



**GRAIN BULK SACCOS LTD,**  
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**MOMBASA (K).**  
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### **LOAN APPLICATION FORM**

**OUR REF: GBS/LAF/18**

A. I. ....

Hereby apply for a Loan of Kshs.....  
 [Amount in words].....

to be paid in ..... months installments of Kshs.....

Plus interest of 1.0 % per month on constant balances.

During deduction period my shares will be Kshs.....per month

#### **NATURE OF LOAN APPLIED**

**Emergency/ Educational/ development loan/Item Loan/ Instant (tick whichever is applicable)**

B. My particulars are as follows: -

1. Membership No..... Employee No. .... ID No. ....
2. Home Address.....
3. Employer and Address.....
4. Date of Birth: ..... Mobile No.....
5. Present Net Salary @month .....(attach latest pay slip)
6. Monthly Expenditure Kshs .....
7. Position in Employment.....
8. Terms of Service: Permanent/ Temporary /Contract /Pension able .....
9. Personal Account No .....
10. Bank & Branch .....

	Member No.	Name In Block Letters	Guaranteed Amount.	Phone Numbers	Signature
1					
2					
3					
4					
5					

We further understand that we shall be eligible for loans at the time the repayments of the loan are in default.  
 Our particulars are as follows:

**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, and loan policy and any variations by the credit Committee in respect of Section A above, I further declare that I am not a member of any other Co-operative Savings and credit society having similar objectives.**

**OUR REF: GBS/LAF/18**

**I also understand that the basic rules applicable to this application are as listed and understand the loan**

1. No person shall be a member of more than one registered cooperative savings and credit society having similar objectives [CAP 490 of Co-op Act]
2. A member is limited to two and half times the value of shares held, but subject to our internal rules and regulations
3. No member will be permitted to suffer total deduction [including Savings, loan repayment and Interest] in excess of two thirds of his/her basic salary. Interest on all loans taken shall be calculated at 1.0 %.
4. A member will be required to maintain a monthly share contribution of not less than 2/3 of his Monthly contribution made prior to his loan acquisition.
5. Outstanding loans must have been cleared before a new loan is granted.
6. Members must have been regular contributors for a period of not less than six or twelve months (subject to internal rules) within a minimum share contribution of KSh.1,500/= per month totaling to Ksh.9, 000/=.
7. Emergency loans for school fees will only be granted with a maximum repayment of 12 months. These applications must be supported by documentary evidence. Documentary evidence for school fees loans should include report forms.
8. The guarantors must be members of the Society and should not have acted as guarantors for more than five loans. Guarantors must ensure that the amount in words and figures applied for tally before they sign the form.
9. Bulk clearance of loans, is acceptable but fresh loans will be granted after six months from the date of bulk clearance.
10. Lump sum contribution for the purpose of securing loan from the society can be considered only if such money remains in the society for at least six months.
11. Default in past monthly share contributions and loan repayment will cause rejection of this application or reduction of applied amount.
12. Irrevocable instructions by the applicant should be duly signed pledging terminal benefit from the employer incase of leaving GB Sacco before repaying the society loans.
13. In case of any defaults in payments the entire balance of this loan will immediately become due and payable at the discretion of the Management Committee. All shares owned by the member and held by the member plus any interest and deposits due to the members will be set against balance owed. The member will also be liable for any costs incurred in the collection for the loan balance and accumulated interest. Any remaining balance will be deducted from the member's salary and/or terminal benefits and the employer is authorized to make all necessary deduction by authority of the member's signature appended below.
14. Normal loan application form should reach the Society's Offices on or before the 10<sup>th</sup> of the month in which the loan is required. Emergency loans should however be processed as and when they are received.

Signed [Applicant] ..... Date .....

Witnessed, Name: .....Signature ..... M/No.....

#### **REPAYMENT GUARANTEE**

We, the undersigned, acting as guarantors for the loan requested on page one of this agreement, understand and agree jointly and severally that all shares, interest and deposit with GB Sacco owed by us are hereby pledged as security for the said loan or such part of it as may be granted but not exceeding Kshs

.....

[Amount in words] in case of default in repayment by the loanee, the treasurer is hereby authorized to deduct any balance, interest and costs appertaining to aforementioned from the securities hereby pledged.

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**PURPOSE FOR WHICH LOAN IS APPLIED**

1. .... Kshs.....
2. .... Kshs .....

**SECURITY OFFERED FOR THE LOAN**

1. ....SHARES.....
2. ....GUARANTORS.....

**FOR OFFICIAL USE ONLY**

Total Shares ..... total loan outstanding.....  
Frequency loan during the year ..... amount currently requested.....  
New loans will be Kshs.....

**Eligibility calculations**

Shares ..... X ..... = ..... Member's Present  
Net Salary Ksh..... X 0.66 = .....  
Less insurance premium of Kshs.....  
Total monthly payment to society including shares and loan repayments are Kshs.....  
Must not exceed amount above. The guarantors cover the loan YES/NO.

**EXECUTIVE COMMITTEE COMMENTS**

This loan application should be acceptable/rejected for the amount of Shs..... Repayable in  
..... Installments. If rejected or amount requested, reduced reasons are: -

1. ....
2. ....
3. ....

Signed ..... Date .....

**CREDIT COMMITTEE/EXECUTIVE COMMITTEE**

We have today examined the above application in conjunction with the loan appraisals and decided as follows: -

- a) Loan approved Shs.....  
Recoverable in ..... Installments.
- b) Deferred/rejected for the following reasons .....

.....  
A cheque for the above amount should be prepared in favour of.

.....Treasurer/Account is hereby requested  
and authorized to do so.

Credit Committee Minutes No..... Date .....  
Signed ..... Member ..... Member .....