



**MUST CO-OPERATIVE SAVINGS AND  
CREDIT SOCIETY LIMITED**

**P.O BOX 972 MERU**

**Product Loan application and loan agreement form**

***IMPORTANT: This loan form must be fully completed***

**PART 1:**

I.....PF/MNO.....

ID/No.....date of birth.....

Home address.....Permanent address.....

Hereby request a loan of Ksh..... (In words).....

.....to be reduced from my salary in .....

Monthly installments of Ksh.....plus interest at one percent per month.

Terms of service (underline): Probationary/ Permanent/Temporary/contract (Delete appropriately & ***if on contract indicate the remaining period in months***).....

Employer.....Address.....

Department.....Section.....

I hereby understand the basic rules, the credit policy and commitments applicable to this application as listed below and that the loan will be granted only according to these rules:

1. Member's **total loan** will be limited to a maximum of three times a member's shares depending upon the adequacy of funds.
2. No member with less than (1/3) one-third of the qualifying income will be granted a loan.

- 4. Members must have been a contributor for a minimum period of six months and have a minimum monthly contribution of Ksh. 1500/=
- 5. Processing Fee Charges at 0.4%.
- 6. In case of any default in payment the entire balance of this loan will immediately become due and payable as per the credit policy.
- 7. The guarantors must be members of the society. (Members on contract should indicate remaining contract period in months).

**I (name).....ID. Number.....  
have read and understood the terms and conditions of this agreement.**

**Signed .....Date.....**

**PART II:**

**PAYMENT GUARANTEE**

We, the undersigned, acting as guarantors for the loan requested above on this agreement hereby accept jointly and severally liability for the repayment of the said loan or such part of it as may be granted in the event of the loanee’s default. We, understand that the amount in default interest and costs appertaining to the aforementioned loan may be governed by an offset against our shares, dividends and interests in the society or by attachment of our property or /and salary. Should the **loan guaranteed or less** not be granted this guarantee automatically becomes null-and-void.

We (**guarantors**) are members of MUST co-operative and savings and credit society employed by Meru University of Science and Technology.

1 Name..... P/ M No.....

Amount guaranteed.....Signed .....

2 Name..... P/ M No.....

Amount guaranteed.....Signed .....

3 Name..... P/MNo.....

Amount guaranteed .....Signed.....

4 Name..... P/MNo.....

Amount guaranteed .....Signed.....

5. Name..... P/MNo.....

Amount guaranteed .....Signed.....

**Part III**

**DOCUMENTATION AND APPRAISAL**

The applicant **must attach two certified latest pay slips** to this application.

**PART IV: FOR OFFICIAL USE ONLY**

**LOAN APPRAISAL AND RECOMMENDATION**

Loan number.....Date received.....  
 shares in Ksh.....Total loan outstanding Ksh.....  
 Amount currently requested Ksh.....New total loan will be Ksh.....  
 Eligible calculation Shares Ksh..... x 3= Ksh.....  
 Members present qualifying monthly income Ksh.....x 0.67 = Ksh.....  
 Total monthly deductions including payments on loan requested are Ksh.....

I, .....have checked the information contained in this form and found it to be correct. I'm therefore liable for any misrepresentation in this form.

Member Credit Committee:.....Signature.....Date.....

Amount recommended in Ksh.....Recommending officer's signature.....

**PART V: ACCEPTANCE/REJECTION**

This loan application should be accepted /rejected for the amount of Ksh.....

Payable in .....installments. if rejected of the amount requested reduced reasons are:

- 1.....
- 2.....

We have today examined the above application in conjunction with the above remarks and decided as follows:

- a) Loan approved Ksh.....Recoverable in .....monthly installments.
- b) Differed for the following reasons.....  
Date.....Credit Committee minute No.....

Signed .....Signed.....Signed.....  
**Chairman Secretary Member**

**MANAGEMENT COMMITTEE**

Taking into consideration special circumstances as agreed to the variation of the current credit policy necessary to effect a loan of Ksh.....reason.....

This decision was taken at management/executive committee meeting held on date .....  
Minute No.....

Signed .....Signed.....Signed.....  
**Chairman Secretary Treasurer**

**ADMINISTRATION**

- a) *Cheque prepared on.....by .....*  
*Cheque No.....Amount Ksh.....Amount in words.....*

Signed .....Date.....Dispatched/collected Date.....  
 Cheque collected by.....Signed.....Date.....  
**Principal monthly recovery Ksh.....Last installment due.....**

**AT COMPLETION**

The amount of this loan plus one percent interest per month was fully paid up and this agreement terminated as at: Date.....Singed .....

Book-keeper (Name).....Date.....