

REF: UN DT SACCO/CIR/JULY/2023

31st July 2023

Dear Honorable Members,

RE: INTRODUCING ENHANCED FEATURES TO THE SENIORS' LOAN

We are thrilled to announce significant improvements to the Seniors' loan product which will take effect on **1st August 2023**.

This is aimed at making the borrowing experience more rewarding the members who have retired from formal employment. The improvements to the Seniors' Loan are as follows:

1. The loan is available for members who have retired from formal employment and have pension income.
2. The maximum loan repayment period has been increased to four (4) years/48 months up from 3 years.
3. The deposit multiplier had been increased to 3 times up from 2 times.
4. The source of loan repayment will be the member's pension income.
5. A Member can access up to a maximum of KES. 20 Million, subject to ability to repay and security value
6. The sacco will now accept an asset (land and buildings) as a security for the loan. The acceptable securities are therefore be:
 - a) Members own deposits
 - b) Guarantors OR
 - c) Asset (land and buildings)
7. Where an Asset is provided as security, the following terms will apply:
 - a. The provided title deed should not be that of a member's **residential or matrimonial home**. The borrower will be required to provide an undertaking or indemnity that the property provided is not their residential or matrimonial home
 - b. Property is accepted as security under terms and conditions set in the credit policy for property valuation, margins, and perfection.
 - c. The property will be charged (first and final charge to the SACCO)



8. The maximum age at time of borrowing shall apply in line with the credit policy and the insurance limits.

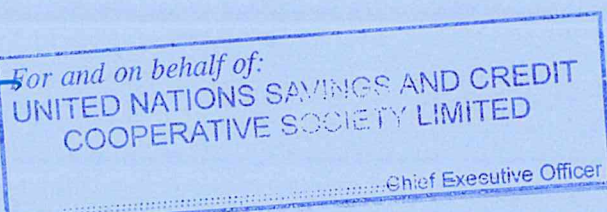
The features of the current and reviewed Seniors' Loan is as below:

Current Seniors' Loan Features	Reviewed Seniors' Loan Features
Qualifying amount is up to KES 20 Million	Qualifying amount is up to KES 20 Million
The loan is open to all members who have retired from formal employment	The loan is open to all members who have retired from formal employment
Qualifying amount is up to two (2) times a members deposits	Qualifying amount is up to three (3) times a member's deposits.
Repayment period up to 36 months (3 years)	Repayment period up to 48 months (4 years)
Low interest rate of 12% p.a. on reducing balance	Low interest rate of 12% p.a. on reducing balance
Loan security: Members own deposits and guarantors	Loan security: Members own deposits & guarantors or a property which is land and buildings subject to the terms of accepting the security
Loan repayment is through pension income	Loan repayment is through pension income

To take advantage of these new features or learn more about our improved loan product, please reach out to us through; customercare@unsacco.org or +254 20 7622700

Thank you for being our valued member, we are committed to serving you better and look forward to continuing our journey together.

Signed,



Dr. Nebart Avutswa
Chief Executive Officer