

# LAW SOCIETY OF KENYA SACCO SOCIETY LTD

(REGULATED N-WDT)

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## LOAN APPLICATION FORM (Fill online, print & sign)

### A. Instructions to the Applicant

- Complete part A-L of this loan application form in CAPITAL LETTERS. Any alteration MUST be countersigned. **Don't use white-out. INCOMPLETE FORMS WILL BE REJECTED.**
- Members applying for any loan must have been regular contributors for a minimum period of six months. Exemption will only be given to new members applying for Flexi-Cheti loans.
- No other loan will be issued until the existing loan is repaid in full unless it is of a different type or is being refinanced.
- Where another loan is to be issued or refinanced, the existing loan(s) should not be in arrears.
- The total loan(s) balance issued by the society at any time will not exceed three times the deposits held by the member.
- No member shall be allowed a loan of which his/her total deductions will leave him with a salary that is less than 30% of his/her basic pay.
- Loan repayment period will be as follows: -

	Loan Type	Amount (Kshs.)	Repayment Period (months)
i.	Emergency Loan	Maximum 200,000	12
ii.	Education Loan	Maximum 500,000	24
iii.	Flexi-Cheti Loan	Maximum 27,660	12
iv.	Development Loan	Up to 500,000	36
		500,001-1,000,000	48
		1,000,001-3,000,000	60
		3,000,001-5,000,000	72
		5,000,001-7,500,000	84
		7,500,001-10,000,000	96
		10,000,001-15,000,000	108
		15,000,001-35,000,000	120

- A loan must be secured by own and/or at least 2 guarantors deposits and/or real property with titles (land/house) (70% of forced sale value) and/or m/ vehicles with logbooks (up to 2000cc at 70% of forced sale value and 50% of forced sale value for vehicles above 2000CC).

LOAN NO. ....

The total guarantors' deposits or loan security together with that of the applicant's deposits must be equal or more than the loan applied for except for Flexi-Cheti loans.

- No member shall guarantee more than three loans at any given time.
- A guarantor's loan and deposit account must be up to date to be eligible to guarantee.
- No member may withdraw his/her deposits unless all loans are repaid and all loans guaranteed by him/her are cleared.
- I understand that:

- The unpaid installment (s) attracts a penalty of 10% per month,
- A 10% offsetting charge of the loan balance or deposits used whichever is lower shall be charged in case deposits are used to offset the loan, either due to default or upon member's request.
- After offset from own deposits, the Sacco will recover any outstanding balance from guarantors where they exist and I will not access any other credit facility until I save for a period of not less than 6 months or more.
- The Sacco will negatively list me with the Credit Reference Bureau(CRB).
- In the event of default on this loan account, all costs associated with the recovery of the defaulted amount, all expenses and costs will be held to my account.

- Loan fees and charges are as per the Credit Policy and as follows:

- An insurance fee of 1.5% (**Minimum Kshs. 2,000**) of the loan issued will be deducted from the loan before disbursement.
- No loan application fee.
- Monthly contribution of **Kshs.1000** for Non-advocates and Flexi-Cheti applicants and **Kshs. 2000** for Advocates or **0.20%** of the loan (**Maximum 20,000/=**) whichever is higher will be added to your monthly loan repayment.
- Interest rate is **1% per month** on a reducing balance

- Documents required:** Copies of ID card/Passport, PIN certificate, current professional practicing certificate, Loan acceptance & repayment commitment letter and two recent passport size photographs.

**NB: The above are brief excerpts of the Credit Policy and may change from time to time. For the full and currently applicable information, terms and conditions, kindly refer to the prevailing rules, by-laws, Credit policy and AGM resolutions.**

### B. Applicant's Details

Full Name: (as per ID card) .....

Member No ..... ID/Passport No: ..... P.O. Box ..... Code .....

Town ..... Tel. No: .....

Mobile No: ..... Email .....

Position in Society: Member: ☐ Committee member: ☐ Employee: ☐

Loan Type: Development: ☐ Emergency: ☐ Education: ☐ Flexi-Cheti: ☐

Amount Applied (Figures) ..... Amount in words .....

..... Repayment period (in months) .....

**C. Loan Purpose List**

LOAN NO. ....

SELECT PURPOSE OF THE LOAN			
	SECTOR		Tick Suitable loan purpose
1000	AGRICULTURE	(1100) Crop Farming	
		(1200) Animal Production	
		(1300) Agricultural supporting services	
		(1400) Agribusiness	
2000	TRADE	(2100) Wholesale and Retail	
		(2200) Transport- Purchase of motor vehicle	
		(2300) Hospitality	
		(2400) Foreign Trade	
3000	MANUFACTURING AND SERVICING INDUSTRIES	(3100) Cottage Industry	
		(3200) Servicing Industry	
		(3300) Information, Communication and Technology	
		(4100) Education and related services	
4000	EDUCATION		
5000	HUMAN HEALTH	(5100) Human health and related services	
6000	LAND AND HOUSING	(6100) Land	
		(6200) Housing	
7000	FINANCE, INVESTMENTS AND INSURANCE	(7100) Mortgage Finance	
		(7200) Insurance	
		(7300) Investments	
8000	CONSUMPTION AND SOCIAL SERVICES	(8100) Utilities	
		(8200) Consumer Durables	
		(8300) Social and communal expenses	

**D. Loan Refinance Details**Refinance: Yes ☐ No ☐*If YES State Loan(s) being refinanced below:*

Loan Type ..... Outstanding Loan Balance .....

Loan Type ..... Outstanding Loan Balance .....

Loan Type ..... Outstanding Loan Balance .....

Total Outstanding Loan(s) Balance .....

Loan Clearance fee ..... Lump sum charges if any .....

*Note: Confirm loan balance and loan clearance fee amount with the loan officer or your Customer Relationship Officer.***E. Employment/Business/Law firm**

Employer/Organization/Law firm Details .....

Station/Branch ..... Position .....

Building ..... Floor ..... Street .....

Terms of employment (temporary, permanent &amp; pensionable, contract any other) ..... If on contract, indicate expiry date of contract .....

Present Salary in Kshs:

Basic Salary:	Add: Allowances	Less: Deductions	Net Pay:
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I recommend this application and will inform the society should circumstance change or the loanee be dismissed or resign from the firm.

Name ..... Designation .....

Signature &amp; Company stamp ..... Date .....

**F. Loan Guarantors & Security Details**

LOAN NO. ....

**Loan Guarantors:**

We, the undersigned **Guarantors**, having read and understood the instructions on part A of this loan application form, authorize you to deduct any defaulted portion of the loan plus due charges from any deposit owned by us, or to cause deductions to be made from our salaries in respect of such default. The liability of the Loanee and guarantors is personal and shall extend beyond the deposits held by each of us in the Sacco in case of default.

To Be Filled By Guarantors						Official Use
Member Name	Member No.	ID. NO.	Amount Guaranteed	Mobile No & Email address	Signature	

Collateral (Please deliver original title/Logbook documents)

1. **Security Name**..... **Title/Registration No.** .....
2. **Security Name**..... **Title/Registration No.** .....
3. **Security Name**..... **Title/Registration No.** .....
4. **Security Name**..... **Title/Registration No.** .....
5. **Security Name**..... **Title/Registration No.** .....

- i. **Where security is motor vehicle**, I will keep it comprehensively insured during the loan repayment period until the loan fully paid.
- ii. **In case of default the assets placed as loan security can be sold to recover the outstanding loan amount.**

Signature .....

Date .....

**G. CRB Consent**

I confirm that I have authorized LSK SACCO Ltd to access my credit information and hereby authorize CRB(s) to mail/deliver/send my credit report to LSK Sacco Society Ltd. I release CRB Ltd and LSK Sacco Ltd and its officers, employees and agents from all claims, actions or proceedings of whatsoever nature and howsoever arising, suffered or incurred in connection with CRB Ltd sending/ delivering/ mailing my credit report to LSK Sacco Ltd.

I further confirm that, in case I default in repaying my loan, my loan defaults status and data will be shared with CRB(s) without prior written consent.

Name .....

ID .....

Signature .....

Date .....

**H. Consent to share personal Data****LOAN NO.** .....

I hereby permit LSK SACCO Ltd to;

- (i) Disclose my data and information relating to any transaction, documents, assets, business or affairs outside LSK SACCO Ltd whether such data and or information is obtained after I cease to be a member or during the subsistence of my membership
- (ii) Share my personal data and/ or information with CRBs, SASRA and any other relevant bodies/institutions and/or persons. LSK SACCO Ltd shares all loans details with CRBs and SASRA.
- (iii) All non-performing loans will be shared and listed with CRBs as defaulted loans and also the list of loans in default shall be shared with members at the AGMs.

**Name** .....**ID** .....**Signature** .....**Date** .....**I. Loan repayment****Preferred mode of loan repayment****Direct Debit:** ☐**Standing Order:** ☐**Check-Off:** ☐**Post-dated Cheques:** ☐**Note:**

- i. If you select direct debit, then you must fill a direct debit form and submit it together with your loan application form.
- ii. Standing order instructions received and stamped by your bank should be submitted before disbursement of the loan.
- iii. Checkoff instructions will be sent directly to your employer immediately the loan is disbursed.
- iv. Posted dated Cheques must be presented before disbursement of the loan.

**Signature** .....**Date** .....**J. Loan disbursement**

I authorize the Sacco to disburse my loan funds as follows:

**1. Flexi-Cheti Loans are paid directly to Law Society of Kenya 2. Payment to a third party must have supporting documents**Preferred mode of disbursement: **RTGS:** ☐ (**RTGS Charges Kshs.600**) or **CHEQUE:** ☐**PAYEE ACCOUNT NAME (CAPITAL LETTERS)** .....**ACCOUNT NUMBER:** .....**BANK** .....**BRANCH** .....**Any other disbursement instructions or details:** .....

.....

**Signature** .....**Date** .....**K. Declaration**

I hereby declare that the information given above is true to the best of my knowledge and belief. I agree to abide by the By-laws of the society, rules and the loaning policy. I declare that I have understood the instructions on the first page of this application form.

**Signature of applicant** .....**Date** .....**L. Witness (Must be an LSK Sacco member)****Full Name** .....**ID No.** .....**Member Number** .....**Mobile No.** .....**Signature & Date** .....

**FOR OFFICIAL USE****LOAN NO.** .....**L. Loan Appraisal & Recommendation****Loans Officer's Appraisal**

Total Deposits ..... Maximum Loan .....

Existing Loan(s) repayment is up to date **Yes** ☐ **No** ☐

Comments.....

I confirm that I have verified the applicant's personal &amp; employment details.

Other comments .....

Appraised by..... Signature ..... Date .....

**Loans Manager**

I confirm that I have verified the information given in this form. CRB rating is

I confirm that the applicant is/is not within the rules of the society. If not, give reasons.....

.....

Name..... Signature ..... Date.....

**C.E.O**

This application should be accepted or rejected for the amount of Kshs. .... Repayable in .....

Monthly installments.

**Comments:** .....

If rejected or the amount and terms required differ from the recommended, Give reasons .....

.....

**Name**..... **Signature**..... **Date**.....**M. Credit Committee Approval**

During the credit committee meeting held on ..... it was resolved that this application be,

i. Approved for Kshs. .... amount in words .....

..... Recoverable in.....monthly installments.

ii. Deferred because .....

iii. Rejected because .....

Any other comments .....

.....

**Approved by:****Chairman** ..... **Secretary** ..... **Member** .....**Date** ..... **Date** ..... **Date** .....**N. Loan Disbursement**

Application received on ..... Loan Disbursed on .....

Cheque No. .... Dated ..... Batch No. ....

Repayment start Date ..... minimum monthly installment of Kshs. .... monthly.

**Posted by:** ..... **Confirmed by:** .....**Date:** ..... **Date:** .....

*Name:* .....

*Member No. LS-*.....

*Signature.*.....