Yetfu Sonkhe Savings & Credit Co-operative Society
P.O. Box 171, Mhlume, L309 Tel: 2313 1686 / 7690 1482
E-mail: info@yetfusonkhe.co.sz Fax:2313 1250
www.yetfusonkhe.co.sz

Issue IV – Revised October 2019

Loan Agreement Form – Category B

(In terms of the Consumer Credit Act, 2016 and Regulations)

Particulars of the borrower

Name of borrower: ______________________________

ID number: | | | | | | | | | | | | | |

Postal address: ______________________________

Physical address: ______________________________

Contact numbers: Home: | | | | | | | | |

Work: | | | | | | | | |

Mobile: | | | | | | | | |

Details of the loan

Type of loan:______________________ Initiation Fee: E______________________

Principal amount: E______________________ Monthly Installment: E______________________

Total Interest: E______________________ Total to be repaid: E______________________

№. of instalments (months): ______________ Loan Insurance: E______________________

Date of Loan: | | / | | / | | |

Date of Installment: | | |

Interest rate per month: | | | %

Total other fees (Section 40 of the Act): ______________________________

____

Security: ______________________________

P.O. Box 171, Mhlume, L309 Tel: 2313 1686 / 7690 1482
E-mail: info@yetfusonkhe.co.sz Fax:2313 1250
www.yetfusonkhe.co.sz

The following clauses set out the credit agreement between both parties.

1. The payment schedule attached hereto sets out the information relating to the credit that you have been granted and must be read as part of this agreement.

2. You shall not withdraw your membership from the Society until the loan is repaid in full or the loan balance can be fully offset by your savings held by the Society.

3. The Loan is granted for the purpose stipulated in the application form. Failure to abide by this terms, regulation 67 of The Co-operative Societies Regulations, 2005 shall apply, ***"Where the committee is satisfied that a member of the registered society who has obtained a loan has contravened Regulation 64(2) the committee may by notice in writing to the debtor, demand full payment of the loan before the agreed date of payment".***

4. Statements shall be issued monthly and shall be downloaded from the Society's webpage. Alternatively statements shall be obtained from the office quarterly.

5. **Cooling-off period -** In accordance with Section 58 of the Act, you may rescind the loan agreement within five days after the date on which the agreement was signed by delivering a written notice in the official offices of the Society and tendering the return of the money granted in respect of this agreement in full. You shall further be expected to pay the loan initiation fee, interest charge for the first month and insurance cover for one month to cover the costs incurred by the Society in initiating and delivering this agreement.

6. You undertake to repay the full amount on the due date via a debit order which shall be initiated by the Society or make a direct payment into the Society's account.

7. You undertake to immediately inform the Society in writing should you change any of your personal particulars including your banking details before the due date.

8. Should you fail to honour your obligations, the Society undertakes to recover all its monies in accordance with Section 11 of the Society's loan policy read together with this agreement and you shall be liable for all legal costs incurred thereby at an attorney and own client scale including collection commission.
   8.1 Society shall submit you to a credit bureau on the first default.
   8.2 If debt remains unpaid for two consecutive months, you shall be refered to a Debt Counsellor.
   8.3 If for four consecutive months the debt is unpaid, the Society shall use your savings to clear the debt and you shall forfeit your membership to the Society.
   8.4 If having done 8.3 of this agreement, there is still a balance, the Society shall refer the matter to Court.

9. You confirm that you are of sound mind and are in a position to financially and legally, to enter into this agreement.

10. You confirm that you have truthfully disclosed all relevant facts regarding your current and expected future financial position.

P.O. Box 171, Mhlume, L309 Tel: 2313 1686 / 7690 1482
E-mail: info@yetfusonkhe.co.sz Fax:2313 1250
www.yetfusonkhe.co.sz
Issue IV – Revised October 2019

11. You give rights to the Society to employ all legal means to establish you credit worthiness.

12. You are free to pay the loan from any other source and such sources shall be declared to the Society in accordance with the Money Laundering and Financing Terrorism Prevention Act, 2011.

13. There are no restriction to make advance payments towards the loan either in whole or in part prior to the its maturity.

14. The loan shall be insured against death and permanent disability and such insurance shall be deducted in full from the principal amount prior to disbursement.

I, ____have read and understand the terms laid down to me and agree to abide by this agreement.

Signature: __________________________________ Date: ___________________
Loan Applicant

Signature: __________________________________ Date: ___________________
Clerk/Accountant

Reviewed by: __________________________________ Date: ___________________
Manager

Approved by: __________________________________ Date: ___________________
Credit/Supervisory Committee