



## La Ceiba > Personal Loans > Default Instructions

1. If a client has failed to repay at least one payment four weeks after the last scheduled repayment of your loan, then she is in default.

2. La Ceiba staff will inform the client that the loan is in default and how much is still due on the loan.

3. The client can get out of default by taking the following steps:

A. Step One: Repay the Defaulted Loan

B. Step Two: Appeal the Defaulted Loan

i. Once the loan is paid in full, a client can appeal the defaulted loan. The appeal process includes personal interviews with La Ceiba staff. La Ceiba staff will document the appeal using the *Appeal Process Form*.

4. If the client successfully completes steps one and two and La Ceiba decides that the default on the loan is excusable, then the client is eligible to continue participating in La Ceiba's Personal Loan program. However, the size of the next loan that the client is eligible for will be reduced (see table below).

Size of Client's Loan at the Time of Default	Size of the Next Loan that the Client is Eligible for: If the client completes steps 1 and 2 <i>after</i> the Grace Period and default is deemed excusable.
3000	1500
2500	1250
2000	1000
1500	750
1000	500
500	250