



**HARAMBEE
SACCO**
Empowerment. Development. Security

HARAMBEE SACCO SOCIETY LTD

Harambee Plaza, Haile Selassie Avenue, Nairobi. P O. Box 47815-00100, Nairobi.
Pilot Line 0709-943000

Website: www.harambeesacco.com Email: info@harambeesacco.com

1

**LOAN / ADVANCE APPLICATION FORM
(NOT FOR SALE)**

The following terms and conditions shall apply and loan applicants are required to be familiarize themselves with the provisions of the Society's current credit policy as summarized below;

1. Loan application must be made on official loan application form which must be fully completed, appropriately signed by both the loanee and guarantors and supported with the most current two months certified payslips together with a copy of national identity card or Military ID card or passport.
2. Loans are granted in accordance with the credit policy and lending conditions existing at the time of application.
3. Any alterations made on the loan application form shall render the form invalid.
4. All applicants where applicable are required to provide their access credentials to GHRIS for pay-slip verification.
5. A member must have contributed deposits and has been active for a minimum period of two months, subject to the policy in place.
6. For members not on check-off ,regular monthly contributions will be considered for loan at the expiry of 6 months period.
7. Any amount of money deposited by a member either in cash or by cheque to boost deposits shall wait for six months before that amount can be used to secure a loan.
8. A member whose deposits contributions have fallen off the payroll but has continued repaying his/her loan(s) and needs a new loan will be required to update his/her deposits account by repaying in cash or authorize an offset from loan of an equivalent amount of the arrears.
9. Any member who clears his/her loans by cash or cheque must wait for 2 months before qualifying for a loan consideration subject to the policy in place.

10. A member must have the minimum share capital as prescribed by the Board of Directors from time to time.

4

11. The total deposits of the borrower and those of the guarantors must be equal to or more than the loan applied for.

12. Guarantors' loan and deposits must be up-to-date to be eligible.

13. Any category of outstanding loan must be cleared before a new loan of the same category is granted.

14. The interest rates on loans and advances shall be determined by the Board of Directors from time to time.

15. No member within the common bond will be permitted to suffer total deductions including savings, loan repayment and interest in excess of two-thirds of his/her basic salary or two-thirds of his/her gross pay for KDF members.

16. No member will be eligible for loan top-up unless he/she has serviced the loan for at least 6 months except top up on emergency loan, school fees loan and FOSA advances.

17. New loans will be given subject to the previous loan being regularly paid.

18. Total BOSA loans granted or owed to the society shall not exceed four times a member's deposit savings and in all cases shall be repayable within the loan's stipulated period.

19. Any member requesting for loan clearance by the Society shall be granted the loan clearance / offset FOSA facility charged oneoff interest on the loan balances to be topped-up. The interest on loan clearance / offset facility is 5% of the loan balances toppedup and shall be determined by the Board of Directors. This interest may change from time to time.

20. All external loans cleared by the Society will be charged 10% commission which might be changed from time to time as determined by the Board of Directors.

21. Any member requesting for deposit boosting will be charged 20% commission which might be changed from time to time as determined by the Board of Directors.

22. All loans shall be disbursed through member's FOSA account.

23. Any member whose loan falls into arrears beyond 90 days shall be listed with the Credit Reference Bureau (CRB).

24. In case a loan is not recovered through the payroll ,standing order or Direct Debit Order , the affected member is required pay the skipped instalment in cash , cheque or via the Society's paybill immediately to avoid interest arrears, penalty and default. Members

undertake to service their loans regularly without causing embarrassment to his/her guarantors.

25. In case of any default in loan repayment , the entire balance of the loan will immediately become due and payable at the discretion

of the Society as directed by the Credit Committee and any sums due to the member by way of deposits, interests and salary from his/her employer will be offset against the loan balance owed.

26. The member will be liable for any costs incurred in collection of the loan balance and accumulated interest.

27. For Inuka loans, Jisaidie72 loan, FOSA Salary Advance, Salary in advance loans, Jisort Advance, Finje Chap Chap and M-Boosta

loan member's salary must have been received through the FOSA account for at least two months.

28. Bima Advance must be guaranteed by deposits and the maximum loan amount is Kshs 300,000/-.

29. Business Loans : Must have a Business account at FOSA and a FOSA savings Account and must have run the account for 6 months. The loan is guaranteed by loanee & guarantors' deposits and collateral which must be valued, charged, comprehensively insured and the Society's interest noted at the loanees' cost. An application for a loan shall only be considered when the authorized loan application form is used.
30. No member shall be refunded his/her deposit unless he/she has cleared all his/her outstanding liabilities in the Society.
31. Fees and charges to cover administrative costs shall be paid by the borrower. Such fees and charges will be in accordance with prevailing SACCO tariffs.
32. A dormant member shall not be considered for any loan.
33. If a member decides to cancel his/her loan after the process has been finalized a fee of Kshs 2,000/- shall be charged.
34. That members agree to comply with the terms and conditions of the loan repayment as approved by the Society.
35. The non-adoption of the payroll deduction mode or otherwise such as standing order or Direct Debit order not going through does not in any way discharge a member from his/her obligation of ensuring that the monthly applicable deposits , sink fund and loan repayments are remitted promptly to the society. It is member's responsibility to remit each payment by the due date each month without fail.