



USALAMA COOPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

CREDIT POLICY (REVISED 2022)

Address:

Usalama SACCO Ltd

Plot 4B Acacia Avenue

P.O BOX 26800, Kampala

Website: www.usalamasaccoug.com

Tel: 0414271349

Email: saccousalama@yahoo.com

APPROVAL:

This Credit Policy was revised and approved by the Board Committee Meeting held on the _____ day of _____ 2023

BOARD CHAIRMAN

BOARD SECRETARY

LIST OF ACRONYMS

AGM	Annual General Meeting
ISO	Internal Security Organization
LPG	Lending Policies and Guidelines
SACCO	Savings and Credit Society
GISO	Gombolola Internal Security Officer

ARRANGEMENT OF CLAUSES

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CREDIT POLICY FOR USALAMA COOPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

These Lending Policies and Guidelines (LPG) were revised and approved by members of Usalama SACCO at their Annual General Meeting (AGM) held on 10th June 2022. The LPGs shall be used and strictly complied with in all lending operations by the SACCO. Anyone who is in the service of the SACCO and purports to process any loans without following the provisions of these LPGs shall be personally liable for any loss suffered by the SACCO arising out of such loans. In addition, disciplinary action shall be taken against the responsible officer or leader. In its lending operations, Usalama SACCO will be guided by the principle of “zero tolerance to loan defaults”.

1. Eligibility of borrowers

- (1) Eligible borrowers of the SACCO shall be fully paid up shareholders operating an active savings account.
- (2) The shareholders may be individuals or groups of individuals.
- (3) Eligible loan applicants shall not be defaulters on any outstanding loans or guarantors for defaulting borrowers.
- (4) Have a minimum of ten shares each fifty thousand shillings totaling to five hundred thousand shillings.
- (5) A top up loan shall be considered after a borrower has serviced at least fifty percent of the current loan.
- (6) For a member on contract with Internal Security Organisation, there is need to present a valid contract document as proof of engagement or authorization by Internal Security Organisation regarding grant of a loan.
- (7) Regarding retirees, they must have maintained their membership with the SACCO and have issued a standing order from a particular bank to service any loan acquired from the SACCO.

2. Loan requirements

- (1) The following shall be the requirements for salary and motor vehicle loans—
 - (a) Filling of loan application form;
 - (b) Full membership;
 - (c) Letter of undertaking from Internal Security Organisation;
 - (d) Recent month's pay-slips from Internal Security Organisation;
 - (e) Guarantor who is a member of Usalama but not a member of Management or Board;
 - (f) Three months' bank statement; and
 - (g) Share capital of ratio one to ten
- (2) The following shall be the requirements for school fees, swift and motorcycle loans—
 - (a) Filling of loan application form;

- (b) Full Membership;
 - (c) Recent three month's bank statement;
 - (d) Most recent pay slip from ISO;
 - (e) Guarantor who is a member_of Usalama but not a member of the Management or Board; and
 - (f) Pay-slip not applicable to Gombolola Internal Security Officers, retirees and members on contract.
- (3) For officers or employees of Internal Security Organisation on contract, the following shall be the requirements—
- (a) Valid contract agreement from Internal Security Organisation;
 - (b) Loan amount shall be given in respect to what a member can service within his or her contractual time period; and
 - (c) With similar requirements as in salary, motor vehicle/cycle, swift and school fees loans above.
- (4) For officers or employees of Internal Security Organisation nearing retirement age, the SACCO shall give—
- (a) A short term loan amount, where applicable, equal to total amount of the staff saving scheme, share capital and savings for that specific period.
 - (b) A loan to Internal Security Organisation staff nearing retirement with a repayment period not beyond the mandatory retirement age of sixty years.
 - (c) For avoidance of doubt, a long term loan not exceeding fifty percent of total savings and share capital for a period not exceeding two years
- (5) Retired officers or employees of Internal Security Organisation who have remained active members of the SACCO may apply for loans payable in a period not exceeding three years upon fulfilling the following guidelines—
- (i) He or she must maintain his/her monthly savings obligation.
 - (ii) He or she must issue a standing order for the loan installment.
 - (iii) He or she must have maximum loan applied for should not exceed total share capital and savings with the SACCO.
- (6) Group/institutional members of the SACCO may apply for loans with the following guidelines—
- (a) The group/institution intending to borrow from the SACCO shall always submit a copy of their resolution/commitment letter to borrow.
 - (b) Individual members of the group/Institution intending to borrow must be credit worthy.
 - (c) The loan application form shall have two guarantors—chairman/accounting officer, treasurer/director/head finance and the group secretary or any other member on the executive of the borrowing group/institution.
 - (d) The Principal applicant shall be the Accounting Officer of the borrowing group/institution.

- (e) All the three signatories of the borrowing group/institution with an account in the SACCO will be held liable in case of any default.
 - (f) The signatories of the group/institution must have an active account with the SACCO and with mandatory shares.
 - (g) The group/Institution must fulfill all terms and conditions applied to individual loan applicants in the SACCO.
 - (h) The loan shall attract ten percent interest on monthly basis of the total amount borrowed by the group on the flat rate.
 - (i) The maximum repayment period of the loan shall be twelve months for group and three months for institutions.
 - (j) The institution wishing to borrow shall express interest in writing or fill a loan application form to the chairman Credit Committee of the SACCO.
- (7) Where a loan applicant has not been approved, he or she or the chairman, in case the applicant is a group, may appeal to the Board.

3. Period of membership

Any shareholder wishing to apply for a loan from the SACCO must have been a member for at least four months. This is in addition to being a fully paid up member with at least ten shares

4. Savings account

A loan applicant must have an active savings account which has been in operation for at least four months.

5. Loan size

The maximum loan size that can be extended to any borrower shall be determined using a combination of the following—

- a) The ratio of the borrower's share capital to the loan shall be one to ten.
- b) In addition to (a) above, the loan size shall not exceed sixty million shillings unless the Board deems it fit to revise the loan size-
- c) The borrower's loan size shall not exceed ten percent of the total assets of the SACCO.
- d) Schools fees and swift loans shall not exceed six million shillings and five million shillings respectively while motorcycle loan shall not exceed twelve million shillings.

6. Loan repayment period

To enable many members to access the SACCO's credit facilities, the maximum salary loan period shall be—

- (a) sixty months for salary and motor vehicle loans
- (b) twenty four months for motor cycle loans

- (c) six months for school fees and swift loans
- (d) twelve months group loans

7. Loan repayment installments

- (a) The salary and motor vehicle loan extended by the SACCO shall be paid in a maximum of sixty equal monthly installments from the date of disbursement.
- (b) In case a member intends to clear a loan before expiry of the loan period, he or she will pay the following;
 - (i) All principal on borrowed amount.
 - (ii) Interest due (accrued) for that period.

8. Interest on loans

- (a) Interest on loans shall vary according to the product.
- (b) Interests shall be charged on equal installment (amortization).
- (c) Interest shall be paid monthly together with the principal loan installment. The lending (interest) rates shall be regularly reviewed by the Loans Committee to bring them in line with economic changes (inflation, cost of capital, operational costs, risks) associated with enterprises/activities to be financed and competition which may have taken place in the area.

The different Loan products and their corresponding terms are as listed below

Loan product	Maximum loan amounts	Maximum payment period	Monthly interest rate	Interest method
Salary	Shs. 60,000,000	60 months	1%	Amortized
Motor vehicle	Shs. 60,000,000	60 months	1.167%	Amortized
Motorcycle	Shs. 12,000,000	24 months	1.167%	Amortized
School Fees	Shs. 6,000,000	06 months	1.25%	Amortized
Swift Loan	Shs. 6,000,000	06 months	2%	Amortized
Group loan	Shs. 60,000,000	12 months	1.167%	Amortized

9. Other lending fees

- (1) In addition to paying interest on loans, borrowers shall also pay the following—
 - (a) A loan processing and documentation fee of 0.55% of the approved loan before it is disbursed.
 - (b) Insurance fee of one percent of the approved amount.

10. Penalties on delayed or late loan repayments

Delayed or late repayments shall attract a penalty fee of ten percent per month on all amounts overdue on a compound rate basis. This shall be on top of the interest rate charged per month.

11. Accessing loans

- (1) All loans from the SACCO shall be accessed by a written application made on the SACCO's prescribed loan application form, physically or online.
- (2) The loans shall be applicable to any viable socio-economic activity that is legally and ethically acceptable in the applicant's community.

12. Security for the loan

Security for all SACCO loans shall be—

- (a) Member's share capital
- (b) Member's savings
- (c) Letter of undertaking by the employer (Internal Security Organisation)
- (d) In case of a group applying for a loan in the SACCO, the group's property shall be pledged as security, and where the group has no property, members accounts shall be attached.
- (e) Any other collateral as may be determined by the Credit Committee.

13. Guarantors and endorsements to any loan application form

- (1) Every loan applicant must provide at least one guarantor. The persons proposed to be the borrower's guarantor must—
 - (a) be a member of the SACCO;
 - (b) have a good track record in regard to paying their own loans;
 - (c) not be guarantors of another outstanding loan which is in default;
 - (d) not be a spouse of the borrower;
 - (e) not be a guarantor of more than four running loans;
 - (f) have capacity to repay the loan;
 - (g) have a close relationship with the borrower; and
 - (h) be of sound mind and adults.
- (2) In the event of the borrower failing to honor his or her loan obligations, the guarantor shall—
 - (a) exert pressure to the borrower to repay the loan.
 - (b) repay the loan himself or herself where the borrower is unable to pay, and
- (3) In fulfilling the obligation in (2)(a) above, the guarantor shall forfeit his or her share capital as well as saving deposits in the society.
- (4) Guaranteeing may be by—
 - (a) a member signing on the applicant's loan application form or

- (b) the guarantor providing a recommendation letter to the applicant in which case, a photocopy of the guarantor's valid identification card which is duly signed should be attached to the recommendation letter.

14. Loan process

The Loans Officer shall be charged with the duty of—

- (a) receiving the loan applications and educating the loan applicants on the loan process and requirements.
- (b) ensuring that the application forms are complete with bank statements, Salary pay slips, letter of undertaking from the employer,
- (c) forwarding the list to Internal Security Organisation for verifications.
- (d) forwarding the list of loan applicants to the Credit Committee for approval.

15. Approval of loan applications

- (1) The Credit Committee shall be the only authority of the SACCO to approve or reject any loan application.
- (2) The approval or rejection shall be in writing as provided for in the application form.
- (3) The approval of the loan shall be granted after the Credit Committee has checked and satisfied itself in respect of the following—
 - (a) character of the applicant
 - (b) credit history of the applicant
 - (c) the borrower's capacity to utilize and repay the loan
 - (d) the applicants own capital contribution to the proposed business/activity
 - (e) the adequacy of the collateral/security being offered
 - (f) characteristics of the loan for example purpose, amount, source of repayment, time or duration of the business cycle, risks associated with the business or activity to be financed.
- (4) The members who constitute the Credit Committee shall act together, and none of its members or Chairperson shall approve any loan application single handedly.

16. Training of shareholders

The SACCO shall, on a regular basis, conduct training programs for shareholders in the SACCO's savings and credit operations, the SACCO's governance, entrepreneurial skills, saving culture and loan management and obligations of borrowers to repay the loans.

17. Loan documentation

- (1) A binding loan agreement enforceable by the courts of law shall be entered into between the SACCO and borrower(s).

- (2) The loan agreement shall be signed by the borrower or member authorized by the borrower in writing and counter signed by the Chief Executive Officer and credit officer.

18. Loan repayment schedule

- (1) A loan repayment schedule shall be prepared in duplicate and the borrower shall be given a copy for information and record.
- (2) The schedule shall show—
- (a) Names of the borrower;
 - (b) Principal loan sum;
 - (c) Interest payable on the loan;
 - (d) Total amount due (full loan); and
 - (e) Due dates and size of installments.
- (3) When loan repayments commence, the schedule shall be completed to show—
- (a) Actual dates of repayment;
 - (b) Actual amounts paid;
 - (c) Amount overdue; and
 - (d) A Penalty on delayed or late payments of ten percent on all loan products

19. Disbursement and repayment of the loans

- (1) Loans shall be disbursed by issuance of a cheque to the borrower or by cash payment at the SACCO as may be deemed suitable by Management/Board.
- (2) Before a loan is disbursed to the borrower, the following shall be offset—
- (i) Any outstanding loan balance
 - (ii) Share capital top up, if any
 - (iii) Insurance fee
 - (iv) Processing fees
 - (v) Stamp duty, where applicable.
- (3) On disbursement, the client is issued with the following—
- (i) Loan repayment schedule
 - (ii) Copy of the loan agreement, fully signed and stamped.

20. Loan processing cycle

The credit officer shall inform applicants about the status of their loan applications as soon as the Credit Committee approves, defers or rejects their applications.

21. Loan monitoring and follow up

The Credit Committee where applicable shall carry out regular visits to borrowers for the following purposes—

- (i) to ensure that the loan funds are used for the intended purposes and any diversion of the loan funds shall be a ground for cancellation of the loan and its immediate recalling.
- (ii) providing technical support to the borrowers in their needful areas.
- (iii) delivering loan repayment reminders plus any other information.

22. Borrower–SACCO relationship

- (1) The borrowers must maintain a healthy relationship with the SACCO during the term of their loans repayment. This shall be through regular contacts and discussions. The SACCO shall also endeavor to ensure that in its quest for full loan recovery, profit and sustainability, due regard will be made to the borrower's business profitability and sustainability interests.
- (2) Borrowers with any specific problem regarding the repayment of loans should always liaise with the SACCO's Credit Committee for advice and technical support.

23. Handling loans in default

- (1) A loan is late or in default if it is not paid on its due date that is, one day or several days past that due date.
- (2) In case any borrower is in default on loan repayments, the following steps shall immediately be taken to recover the amounts in default—
 - (a) Seven days to the due date, the borrower will have been reminded about the installment that is falling due and the Credit Committee may visit the borrower one day after due date if resources allow.
 - (b) Within seven days after default, the Credit Committee shall visit and discuss with the borrower and the guarantors the problem of the defaulted loan repayments.
 - (c) The loans officer shall keep a record of the discussions held and the borrower, loan guarantor and Credit committee shall all sign the minutes of the discussions.
 - (d) In spite of the understanding reached with the Credit Committee, if the payment is not received within seven days, the borrower shall together with the loan guarantors be summoned to a meeting with Credit Committee members. The matter of defaulting on loan repayments and its consequences shall be discussed and a period of another seven days given to clear the amounts overdue.
 - (e) If the borrower does not pay within the given seven days, the Chairperson Credit Committee shall serve him or her a notice of loan recall.
 - (f) The notice shall be copied to the loan guarantors and employer.
 - (g) The notice shall also spell out the following actions which are to be taken immediately—

- (i) Attaching the balance on his or her savings account, share capital and dividends to settle the loan default.
- (ii) Attaching the loan guarantors' savings and share capital account balances.
- (iii) All loan defaults will attract a penalty of ten percent per month.
- (iv) The SACCO prohibits the client from withdrawing any money from the client's accounts in the SACCO where he or she is in arrears to the SACCO or has failed to pay.
- (h) Names of the defaulting borrowers shall be displayed on the Society's Notice Board or any other public place where the SACCO normally displays notices.

24. Provision for bad and doubtful loans

- (1) It is prudential to assume that some of the SACCO's outstanding loans may not be repaid in spite of the precautions taken by the SACCO's management and leadership. It is therefore necessary that the Board makes provisions (out of its operating income) against the possibility of bad and doubtful loans.
- (2) Objective classification of bad and doubtful loans and making provisions for them shall be made using the rates in the table below.

Provisioning for bad and doubtful loans

Classification (No. of days overdue)	Provisioning (Rate to be applied to the loan with any amount that is overdue while making provisions)
1 – 30 days	5%
31 - 60 days	10%
61 – 90 days	15%
91 – 120 days	20%
121 – 180 days	85%
181 days and above	100%

- (3) Management shall keep a loan ageing record for all loans overdue, which will be used in the making of the provisions for bad and doubtful loans. The format of the loan ageing schedule is shown in the above table.
- (4) Loans which are over due by 180 days should be written off as shown in the above table.
- (5) It shall be the duty of the SACCO to set aside an expense or allowance to cater for situations including but not limited to totally unpaid loans and loans paid partially.

25. Loans records

In addition to the borrower's loan repayment schedule, the SACCO shall maintain auditable loan records, which shall among others show the following information—

- (a) Names of borrowers

- (b) Amounts lent out and expected interest thereon
- (c) Dates of loan disbursements
- (d) Amounts due (by end of month)
- (e) Amounts repaid on a monthly basis
- (f) Loan balance outstanding
- (g) Amounts in default (Principal and interest)
- (h) Portfolio at Risk (Days overdue for principal and interest)

Appendices

Appendix I: Salary Loan Form



USALAMA CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED

REGISTRATION NO: 6996

P.O. Box 26800, KAMPALA

E-mail: saccousalama@yahoo.com

Tel/ Fax: 0414271349

SALARY LOAN APPLICATION FORM

Date:

Voucher No:

LOAN ID NO:

DATE BANKED:

PART A: BY APPLICANT

1. PERSONAL PARTICULARS

Name :	Date of Birth:
Deployment:	Monthly pay:
Telephone:	Monthly savings:
Usalama Account No:	E-mail:

2. ATTACHMENTS

- (i) Letter Of Undertaking From The Employer (ISO)
- (ii) Salary Pay Slip (**most recent one month**)
- (iii) Bank statement from where salary is deposited(**most recent three months**)

3. LOAN DETAILS

Amount of Loan requested for:
Period of repayment:
Purpose of the loan:

4. GUARANTOR (You must have an obligation and capacity to repay the loan and interest in case the borrower defaults)

NAME (Surname first)	Signature	Usalama Account number

5. FINANCIAL STATUS (to be verified by finance Department-ISO)

S/No.	Name of institution	Date when loan was obtained	Monthly installment
I			
II			
III			
IV			

Ihereby confirm that the information submitted is correct to the best of my knowledge.

Signature of applicant: **Date:**

PART B: FINANCE DEPARTMENT (ISO)

Remarks:

.....

Name: **Signature**..... **Date:**

PART C: LOANS OFFICER

6. BORROWER'S FINANCIAL DATA

- a) Regular Savings balance: UGX
- b) Retirement Fund: UGX.....
- c) Share Capital: UGX.....
- d) Outstanding Loan and interest balance: UGX.....
- e) Maximum Loan: UGX.....

Loan Appraisal Remarks:

.....

Name..... **Signature**..... **Date:**

PART D: LOANS COMMITTEE

7. LOAN APPROVAL

- i. Action Taken (tick): Approved Deferred Rejected

ii. If Approved, Amount: UGX.....

iii. Comment:.....
.....
.....
.....

iv. Name: Signature..... Date:

PART E: UNDERTAKING BY THE BORROWER

LESS:

- (i) Outstanding Loan & interest balance: UGX.....
- (ii) Outstanding share capital UGX.....
- (iii) 0.55 % Loan processing fee: UGX
- (iv) 1% Insurance fee: UGX.....
- (v) 10,000/ stamp duty (loans above three million).....

Net Cash Received on Cheque

.....

Loan repayment period:

.....

Loan interest payable.....

.....
Total Repayment Amount (Loan + Interest):

.....
Monthly repayment installment:

.....

Thank you for patronizing our SACCO!

Appendix II: Motor Vehicle Loan Form



USALAMA CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED

REGISTRATION NO: 6996
E-mail: saccousalama@yahoo.com

P.O. Box 26800, KAMPALA
Tel/ Fax: 0414271349

MOTOR VEHICLE/CYCLE LOAN

Date:
LOAN ID NO:

Voucher No:
DATE BANKED:

PART A: BY APPLICANT

1. PERSONAL PARTICULARS

Name :	Date of Birth:
Deployment:	Monthly pay:
Telephone:	Monthly savings:
Usalama Account No:	E-mail:

2. ATTACHMENTS

- (i) Letter of Undertaking from the Employer (ISO)
- (ii) Salary Pay Slip (**most recent one month**)
- (iii) Bank statement from where salary is deposited (**most recent three months**)

3. LOAN DETAILS

Amount of Loan requested for:
Period of repayment:
Purpose of the loan:

4. GUARANTOR (You must have an obligation and capacity to repay the loan and interest in case the borrower defaults)

NAME (Surname first)	Signature	Usalama Account number

5. FINANCIAL STATUS (to be verified by finance Department-ISO)

S/No.	Name of institution	Date when loan was obtained	Monthly installment
<i>I</i>			
<i>II</i>			
<i>III</i>			
<i>IV</i>			

Ihereby confirm that the information submitted is correct to the best of my knowledge.

Signature of applicant: **Date:**

PART B: FINANCE DEPARTMENT (ISO)

Remarks:

.....

Name: **Signature**..... **Date:**

PART C: LOANS OFFICER

6. BORROWER'S FINANCIAL DATA

- (a) Regular Savings balance: UGX
-
- (b) Retirement Fund: UGX
-
- (c) Share Capital: UGX.....
-
- (d) Outstanding Loan and interest balance: UGX.....
-
- (e) Maximum Loan: UGX.....
-

Loan Appraisal Remarks:

.....

Name..... **Signature**..... **Date:**

PART D: LOANS COMMITTEE

(f) LOAN APPROVAL

(i) Action Taken (tick): Approved Deferred Rejected

(ii) If Approved, Amount: UGX.....

(iv) Comment:.....
.....
.....

(v) Name: Signature..... Date:

PART E: UNDERTAKING BY THE BORROWER

LESS:

(i) Outstanding Loan & interest balance: UGX.....
.....

(ii) Outstanding share capital UGX.....
.....

(iv) 0.55 % Loan processing fee: UGX.....
.....

(v) 1% Insurance fee: UGX.....
.....

(vi) 10,000/ stamp duty (loans above three million).....

Net Cash Received on Cheque

Loan repayment period:

Loan interest payable.....

Total Repayment Amount (Loan + Interest):
.....

Monthly repayment installment:
.....

Thank you for patronizing our SACCO!

Appendix III: Swift Loan Foam



USALAMA CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED

REGISTRATION NO: 6996

P.O. Box 26800, KAMPALA

E-mail: saccousalama@yahoo.com

Tel/ Fax: 0414271349

SWIFT LOAN APPLICATION FORM

Date:
 LOAN ID NO:

Voucher No:
 DATE BANKED:

PART A: BY APPLICANT

1. PERSONAL PARTICULARS

Name :	Date of Birth:
Deployment:	Monthly pay:
Telephone:	Monthly savings:
Usalama Account No:	E-mail:

2. ATTACHMENTS

- (i) Salary Pay Slip (**most recent one month**)
- (ii) Bank statement from where salary is deposited(**most recent three months**)

3. LOAN DETAILS

Amount of Loan requested for:
Period of repayment:
Purpose of the loan:
Terms: a. Interest is calculated at 2% per month b. Maximum loan is Five(5) Million and c. Maximum period is Six (6) Months

4. GUARANTOR (You must have an obligation and capacity to repay the loan and interest in case the borrower defaults)

NAME (Surname first)	Signature	Usalama Account number

Ihereby confirm that the information submitted is correct to the best of my knowledge.
Signature of applicant: Date:

PART B: LOANS OFFICER

5. BORROWER’S FINANCIAL DATA

- (a) Regular Savings balance: UGX
-
- (b) Retirement Fund: UGX.....
-
- (c) Share Capital: UGX.....
-
- (d) Outstanding Loan and interest balance: UGX.....
-
- (e) Maximum Loan: UGX.....
-

Loan Appraisal Remarks:

.....
.....
.....

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

PART C: LOANS COMMITTEE

6. LOAN APPROVAL

(i) Action Taken (tick): Approved De Re

(ii) If Approved, Amount: UGX.....

(iii)Comment:.....
.....
.....

(iv) **Name:** **Signature**.....

Date:

PART E: UNDERTAKING BY THE BORROWER

Loan Amount Approved: UGX..... (In words).....
.....

LESS:

- (i) Outstanding Loan & interest balance: UGX.....
-
- (ii) Outstanding Share Capital UGX.....
- (iii) 0.5 % Loan processing fee: UGX.....
-
- (iv) 1% Insurance fee: UGX.....
- (v) 10,000/ stamp duty (loans above three million).....
-

Net Cash Received

.....

Loan repayment period:

Loan interest payable.....

Total Repayment Amount (Loan + Interest):

Monthly repayment installment:

..

Signature of Recipient.....Date:

Thank you for patronizing our SACCO!

Appendix IV: School Fees Loan Form



USALAMA CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED

REGISTRATION NO: 6996

P.O. Box 26800, KAMPALA

E-mail: saccousalama@yahoo.com

Tel/ Fax: 0414271349

SCHOOL FEES LOAN APPLICATION

Date:

Voucher No:

LOAN ID NO:

DATE BANKED:

PART A: BY APPLICANT

1. PERSONAL PARTICULARS

Name :	Date of Birth:
Deployment:	Monthly pay:
Telephone:	Monthly savings:
Usalama Account No:	E-mail:

2. ATTACHMENTS

- (i) Salary Pay Slip (**most recent one month**)
- (ii) Bank statement from where salary is deposited(**most recent three months**)

3. LOAN DETAILS

Amount of Loan requested for:
Period of repayment:
Purpose of the loan:
Terms: a. Interest is 1.25% per month b. Maximum loan is 6,000,000/= c. Maximum repayment period is 06 months

4. GUARANTOR (You must have an obligation and capacity to repay the loan and interest in case the borrower defaults)

NAME (Surname first)	Usalama Account number	Signature

5. DETAILS OF THE BENEFICIARIES (STUDENTS)

- (1) (i) Name of student
- (ii) Name of School/Institution.....
- (iii) School/Institution A/C NO.....
- (iv) Name of the Bank.....Branch.....

- (2) Name of student
- (ii) Name of School/Institution.....
- (iii) School/Institution A/C NO.....
- (iv)Name of the Bank.....Branch.....

Ihereby confirm that the information submitted is correct to the best of my knowledge.

Signature of applicant: **Date:**

PART B: LOANS OFFICER

6. BORROWER’S FINANCIAL DATA

- (i) Regular Savings balance: UGX
- (iii) Retirement Fund: UGX.....
- (iv) Share Capital: UGX.....
- (v) Outstanding Loan and interest balance: UGX.....
- (vi) Maximum Loan: UGX.....

Loan Appraisal Remarks:

.....
.....
.....

Name.....**Signature**..... **Date:**

PART C: LOANS COMMITTEE

7. LOAN APPROVAL

(i) Action Taken (tick): Approved Deferred Rejected

(ii) If Approved, Amount: UGX.....

(iii) Comment:.....
.....
.....

Name: **Signature**.....**Date:**

PART D: UNDERTAKING BY THE BORROWER

Loan Amount Approved: UGX.....(In words)

LESS:

(i) Outstanding Loan & interest balance: UGX.....

(ii) Outstanding share capital UGX.....

(iii) 0.5 % Loan processing fee: UGX.....

(iv) 1% Insurance fee: UGX.....

v) 10,000/ stamp duty (loans above three million).....

Net Cash Received

Loan repayment period:

Loan interest payable.....

Total Repayment Amount (Loan + Interest):

Monthly repayment installment:

Signature of Recipient..... **Date:**

Thank you for patronizing our SACCO!

Appendix V: Group Loan Form



USALAMA CO-OPERATIVE SAVINGS & CREDIT SOCIETY LIMITED

REGISTRATION NO: 6996

P.O. Box 26800, KAMPALA

E-mail: saccousalama@yahoo.com

Tel/ Fax: 0414271349

GROUP LOAN APPLICATION FORM

Date:
 LOAN ID NO:

Voucher No:
 DATE BANKED:

PART A: BY APPLICANT

1. PERSONAL PARTICULARS

Name of the Group/Institution	
Location of the Group/Institution	
Telephone:	
Usalama Account No. of either Accounting Officer, Head Finance and Company Secretary	
Email of the Group /institution	

2. ATTACHMENTS

- (i) Application letter from the Group/Institution
- (ii) Commitment Letter from Accounting Officer of the Group/institution
- (iii) Bank statement of the Group/institution Bank Account

3. LOAN DETAILS

Amount of Loan requested for:
Period of repayment:
Purpose of the loan:

4. GUARANTOR (You must have an obligation and capacity to repay the loan and interest in case the borrower defaults)

NAME (Surname first)	Signature	Usalama Account number

5. FINANCIAL STATUS (to be verified by Credit Officer Usalama)

S/No.	Name of institution	Date when loan was obtained	Monthly installment
I			
II			
III			
IV			

Ihereby confirm that the information submitted is correct to the best of my knowledge.

Signature of applicant: **Date:**

PART C: LOANS OFFICER

6. BORROWER'S FINANCIAL DATA

- (i) Regular Savings balance: UGX
-
- (ii) Retirement Fund: UGX.....
-
- (iii) Share Capital: UGX.....
-
- (iv) Outstanding Loan and interest balance: UGX.....
-
- (v) Maximum Loan: UGX.....
-

Loan Appraisal Remarks:

.....

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

PART D: LOANS COMMITTEE

7. LOAN APPROVAL

(i) Action Taken (tick): Approve Deferred Rejected

(ii) If Approved, Amount: UGX.....

.....

(iii) Comment:.....

.....

.....

(vii) Name: Signature..... Date:

PART E: UNDERTAKING BY THE BORROWER

LESS:

(i) Outstanding Loan & interest balance: UGX.....

.....

(ii) Outstanding share capital UGX.....

.....

(iii) 0.5 % Loan processing fee: UGX

.....

(iv) 1% Insurance fee: UGX.....

.....

Net Cash Received on Cheque

.....

Loan repayment period:

Loan interest payable.....

.....

Total Repayment Amount (Loan + Interest):

.....

Monthly repayment installment:

.....

Thank you for patronizing our SACCO!