

**NENG & KEMBONGNGEI'S LOAN & NJANGI GUIDELINES FOR 2025**  
**REVISED 01/01/2026**

***Preamble***

Recognizing the importance of fostering financial literacy, promoting unity, and empowering family members, we, the members of NENG & KEMBONGNGEI'S Loan and Njangi Scheme, establish these bylaws to ensure transparency, fairness, and mutual trust. This initiative is rooted in the principles of solidarity, healthy communication, and collective growth. By adhering to these guidelines, we aim to create a supportive environment where every member can achieve financial stability, collaborate effectively, and contribute to the shared prosperity of our family. These bylaws represent our collective commitment to uphold these values, ensuring that our Loan and Njangi Scheme operate with integrity and respect for all members.

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**1. REGISTRATION**

To be enrolled in the Loan Scheme/Njangi, a one-time registration fee of Ten Thousand (10,000) CFA is required of each person.

This amount will be reviewed annually during the General Assembly, based on collective agreement.

The registration fee contributes to the Loan Scheme's capital and to the Family Emergency Fund (FEF).

***Spousal Participation:***

Legally or traditionally recognized spouses of registered members may participate as direct participants, subject to independent registration, individual contact details, and full compliance with all Scheme obligations.

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**2. STATUS OF YOUR REGISTRATION FEE DURING A TEMPORAL OR PERMANENT BREAK**

***A. Members on Temporal Break***

During a temporary break, a member may decide to maintain membership by leaving their registration fee and Family Emergency Fund (FEF) contributions with the Scheme/Njangi.

However, a member on a temporal break:

- Is not eligible to apply for any loan, and
- May not act as surety for any borrower during the break period.

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### ***B. Members on Permanent Break***

Any member who chooses to permanently withdraw from the Scheme may request a refund of:

- Their registration fee, and
- Their total personal contributions to the Family Emergency Fund (FEF).

Such request must be communicated in writing within thirty (30) days of withdrawal, failing which the registration fee and FEF contributions shall be forfeited.

Interest or income generated from loaning out the Family Emergency Fund (FEF) shall not be refundable, as such interest forms part of the collective growth and sustainability of the Family Scheme.

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## **3. TYPES OF LOANS AND ELIGIBILITY**

### **A. Business Plan Loans**

Business Plan Loans are capped at Five Hundred Thousand (500,000) Francs CFA per application.

The stated loan cap does not constitute automatic entitlement. The Loan Committee shall determine the approved loan amount on a case-by-case basis, taking into consideration:

- a. The applicant's credit and repayment history;
- b. The applicant's capacity to repay;
- c. The feasibility, practicality, and profitability of the submitted business plan; and
- d. The overall liquidity of the Scheme at the time of application.

The Loan Committee reserves the right to approve an amount lower than requested or to defer or reject applications deemed to pose a high repayment risk.

Eligibility Requirements:

- i. Must actively and consistently contribute to the Njangi for three (3) consecutive months.
- ii. Must have no outstanding loans.
- iii. Must present a resourceful, practical, and feasible business plan with a clear path to profitability.
- iv. The Loan Committee shall assess the plan's viability, financial projections, and repayment capacity.
- v. Must provide a qualified surety, in accordance with the stipulated Surety Guidelines.

B. Emergency Loans

Emergency Loans are capped at One Hundred Thousand (100,000) Francs CFA per application.

This loan type is for urgent, unforeseen expenses, and is subject to the following conditions for eligibility.

Qualified surety, as stipulated in the Surety Guidelines.

Members are encouraged to apply for emergency loans only in cases of genuine financial emergencies.

Any member who defaults on an emergency loan is ineligible for further emergency loans in the same calendar year.

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#### **4. INTEREST RATES & LOAN DURATION**

General Conditions:

New members are eligible for loans only after contributing to Njangi consistently for three (3) consecutive months.

A member may not borrow or act as surety for an amount greater than their total contributions during the probation period.

##### **4.1 Business Plan Loans**

- a. Interest rate is set at 1% per month.
- b. Interest is calculated monthly.
- c. Repayment duration is Six (6) months.
- d. The first month following loan disbursement shall constitute a grace period.
- e. Repayment shall commence from the second month after disbursement.
- f. Business loans shall be repaid in monthly installments of One Hundred Thousand (100,000) CFA unless otherwise approved.
- g. Failure to repay within the approved duration shall trigger penalties as outlined in Section 6.

##### **4.2 Emergency Loans**

- a. Interest rates are set at 1.5% per month.
- b. Loan duration is thirty (30) days.
- c. Repayment may be made in installments or lump sum but must be completed within the duration.
- d. Default shall attract penalties as outlined in Section 6.
- e. Members participating only in the Savings Scheme may borrow strictly from their savings.

f. Amount borrowed must be equal to or less than total savings.

g. Savings-only borrowers shall still pay interest at 1.5%.

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## **5. SURETY REQUIREMENTS**

A surety is required for all loans exceeding a member's monthly Njangi contribution, and for loans equal to or below the contribution where risk conditions apply.

a. A member whose Njangi benefiting date is beyond the loan repayment period requires a surety.

b. Members with a history of late or missed repayments require a surety.

c. A member may not guarantee a loan exceeding their expected Njangi benefits for the cycle.

d. Non-Njangi or Savings-only members may not stand as surety.

e. Members who have benefited fully from their Njangi cycle may not stand as surety.

f. Members whose Njangi benefit date precedes the borrower's repayment deadline may not act as surety.

g. Members with more than five (5) Njangi slots may guarantee more than one borrower provided exposure does not exceed expected benefits.

h. The number of borrowers guaranteed is at the surety's discretion.

i. Members who have benefited may borrow only if a viable surety is presented.

j. Exceptionally, no surety is required for loans less than the member's Njangi contribution.

k. Any guarantor pledges full repayment in case of borrower default.

l. Sureties bear responsibility to understand the borrower's financial position.

m. Loan requests are assessed based on repayment history and contribution consistency.

n. Maximum loan size is tied to Njangi benefit expectations and surety viability.

o. Members guaranteeing fewer than three borrowers and within contribution limits may apply for loans.

p. UPDATED: Any member seeking a loan must first contribute their Njangi for the applicable month before the loan application may be considered or approved.

Surety Default and Borrower Sanctions:

Any borrower whose loan is settled by a surety due to default shall:

- a. Remain fully liable to repay the surety the full amount paid on their behalf;
- b. Be barred from borrowing any form of loan for a minimum period of twelve (12) months, or longer as determined by the Family.
- c. Not be reinstated for borrowing eligibility until the surety has been fully repaid.

Surety Protection Enhancement:

Exceptional Surety Provision:

Notwithstanding any limitation related to Njangi benefit status, a credible member with a proven repayment record and demonstrated financial capacity may, on an exceptional basis, stand as surety for a borrower even if such member has already benefited from all Njangi slots. The acceptance of such exceptional surety arrangement shall be solely at the discretion of the Loan Committee, which shall assess whether the proposed surety arrangement is appropriate, sustainable, and in the best financial interest of the Scheme.

A surety's financial liability shall not exceed the outstanding principal amount at the time of default, excluding penalties accrued after default.

In the event of loan default, the Loan Committee shall first exhaust all reasonable recovery options from the borrower before enforcing recovery from the surety.

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## **6. LOAN / NJANGI DEFAULT PENALTIES**

- a. Business loan interest increases from 1% to 1.5% upon default.
- b. Emergency loan interest increases from 1.5% to 2.5% upon default.

- c. Interest accrues until full repayment.
  - d. Njangi defaulters pay a fine of 1,000 CFA per occurrence.
  - e. Financial Team must apply penalties accurately.
  - f. Sureties shall pay outstanding balances upon borrower default.
  - g. Outstanding balances may be withheld from surety Njangi benefits.
  - h. Defaulters may be barred from future loans and Njangi benefits.
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## **7. DEADLINE FOR NJANGI CONTRIBUTIONS & PROOF OF PAYMENT**

All contributions must be deposited by 11:59 PM on the 30th of each month.

Late payments may incur penalties.

Disbursements shall be made by 12:00 PM (Cameroon Time) the following day.

Proof of Payment Requirement:

All members, including Savings Scheme participants, must submit screenshots or electronic proof of payment for:

- a. Monthly Njangi contributions; and
- b. Savings Scheme contributions.

Proof submission ensures confirmation of funds, timely updates, and resolution of discrepancies.

Failure to submit proof may delay recognition of payments.

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## **8. FAMILY EMERGENCY FUND (FEF)**

A Family Emergency Fund (FEF) is hereby established.

Each member shall contribute a minimum of Ten Thousand (10,000) CFA annually.

Members who are willing and financially able may voluntarily contribute amounts more than the minimum required contribution to the Family Emergency Fund (FEF).

Contributions shall be deducted as Five Thousand (5,000) CFA from the first and second Njangi cycles' benefits, unless otherwise arranged with the Financial Team.

All registration fees shall be deposited into the FEF.

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These bylaws take effect upon approval by the General Assembly.