



KENTOURS SACCO SOCIETY LTD.

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COLLATERAL SECURITY FORM FOR AUTOMOBILES

- i) Automobile Reg. No. Year of Manufacture.....
- ii) Model of the Automobile
- iii) Colour of the Automobile Log Book Serial No (Attach copy)
- iv) Chassis No..... Engine No.....
- v) Current OwnerI.D./Passport No..... (Attach copy)
- vi) Marital Status.....(Where applicable, spouse's consent will be sought before loan disbursement)
- vii) PIN No..... (Attach copy) Postal Address..... Code
..... City/Town.....
- viii) Is the Automobile charged? (Yes/No) (If the automobile is charged, it cannot be used as security for this loan).

TERMS AND CONDITIONS

- i) The automobile MUST have a valid Comprehensive Insurance Cover throughout the life of the loan. A copy of insurance certificate must be forwarded to the Sacco's office at every renewal.
- ii) The automobile must be registered in the name of the loanee. Jointly-registered or company-registered automobiles will not be accepted as security.
- iii) Only 50% of the market valuation of the Automobile will be used to guarantee the loan.
- iv) The loanee shall bear the full cost of the valuation, legal, search at the Registrar of Motor Vehicles and any other administration cost whether the loan is accepted or declined, or in the event the loanee terminates the loan appraisal process midstream.
- v) The total amount in (iv) above shall be paid to the Sacco by the loanee before the loan is disbursed or deducted in full from the loan granted or from the loanee's savings in the Sacco.
- vi) The valuer shall be appointed by the Sacco.
- vii) The automobile will be registered under Joint ownership between the Kentours Sacco and the owner.
- viii) Before the loan is disbursed, the loanee will be required to fill in relevant transfer forms in favour of the Sacco which can only be executed in the event the loanee breaches terms of the loan agreement.
- ix) Where the automobile offered is not sufficient as loan security, the loanee must provide other acceptable forms of security.
- x) Until such a time that the loan is duly cleared, all the joint ownership documentation shall remain in the custody of Kentours Sacco.
- xi) Vehicles older than 15 years from the year of manufacture may not be accepted as collateral security for loan application.
- xii) In the event the loanee breaches any of the provisions of this loan agreement, the Sacco will have the right to assume full ownership of the automobile so offered as security.
- xiii) Once all the above conditions have been met by the loanee, the Sacco will process the letter of offer for appropriate signing.

LOANEE DECLARATION:

I confirm that I have read and understood the contents in both the Member Loan Application form and in Collateral Security Form for Automobiles.

In connection with the application and/or maintaining a credit facility with Kentours Sacco, I authorize the Sacco to carry out credit checks with or obtain my credit information from, Credit Reference Bureau. In the event of account going into default, I consent to my name, transaction and default details being forwarded to Credit Reference Bureau for listing. I acknowledge that this information may be used by banking institutions and other credit grantors in assessing application for credit by name, associated companies and supplementary account holders and for occasional debt tracing ,fraud prevention purposes and for any other lawful purposes.

Loanees' signature _____

ID No. _____

Date _____

WITNESSES

1st Witness name.....

ID/No

Signature.....

Date.....

Telephone.....

2nd Witness name.....

ID/No

Signature.....

Date.....

Telephone.....

FOR OFFICIAL USE ONLY:

Value of the automobile (Kshs).....

I recommend approval/rejection of the automobile as security for the loan applied (State reasons for rejection)

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Name.....

Signed.....

Designation.....

Date.....

CREDIT COMMITTEE'S COMMENT

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(CHAIRMAN)

(SECRETARY)

(MEMBER)

ADMINISTRATIVE COMMITTEE'S COMMENT

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(CHAIRMAN)

(SECRETARY)

(TREASURER)