



EMPAWA SACCO LOAN POLICY 2019

Policy

A member must have completed at least 3 months and contributed Share Capital (Not Less than - **Individual KES 2,500; Corporate and Groups KES 20,000**) and attributed to a minimum savings of **KES 1000** for 3 consecutive months on application. Dormant accounts DO Not qualify for loans.

The first security to any loan applied is member savings.

All loan forms must be submitted to the office for approval by the credit committee set to take place on every mid and end of every month or any other time as convened by Executive Committee depending on volume of application.

A member who withdraws from the society and rejoins later will be treated as a new member for the purpose of the loan policy.

Savings contributions paid in lump sum for the purpose of securing a loan must remain in the Sacco for at least 3 months. Or as guided by the Credit Committee.

All loans must be within the entitlement where by the extra amount on top of the savings must be fully guaranteed

A member is allowed to have more than **one loan** provided they are all within the entitlement Other Regulations.

The total loan granted by the society will not exceed **three (3)** times the current member deposit or otherwise approved by Credit Committee.

A loan applicant must have completed three (3) calendar months membership. Or as guided by the Credit Committee.

Our loan repayment period is as specified in each loan product.

All loans must be guaranteed by a minimum of two eligible guarantors. The loanees and the guarantors' shares must fully cover the loan applied for.



No member will be a guarantor for more than **three loans** at any given time.

No guarantor will be allowed to resign from the Society unless he/she finds another member to take his/her place as guarantor.

All guarantors must attach photocopies of their National ID cards and Sign Personal Guarantee against the loan.

The total number of loans a member can apply will not exceed three times and every loan will be subject to member's ability to repay.

All loans must be repaid within the period given failure to which there will be a charged interest of 1% per day on extension and this will only cover up to one year

Our Products

1 Loan Products

- a) Business expansion loans
- b) Asset finance
- c) School fees loan
- d) Emergency loan
- e) Holiday loan
- f) Development loan
- g) Chap Chap loan
- h) Groups and Corporate Member Loans.

2. Non-Withdrawable Savings Schemes

- a) Normal Savings
- b) Project Savings
- c) Investment Savings
- d) School-Fees Savings