



KENTOURS REGULATED NON-WDT SACCO SOCIETY LTD.

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22nd June, 2022

Dear Member,

RE: NEW PRODUCTS AND REVIEW OF TERMS FOR EXISTING PRODUCTS

As part of our policy to continually review products to take care of members changing needs and the operating environment dynamics, we are pleased to announce new products and changes as follows.

1. Deposits Boosting Facility

This facility enables members to borrow funds from the Sacco to increase their deposits in order to qualify for higher loans amount. A member will be advanced equivalent of up to 100% of own deposits subject to a maximum of Kshs. 200,000, which will be credited to his/her deposits. A one-off fee of 5% will be charged on the boosted amount. Additionally, insurance premiums will be charged at 0.35% on the boosted deposits and the resultant loan. The boosted deposits amount, the fee thereon and the additional insurance premiums will be recovered from the loan applied at the point of disbursement.

2. Junior Savings Account

A member can open and operate a savings account for children under 18 years of age. The savings will earn an interest of 6% per annum. For the account to earn interest, the account balance should be more than Kshs.10,000. A member can withdraw only once every six months. Joining fee of Ksh.1,000 and withdrawal fee of Kes 200 will be charged.

3. Others

a. Restructuring of Loans

Restructuring of loans was introduced in the year 2020 as a temporary measure owing the effects of COVID-19 on members' earnings. It allows members with the consent of guarantors, to extend the repayment period on running loans so as to reduce monthly repayment. The Board has now allowed restructuring as a permanent feature. A one-off fee of 2% will be charged on the restructured loan balance.

b. Change of Demand Savings Account Name

Under the Legal Notice No. 82 of 2020 of the Sacco Societies (Non–Deposit taking Business) Regulations, the Sacco Societies Regulatory Authority (SASRA) requires a non-deposit taking Sacco Society to align its products and operations with its licensed business. This has necessitated a change of the Demand Savings Account name which will henceforth be known as **Jipange Savings Account**. Other terms and conditions remain unchanged.

4. New Products

Product Name	Product Description	Maximum loan Amount (Ksh.)	Max. Repayment Period (Months)	Interest Rate (Per Month)	Loan to Deposits Factor
Karibu Loan	This is a loan for members who have been with the Sacco for less than 6 months.	500,000	12	1.5%	3
Jipange Loan	This loan product will be based and fully guaranteed by the Jipange Savings.	Based on Jipange Savings balance	12	1%	1
Junior Loan	This loan product will be based and fully guaranteed by the Junior Savings.	Based on Junior Savings balance	12	1%	1

5. Review of Terms on Existing Products

Product Name	Changes	Maximum loan Amount (Ksh.)	Max. Repayment Period (Months)	Interest Rate (Per Month)	Loan to Deposits Factor
Salary Advance	To allow repayment period options of either 1 or 2 months	50,000	1	3%	1
		50,000	2	5%	1
Instant Loan	To increase maximum repayment period from 24 to 36 months	500,000	36	1.125%	3.5

All the above will take effect from 1st August 2022.

Please contact the Sacco office for any clarification.

Thank you.

Philip Muchiri
Hon. Secretary