

SERE SELF HELP GROUP
P.O. Box 8437, ELDORET

LOAN GRANTING CONDITIONS

1. To qualify for a loan, a member must be at least six months in the Group and with shares amounting to not less than Kshs 3,000/=.
2. All loans shall be given for worthy purposes.
3. Maximum repayment period is 12 months.
4. Total loan is restricted to twice the member's shares.
5. All loans must be guaranteed by guarantor(s) whose shares must be equal to the difference between the loan and the applicant's shares.
6. Any of the guarantor(s) must not have guaranteed more than two loans whose outstanding balances are still more than the loanee's shares. That is, guarantor's obligation ceases when the loan balance equals shares of the loanee.
7. No loan shall be given to a member who has stopped repaying for an outstanding loan.
8. All loan applications must be accompanied by originals and copies of pay slips of the previous two months; the originals will be returned to the member immediately after verification.
9. No member shall be allowed to pay for loan repayment and interest in excess of 2/3 of his/her net pay.
10. Any amount of savings not through check-off system shall remain in the Group for a period of six months before qualifying for any loan.
11. Any amount of savings through check-off system in excess of 4/3 of the contribution of the previous month shall remain in the Group for a period of six months before qualifying for any loan.
12. Duly completed loan application forms should reach the Chairman, Short-term Investments Subcommittee on or before 15th of the month for which the loan is required.

LOAN APPLICATION FORM

(Complete sections A to C only)

(A) Personal Information

Member's full name Age years
 ID No. PF. No. Mobile No.
 Permanent home physical address
 Designation Department Campus
 Name of Bank Branch A/C. No.

(B) Loan details

Loan amount Kshs (in words)
 Repayment period months starting from month year

Purpose of loan

1. Kshs
 2. Kshs
 3. Kshs
Total Kshs _____

Applicant's signature Date
 Witness Name PF No. Mobile No.
 Signature Date

(C) Payment guarantee

Name of guarantor	PF No.	SERE No.	Shares	Signature	Date
1.					
2.					
3.					

(D) For Official Use Only

Total outstanding loan Kshs Total shares Kshs

Shares of guarantors Kshs Net pay Kshs

Eligibility: Shares x 2 = Kshs Net pay x 2/3 = Kshs

Loan requested Kshs Interest (= 20% of requested) = Kshs

Total to be repaid (= outstanding + requested + interest of requested) Kshs

Repayment period (months)..... Monthly repayment (Kshs):

Done by: Name _____ Position _____ Sign _____ Date _____

(E) Short-term Investment Sub-committee

Loan amount approved Kshs Cheque No.

Loan rejected for the following reason

- (i) Stopped paying outstanding loan (Last payment received in
- (ii) Incomplete information
- (iii) Less than six months or less than Kshs 3,000/= shares
- (iv) Insufficient funds
- (v) Negative eligibility calculations/ability to repay
- (vi) Not guaranteed
- (vii) Not worthy purpose
- (viii) Others

Short-term Investment Sub-committee minutes No. Date

Designation	Name	Signatures	Date
Chairman
Member
Member