



UBUNTU SOKO BY ICAN

Where Community and Commerce Thrive Together | Fostering Equity & Access

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ICAN OFFICIAL LOAN APPLICATION, GUARANTEE & ENFORCEMENT AGREEMENT.

Anchored in the Constitution of Kenya (2010), the Contracts Act, the Evidence Act (Cap. 80), the Oaths and Statutory Declarations Act (Cap. 15), the Kenya Data Protection Act (2019), and the ICAN Constitution Articles 2.4.7, 2.6.5, 2.6.6, and Strategic Plan 2024-2027 (Pillar 3: Economic Development).

SECTION A: APPLICANT (LOANEE) DETAILS

1. Full Legal Name (As per ID): _____
2. ID/Passport Number: _____
KRA PIN: _____
3. Date of Birth: _____
Gender: _____
Marital Status: _____
4. Business Name (if registered): _____
5. Nature of Business / Occupation: _____
6. Physical Address (Village, Ward, Constituency): _____
7. Postal Address (if applicable): _____
8. Mobile Phone Number: _____
Email Address: _____
9. Loan Tier Applied For (Tick One):
 - ☐ Starter (KES 3,000 – 5,000)
 - ☐ Booster (KES 5,001 – 15,000)
 - ☐ Growth (KES 15,001 – 30,000)

10. Proposed Repayment Period: _____ Days
Interest Rate: _____ % flat per day

11. Preferred Mode of Repayment:

- MPESA
- Bank Transfer
- Cash Deposit

12. Purpose of the Loan:

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SECTION B: SECURITY & DOCUMENTARY ATTACHMENTS

Security/Collateral Offered (Tick & Describe Below):

- Title Deed
- Logbook
- Business Inventory / Valid Business Licence
- Guarantor(s)
- Personal/Group Savings
- Other: _____

Brief Description of Security Offered:

.....
.....
.....

Estimated Market Value of Security: KES _____

Mandatory Attachments (Attach copies to this form):

- National ID (Borrower)
- Proof of Business (e.g. permit, inventory, receipts, photographs)
- Passport-size Colour Photo (Recent)
- Previous Loan Statement (if reapplying)

SECTION C: GUARANTORS COMMITMENT AND LEGAL UNDERTAKING FORM

This Guarantee is executed pursuant to and in accordance with the provisions of the Law of Contract Act (Cap. 23), the Evidence Act (Cap. 80), and the applicable policies of Ubuntu Soko by ICAN ("the CBO"). It constitutes a legally binding agreement between the CBO and the undersigned Guarantor and is enforceable as such in law.

1. GUARANTOR DETAILS

FIRST GUARANTOR

Particulars	Description
Full Name of Guarantor	
National ID/Passport Number	
Date of Birth	
Mobile Number	
Email Address (if applicable)	
Physical Address (Village/Ward)	
Postal Address (if applicable)	
Relationship to the Borrower	
Are you a Member of the CBO?	<input type="checkbox"/> Yes <input type="checkbox"/> No

SECOND GUARANTOR

Particulars	Description
Full Name of Guarantor	
National ID/Passport Number	
Date of Birth	
Mobile Number	
Email Address (if applicable)	
Physical Address (Village/Ward)	
Postal Address (if applicable)	
Relationship to the Borrower	
Are you a Member of the CBO?	<input type="checkbox"/> Yes <input type="checkbox"/> No

3. GUARANTOR'S LEGAL UNDERTAKING

I, the undersigned Guarantor, being an adult of sound mind and having voluntarily consented to this undertaking, irrevocably and unconditionally commit to guarantee the full and timely repayment of the above-mentioned loan advanced by Ubuntu Soko by ICAN to the Borrower/ Loanee named above, on the terms set out herein and in the relevant Loan Agreement.

In particular, I do hereby affirm and agree as follows:

3.1 Binding Commitment

That this instrument constitutes a binding guarantee under the laws of Kenya and shall be enforceable as such by the CBO, without limitation, in the event of any default or failure by the Borrower/loanee to repay the loan or any portion thereof when due.

3.2 Joint and Several Liability

That I shall be jointly and severally liable with the Borrower/ Loanee for the entire outstanding amount, including principal, interest, penalties, enforcement costs, and any other lawful charges. The CBO shall have the right to pursue recovery from me directly, without first proceeding against the Borrower / Loanee or any pledged security.

3.3 Waiver of Defences

That I hereby waive any right to be notified of default, demand, presentment, protest, or notice of dishonour. My obligations hereunder shall not be affected by any variation, renewal, extension, or indulgence granted to the Borrower/ loanee by the CBO.

3.4 Enforcement and Recovery

That in the event of non-repayment, I expressly consent to the CBO instituting any of the following enforcement measures without further reference to me:

- a) Deduction or attachment of my savings, shares, or entitlements within the CBO;
- b) Recovery through community-based mechanisms including engagement of Chiefs, Assistant Chiefs, ward administrators, or local dispute resolution structures;
- c) Legal proceedings in the Small Claims Court, Magistrates' Courts, or any other appropriate forum;
- d) Registration in internal defaulter registers or reporting to affiliated institutions or networks.

3.5 Legal Admissibility

That this document shall be admissible in evidence in any court or tribunal as conclusive proof of my consent, obligation, and liability, in accordance with the Evidence Act (Cap. 80).

3.6 Voluntary and Informed Execution

That I have executed this Guarantee freely, voluntarily, and with full knowledge of its legal consequences. I confirm that I have had the opportunity to seek independent legal advice and that no misrepresentation, duress, or undue influence has been exercised upon me.

4. EXECUTION BY GUARANTOR

I confirm that I have read and understood the contents of this Guarantee and willingly affix my signature below as evidence of my full acceptance and commitment.

Signed by the Guarantor:

Full Name: _____

Signature: _____

Date: _____

Signed by the Guarantor:

Full Name: _____

Signature: _____

Date: _____

5. WITNESS ATTESTATION BY CBO OFFICER

I, the undersigned Officer of Ubuntu Soko by ICAN, do hereby certify that the above-named Guarantor appeared before me, was duly identified by way of original identification document, and executed this Guarantee voluntarily and without coercion.

Name of CBO Official: _____

Designation: _____

Signature: _____

Date: _____

Official CBO Stamp: _____

SECTION D: CBO REPRESENTATIVE'S VETTING CONFIRMATION

I hereby confirm that due diligence has been conducted on the applicant's character, business credibility, and collateral. Based on the supporting documentation and verification undertaken, the applicant meets the eligibility requirements of the Ubuntu Soko Initiative under ICAN's lending programme.

Name of CBO Official: _____

Designation: _____

Signature: _____

Date: _____

Official CBO Stamp: _____

Loan Amount Recommended: KES _____
Repayment Term Approved: _____ **Days**

SECTION E: LEGALLY BINDING CONSENT AND ENFORCEMENT UNDERTAKING

We, the undersigned Borrower and Guarantors, do hereby jointly and severally acknowledge and agree that the loan issued by Ubuntu Soko by ICAN is governed by the applicable laws of Kenya, including but not limited to the Law of Contract Act (Cap. 23), the Evidence Act (Cap. 80), the Data Protection Act (No. 24 of 2019), and the relevant provisions of the CBO's Constitution and Internal Lending Policy.

We further affirm the following:

1. **Binding Nature of Agreement:** That the loan application, together with this consent and the related guarantor undertakings, constitutes a legally binding contract, enforceable under Kenyan law and admissible as evidence in any judicial, administrative, or community forum.
2. **Consent to Enforcement Measures in Case of Default:** That in the event of any failure or refusal by the Borrower to honour the agreed repayment terms, the CBO shall be entitled, without further notice, to invoke the following enforcement mechanisms:
 - a) Engage relevant local or administrative authorities, including the area Chief, Assistant Chief, ward administrators, or community elders, for recovery facilitation and enforcement support;
 - b) Register the default internally and, where applicable, publicly list the defaulter in the CBO's Defaulters' Register or any federated network of affiliated groups or institutions;
 - c) Initiate internal recovery measures including but not limited to:
 - (i) Seizure or liquidation of collateral or pledged security;
 - (ii) Recovery from guarantors' savings, shares, or pledged assets, whether in part or whole;
 - (iii) Set-off against any funds held by the CBO in favour of the Borrower or Guarantor;
 - d) Where necessary, institute formal proceedings for recovery before the Small Claims Court, Magistrate's Court, or through any other legally recognized dispute resolution mechanism, including Alternative Dispute Resolution (ADR).
3. **Consent to Data Use for Recovery Purposes:** That all personal and financial data shared with the CBO for purposes of this loan application may be processed, stored, and shared exclusively for lawful and necessary purposes, including:
 - (i) Credit risk assessment;
 - (ii) Enforcement of repayment obligations;

- (iii) Reporting to local authorities or credit referencing agencies, if applicable;
- (iv) Safeguarding the CBO's financial integrity.

All data handling shall be undertaken in strict compliance with the Data Protection Act (2019), and subject to the principles of lawfulness, necessity, accuracy, and confidentiality.

- 4. **Acknowledgement of Joint and Several Liability:** That each Guarantor explicitly agrees to be jointly and severally liable with the Borrower for any outstanding amount, including accrued interest and enforcement costs, and may be called upon to satisfy the debt in the event of default, in whole or in part.
- 5. **Voluntary Execution:** That this consent is entered into freely, knowingly, and without coercion, having read and understood the contents herein and the implications thereof, including enforcement consequences upon default.

SECTION E: EXECUTION AND ATTESTATION OF LOAN AGREEMENT

The undersigned parties hereby confirm that they have read, understood, and voluntarily consented to the terms and conditions set out in this loan agreement, including the attached enforcement and guarantor provisions. This section serves as conclusive proof of the formation of a binding contract and consent to enforcement as provided under the **Law of Contract Act (Cap. 23)** and **Evidence Act (Cap. 80)**.

All signatories acknowledge that this document shall be used for any enforcement, administrative, or judicial proceedings if the Borrower fails to meet repayment obligations.

BORROWER

Name: _____

ID NO. _____

Signature: _____

Signed by the Guarantor:

Full Name: _____

Signature: _____

Date: _____

Signed by the Guarantor:

Full Name: _____

Signature: _____

Date: _____

CBO OFFICER / WITNESS

Name of Witness: _____

Designation: _____

Signature: _____

Date: _____

Official CBO Stamp: _____

CBO OFFICIAL ATTESTATION

I hereby affirm that all the parties named above executed this document in my presence, having been duly identified and made aware of their respective legal obligations under this loan agreement. I confirm that the signing was voluntary and without coercion.

Name of CBO Official: _____

Designation: _____

Signature: _____

Date: _____

Official CBO Stamp: _____

SECTION F: LOCAL ADMINISTRATION ENDORSEMENT

(To be completed by the Chief or Assistant Chief)

I confirm that the applicant is a resident of this area and is known to my office as a person of good conduct engaged in verifiable economic activity. I support this loan application and consent to be engaged, where necessary, in follow-up or enforcement in case of default.

Name: _____ Title: Chief / Assistant Chief

Location: _____ Mobile: _____

Signature: _____ Date: _____ / _____ / 20_____

Official Stamp: _____

SECTION G: POLICE VERIFICATION AND ENFORCEMENT SUPPORT

(To be completed by the Officer Commanding Station - Homa Bay Police Station)

I confirm that the Borrower and both Guarantors appeared before me for identity verification in connection with this loan agreement facilitated by ICAN. I further undertake, upon formal request from ICAN, to support lawful enforcement and recovery of funds or collateral in the event of default, and to assist in investigating any fraud, impersonation, or related misconduct.

OCS Name: _____ Rank: _____

Signature: _____ Date: _____ / _____ / 20_____

Official Police Stamp: _____

SECTION H: LEGAL CERTIFICATION - ADVOCATE OF THE HIGH COURT

I hereby certify that this agreement has been executed in conformity with applicable Kenyan laws including the Contracts Act, Evidence Act (Cap. 80), and the Oaths and Statutory Declarations Act (Cap. 15). The parties herein are legally competent and have executed this agreement voluntarily. This document is admissible in legal proceedings.

Advocate Name: _____

Signature: _____ **Date:** _____

Advocate's Stamp:

