

## Repayment Policies



Repayment of borrowed funds and payment of service fees are essential tools in measuring the health of a credit program and the impact of the program on its target clientele. These repayment modalities and service fees were deliberated and voted for by our borrowers, the underprivileged.

### EC REPAYMENT POLICY

- Loans are repaid in equal installments over an agreed period
- EC type-1 is repaid in equal installments over a total projected duration of one year (2 sessions per month)
- EC type-1 repayment commences on the date of disbursement of loan.
- EC type-2 and type-3 has a three month investment period from the date of disbursement of loan.
- EC type-2 and type-3 minimum loan repayment commences on the fourth month from the date of disbursement of loan.
- EC type-2 and type-3 minimum loan repayment is calculated thus;  $\text{Loan}/(\text{total duration} - \text{investment period})$
- EC type-2 and type-3 borrowers are at liberty to pay more than stipulated minimum installment and could repay the entire loan before the expiration of loan term.
- EC type-2 are ordinarily repaid over a period of 18 months
- EC type-3 are ordinarily repaid over a period of 24 months

### SERVICE FEE PAYMENT POLICY

- Payment of service fees on loans start on the date of disbursement of loan
- The total service fees is divided in equal installments over the duration of the loan