



KENTOURS REGULATED NON-WDT SACCO SOCIETY LTD

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13th December, 2024

Dear Member,

RE: NEW LOAN PRODUCTS

We are pleased to introduce a new Insurance Financing Loan product and changes to Asset Finance Loan product as follows:

a. Insurance Financing Loan

This facility will be offered to finance premiums for motor vehicle, domestic package, property/asset (general) or medical insurance covers. Loan issued will be based on the Insurance Debit Note subject to a maximum of Ksh.300,000. Loan eligibility will be pegged at 3.5 times of one's deposits. The loan will be repaid in a maximum of 12 months at interest rate of 1% per month on reducing balance.

b. Change on Asset Finance Loan Terms

Under the amendments to the Asset Finance Loan's terms, the Sacco will finance acquisition of tangible assets such as motor vehicle, equipment and Land/property. The terms will be as follows:

Nature of Asset	Maximum Loan Amount Kshs.	Max. Repayment period (Months)	Interest Rate (Per Month)	Loan to Deposit Factor
Movable Assets	10,000,000	48	1.21%	3
Immovable Assets	10,000,000	84	1.21%	3

A one-off administration fees of 2% of the loan issued will be charged. The loan can be secured by either or a combination of the subject asset, guarantors deposits and other acceptable collateral. For immovable assets, 80% of the Mortgage Value will apply as security for the loan while 70% of the Forced-Sale Value will apply for movable assets.

Motor vehicles, equipment and developments on land must be comprehensively insured throughout the term of the loan.

The asset will be charged to the Sacco or co-owned by the Sacco and the member until the loan is fully repaid.

Member will bear all the charges including valuation, insurance, tracking and legal fees as the case may be.

All the terms will take effect from 1st January 2025.

Please contact the Sacco for any clarification.

Thank you.

Philip Muchiri
Hon. Secretary