirm that, I understand that incase of default, the defaulter's information will be furnished to a credit reference bureau or other bodies without prior written consent.

Applicants Signature Date

Name of witness PF. No. M. No.

Signature of witness.....

F. REPAYMENT GUARANTEE

We, the undersigned, hereby accept jointly and severally liability for the repayment of the loan in the event of the borrower's default. We understand that the amount in default may 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 loans unless the amount in default has been cleared in full.

CAUTION! Guarantors are advised to read all the information provided in this form by the applicant and terms and conditions contained herein in order to understand the full implications of loan guarantee.

Minimum Guarantors are as follows:

- ❖ **Five (5)** for Bahari, Normal, Home Development, Karibu, Emergency & School Fees Loans
- ❖ **Three (3)** for Instant and Asset Finance Loans

Note: Guarantors must indicate the amount they wish to guarantee which must total the loan applied.

Amount Applied..... Amount in Words

PF. No.	Guarantor`s Name	Department/School	Signature	Deposits	Amount Guaranteed (Mandatory)

G. INTERNAL AUDIT SECTION

I have examined and satisfied myself that this loan has been granted in accordance with the by-laws, and society rules and as per Bunista Credit Policy.

Signature Date

H. BOARD APPROVAL

MIN No: _____ Date: _____