

COMMON FRIENDS ENTERPRISES

LOAN APPLICATION FORMS

LOANING CONDITIONS

1. As part of the conditions of the loan, the following definitions shall apply:
 - (a) "Agreement" means the borrowers application and these conditions.
 - (b) "Borrower" means the applicant together with his or her "Guarantor(s)", personal representatives, heirs and any person(s) to whom the borrowers property is assigned after the date of this agreement.
 - (c) "Interest period" means a period of one month commencing from the date of disbursement of the loan.
 - (d) "Loan" means the aggregate amount applied for by the borrower.
 - (e) "Repayment date" means the last day of each interest period.
 - (f) "Security" means any assets, incomes or revenues that the borrower has pledged in order to secure the loan.
 - (g) "Guarantor" means the borrower or any person who has accepted liability for repayment of any loan granted under this agreement.
 - (h) "Default" means failure to pay the loan within the agreed repayment period.
2. To qualify for a loan the borrower must complete appropriate application forms specifying the reason why the loan is required.
3. The maximum repayment period shall be agreed upon at the time of application but shall in all instances not exceed 6(six) months. The Borrower may elect to clear the loan with the appropriate interest earlier than the final due date.
4. The Loan will be repaid by the borrower with interest by equal (or substantially equal) monthly installments.
5. In case of any installment falling due and is dishonored then the outstanding Loan amount with interest shall automatically fall due.
6. The interest on the Loan shall be calculated by Common Friends Enterprises (CFE) at flat rate of 5% per month on the balance..
7. **In case of default, a penalty of 25% of the loan outstanding at the end of each and every loan period will be added to the loan amount and shall be payable in addition to the outstanding loan and interest.**
8. Payment of the Loan shall be by cheques dated in accordance with the interest period or as mutually agreed upon..
9. **All successful Loan applicants shall-before any loan is disbursed- pay a processing fee equivalent to 1% of the amount being borrowed subject to a minimum of Kshs2,500.**
10. The CFE may require the prospective borrower to demonstrate his/her ability to repay the loan .
11. The Borrower shall reimburse CFE forthwith upon demand all costs and expenses (including any and all taxes, penalties, advocates' expenses and disbursements) incurred in connection with the taking of any steps to enforce or attempt to enforce any of CFE's rights under this Agreement.
12. The CFE shall not be obliged to advance any Loan applied for **but** in case a Loan has been advanced, the borrowers agrees to repay the loan on demand together with the applicable interest. CFE is not obliged to give reasons for demanding immediate repayment.
13. Any notice under this Agreement shall be in writing and may be delivered to the Borrower personally, by e-mail or by post to the borrowers to his last known address.
14. If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, the legality, validity or unenforceability of such provision will not in any way affect tion will in any way be affected or impaired.
15. Any loan given under this scheme shall not become void or voidable as a result of any error or omission in the 'Loan Agreement Forms' or these Conditions.

I hereby accept and agree to abide by the Terms and Conditions outlined above.

Borrower's Signature Date.....

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1. DETAILS OF APPLICANT

NAME.....

ID NO..... P.O. Box.....
(N.B Provide evidence of address)

TEL NO(S).....

RESIDENTIAL DETAILS (ESTATE/PLOT & HOUSE NO)

.....

BANK ACCOUNT DETAILS

.....

2. LOAN APPLICATION AND REPAYMENT TERMS

I, do hereby apply for a Loan of Kshs.....(amount in words).Kenya shillings
only from Common Friends Enterprises(CFE), repayable in consecutive monthly installment(s).

The purpose of the loan is for

3. REPAYMENT GUARANTEE

I/We the undersigned do accept liability for repayment of the loan as may be approved by CFE. I/We understand that if the loan is granted, I/We shall be personally responsible for repayment of the principle amount together with any interest due. In case of default, the principle, interest and any collection expenses may be recovered summarily from me/us without any further reference to me/us.

Signed _____ Signed _____

Signed _____

Date of Application

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LOAN AGREEMENT FORM –INDIVIDUALS

PART 1: PARTIES TO THE AGREEMENT

This Agreement is made between..... of
P.O. Box (hereinafter referred to as the borrower) and **Common Friends Enterprises** of P.O. Box 27617,00506 ,NAIROBI (hereinafter referred to as the lender).

PART 2: NATURE OF CONTRACT

1. This Agreement is for lending money as a short term Loan.
2. The lender shall lend and the borrower shall borrow.

PART 3: AMOUNT BEING BORROWED & THE PURPOSE

1. The amount of money being borrowed by the borrower is **kshs**.....(Amount in words)Only.
2. The purpose of the borrowing is.....

PART 4: REPAYMENT TERMS

1. The principal amount shall be repaid in _____ Month consecutive monthly installments at the rate of Kshs _____ (Amount in words) _____.
2. Interest on amount advanced shall be charged at the rate of 5% per month.
3. The loan will be repaid in equal installments or substantially equal installments.
4. The borrower will issue cheques appropriately dated for repayment of the Loan until the principal sum and interest due is paid in full.
5. All sums above for the repayment of the principal and interest will be due and payable on or before the _____ day of every month.
6. Any amount not paid within the agreed period in part 4(1) above shall attract an interest rate of 25% per month for every complete or part of the month for which it remains outstanding.

COMMON FRIENDS ENTERPRISES
LOAN APPLICATION FORMS

PART 5: GUARANTORS TO THE CONTRACT

On behalf of the above named borrower the following persons undertake to guarantee the loan under reference and will held personally and severally responsible.

1. Name _____ I/D _____
2. Name _____ I/D _____
3. Name _____ I/D _____

As part of the above guarantee, I have pledged the following securities.

1. _____
2. _____
3. _____

PART 6: LOAN DISBURSEMENT

The above loan has been disbursed on _____ date of _____, 20____ vide cheque no. _____.

PART 7: EXECUTION OF THE CONTRACT

This contract has been signed by the:

The borrower:

For the lender:

Dated atthis of20_____.