

Date..... **Dir Tel No.** **Our Ref.**
Ext.

.....
Company code No.
C/.....
NID No.
Tel:

Dear Customer,

BANKING FACILITY TO THE ACCOUNT No.

We refer to your recent application for a term loan facility and we inform you that your facility has been approved and hereby placed for your acceptance on the following terms and conditions:

1 Definitions

In this Letter, the expressions following shall, except where the context otherwise requires, bear the meanings attributed to them respectively:

- 1.1. "Bank" and/or "Lender" means **BPR Bank Rwanda Plc**, a banking company incorporated in the Republic of Rwanda, whose address is care of Post Office Box **1348**, Avenue de la paix-Kigali, Rwanda, registered under Company Code No. **100162830** and shall include its successors and assigns, herein represented by and, Legal Officer and Legal Officer respectively duly authorised signatories of BPR Bank Rwanda Plc;
- 1.2. "Base Rate" shall mean the Bank's Base Lending Rate as published in the Daily Press from time to time (presently at **15.5%** p.a.). In the event that the Bank ceases to have a Base Rate, Base Rate shall mean the rate of interest that the Bank shall at its sole discretion from time to time charge within the limits permitted by law;
- 1.3. "Borrower" and/or "Customer" means, a limited liability Company operating in the Republic of Rwanda, with company code number, and shall include its successors and assigns as the case may be, herein represented, a Rwandan National holder of NID No., being the Managing Director of the borrowing company;
- 1.4. "Business Day" means a day on which banks are open for business in Rwanda.
- 1.5. "Commitment Expiry Date" means thirty days from the date of this letter.
- 1.6. "Encumbrance" includes any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, security interest, title retention, preferential rights of set off, counterclaim, banker's lien or other encumbrance securing any obligation of any person;
- 1.7. "Event of Default" means any one or all of the events specified in **Paragraph 11** of this letter;

- 1.8. "Facility amount, repayment & review period" means the facility, details of which are set out in **paragraph 2 and 4** of this Letter;
- 1.9. "Letter" means this facility letter;
- 1.10. "Securities" means the securities referred to in Annexure I of this letter and/or any security created or to be created by the Borrower or at the request of the Borrower by any third party in favour of the Bank in respect of the Facilities and any other security that the Bank may reasonably request from time to time;
- 1.11. "Transaction Documents" means all credentials, correspondence, memorandum and documents of whatsoever nature and howsoever described or defined, in writing or print and availed by the Borrower or on the Borrower's behalf or by the Bank for purposes of assessing facilitating or securing the Facilities or generally in relation to this transaction and includes this Letter and the Security;
- The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

2. **Facility**

The Lender hereby offers to the Borrower a term loan facility of **Frw**
(.....) repayable over a period of **months**.

3. **Purpose**

The granted term loan shall be used for construction of the firm and animal feeding value chain in order to enhance business activities.

4. **Repayment & Review**

- 4.1. This facility shall be reviewed on a yearly basis and the next review shall be on **30th September 2023**. Therefore, the borrower shall be required to submit all necessary documents that the Lender will need for the aforesaid purpose.
- 4.2. For the avoidance of doubt, it is understood, however that the Bank may at any time demand immediate repayment of the facility.
- 4.3. Any undrawn portion of the Facility shall be cancelled; and the Borrower shall pay to the Bank all amounts outstanding on the date of payment together with interest thereon and all other costs charges and expenses due and payable to the Bank hereunder or under the Security.

5. **Pricing**

5.1. **Interest Rate**

- 5.1.1. Interest for the overdraft shall be charged at the Lender's base rate of **15.5% p.a** minus a margin of **7.5% %** per annum.
- 5.1.2. Interests shall accrue from day to day, will be calculated on the basis of the actual number of days elapsed and a 366/360-day year, will be debited to the Borrower's current account with the Lender monthly in arrears and will be compounded in the event of not being punctually paid with monthly rests.
- 5.1.3. Interests shall be calculated on daily balances and debited monthly. The Lender reserves the right to change such rate or rates as it may deem necessary at its sole discretion from time to time.

5.2. Other Fees, Charges and Costs

The following fees, charges and shall be payable in addition to interest:

Negotiation Fee% of the term loan top up of Frw plus VAT
Early repayment (Buy out by other bank)% to be charged for buyout by another financial institution plus VAT
Late repayment (Penalties on arrears)% flat per month on the delayed instalment;
Management fee% per month of the disbursed loan amount plus VAT
loan cancellation fee	Frw plus VAT
Late registration fees (effective from 30 days after partial disbursement)% of the loan amount plus VAT
Loan application processing fee	Frw plus VAT

5.2.1. The Borrower shall pay such commission and charges on the Facility as may be agreed or as the Bank shall from time to time fix in its sole discretion.

5.2.2. The Borrower shall meet mortgage, notary costs and other government charges/fees in the completion and registration of this security.

6. Securities

The loan shall be secured by the securities detailed in Annexure I of this offer letter;

7. Terms and Conditions

Unless the Lender otherwise agrees, the granting of the loan is subject to the terms and conditions detailed in Annexure II of this offer letter;

8. General Terms and Conditions

8.1. The borrower is required to promptly inform the Lender in writing in case of your change of address during the tenure of the facility;

8.2. The continuance of this facility is dependent upon the borrower's account being conducted satisfactorily and the financed property being maintained to the satisfaction of the lender at all times;

8.3. Without prejudice to the provisions of this contract, the availability of the facility is at all times subject to the availability of funds and the compliance by the lender with any and all restrictions rules and regulations from time to time in force of the National Bank of Rwanda or any other relevant regulatory authority;

8.4. This letter of Offer is valid for 30 days, and the Lender reserves the right to withdraw the offer should the securities called for are not executed within 30 days from the date of the letter of offer.

8.5. The acceptance of this offer must be accompanied with the following;

8.5.1. Receipt of payment of land rent

8.5.2. Valid Tax clearance certificate;

- 8.6. Failure to accept the terms of this letter of offer or should draw down of the facility fail to take place by the date specified herein above shall constitute automatic CANCELLATION of the facility.
- 8.7. Once cancelled, reinstatement of the facility shall be at discretion of the Lender;
- 8.8. The Lender reserves the right to re-value charged property (properties) at any time without notice but in any case, not later than three (3) years from the date of the latest valuation report at your expense.
- 8.9. On redemption of the Mortgage Account you are expected to collect the title Documents within a period of one month.

9. Representations and Warranties

The Borrower represents and warrants to the Lender as follows:

- 9.1. the execution on behalf of the Borrower of the sum of acceptance endorsed on this Letter has been validly authorised and the obligations expressed as being assumed by the Borrower under this Letter constitute valid, legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms;
- 9.2. every consent, authorisation or approval of governmental or public bodies or authorities required in connection with the execution delivery, validity or enforceability of this Letter or the performance by the Borrower of its obligations hereunder or required to make this Letter admissible in evidence has been obtained and is in full force and effect;
- 9.3. neither the execution and delivery of the form of acceptance endorsed hereon by the Borrower nor the performance or observance of any of its obligations under this Letter will conflict with, or result in, any breach of any law, statute, regulation, indenture, mortgage, trust deed, agreement or other instrument arrangement, obligation or duty by which the Borrower is bound or cause any limitation on any of the powers whatsoever of the Borrower howsoever imposed on or on the right or ability of the Borrower to exercise such powers to be exceeded;
- 9.4. The representations and warranties set out above are given and made on and as of the date of this Letter, shall survive the acceptance of this Letter and are continuing representations and warranties which are deemed to be repeated during the continuance of the facility.

10. Covenants

The Borrower undertakes with the Lender that:

- 10.1. The Borrower will from time to time at the request of the Lender provide to the Lender such information as the Lender shall require including but not limited to copies of the Borrower's audited statements of financial conditions, balance sheets, profit and loss statements and reconciliations of net worth prepared in accordance with generally accepted accounting principles in Rwanda consistently applied.
- 10.2. All monies due and payable to the Lender under this Letter shall at all times rank in priority to all other present and future secured and unsecured and unsubordinated obligations (including contingent obligations) of the Borrower with the exceptions of such obligations as are mandatory preferred by law and not by contract.

- 10.3. The Borrower will not, without the consent of the Lender in writing, change its capital structure and procure that its directors will not without such consent permit any transfer of the shares in the Borrower;
- 10.4. The Borrower will not create any Encumbrance or permit any Encumbrance to subsist, arise or be created or extended over its assets to secure any present or future indebtedness of the Borrower;
- 10.5. The Borrower will at all times comply with and observe all covenants duties and obligations contained in this Letter and in the Security.

11. **Events of Default**

An Event of Default occurs where:

- 11.1. The Borrower fails to perform any of its obligations under this Letter or under the Security;
- 11.2. Any representation or warranty made by the Borrower pursuant to this Letter or under the Security or any statement, delivered or made pursuant to it is incorrect when made;
- 11.3. A material adverse change occurs, in the opinion of the Lender, in the financial condition, results of operations or business of the Borrower;
- 11.4. Any action is taken for or with a view to the winding up of the Borrower or the Borrower becomes insolvent or is unable to pay the Borrower's debts or enters into dealings with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments generally or an encumbrance takes possession or a receiver is appointed of the whole or any material part of the assets of the Borrower;
- 11.5. It becomes unlawful or impossible for the Lender to make, maintain or fund the Facilities or any of them as contemplated by this Letter or any of the obligations expressed as being assumed by the Borrower under this Letter or the Security cease to be valid, legal and binding and enforceable against the Borrower in accordance with their respective terms;
- 11.6. If an Event of Default occurs and at any time thereafter if such event is continuing, the Lender may, by notice to the Borrower:-
 - 11.6.1. Declare the obligations of the Lender hereunder to be terminated whereupon such obligations shall terminate; and/or
 - 11.6.2. Declare that the Security has become enforceable whereupon all amounts payable by the Borrower in respect of the Facilities hereunder and under the Security shall become immediately due and payable, all without diligence, presentment, and demand for payment, protest or notice of any kind, all of which are hereby expressly waived by the Borrower.

12. **Payments**

- 12.1. All payments to be made under this Letter shall be made in the currency in which they were advanced by the Lender in immediately available funds during normal business hours. If any sum falls due under this Letter on a day which is not a business day, payment shall be made on the next succeeding Business Day.
- 12.2. All payments to be made by the Borrower under this Letter shall be paid through the current account of the Borrower maintained at any Branch of the Bank or to such account of the Bank as shall be notified in writing by the Lender to the Borrower from time to time.

12.3. All sums payable by the Borrower under this Letter shall be paid in full without any set-off or counterclaim and (save in so far as required by the law to the contrary) free and clear of and without any deduction or withholding whatsoever. If the Borrower is at any time required by law to make any deductions from any payment to the Lender, then the Borrower shall immediately pay to the Lender such additional amounts as will result in the Bank receiving the full amount it would have received had not such deduction or withholding been required and will simultaneously, provide the Lender with a certificate of deduction or withholding in respect of the amount deducted or withheld together with evidence satisfactory to the Lender that the amount so deducted or withheld has been paid over to the relevant authorities when and as due.

13. Set-Off

The Lender may at any time and without notice to the Borrower and notwithstanding any settlement of account combine or consolidate all or any of the Borrower's accounts with the Lender and set off or transfer any sum standing to the credit of any one or more of those accounts in or towards satisfaction of any moneys obligations or liabilities of the Borrower to the Lender whether those liabilities be present, future, actual, contingent, primary, collateral, joint or several and the Borrower expressly waives any rights of set off that it may have, so far as is permitted by law, in respect of any claim which it may now or at any time hereafter have against the Lender.

14. Expenses and Indemnity

14.1. The Borrower shall pay to the Lender on demand all reasonable costs charges and expenses incurred on the accounts of the Borrower.

14.2. The Borrower will reimburse the Lender on demand on all expenses, including legal expenses, incurred by the Lender in connection with the negotiation and preparation of this Letter and with the preparation and registration of the Security, and will reimburse the Lender on demand with all expenses incurred by the Bank in suing for or recovering any sum due to the Lender under this Letter or the Security or otherwise in protecting or enforcing its rights under this Letter or the Security, and the word "expenses" shall be deemed to include any sums which would be allowed to the Lender in a taxation as between Advocate and own client.

14.3. The Borrower will pay all stamp and other duties and taxes (if any) to which this Letter and the Security may be subject or give rise and will indemnify the Lender against any and all liabilities with respect to or resulting from any delay or omission on the part of the Borrower in the payment of such duties or taxes.

14.4. The Borrower will indemnify the Lender against any loss that the Lender may suffer as a result of granting the facilities to the Borrower.

15. Appointment of Attorney

The Borrower hereby irrevocably appoints the Lender to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and do any assurances acts and things which the Borrower ought to execute and do under the covenants and agreements herein contained and generally to use the name of the Borrower in the exercise of all or any of the powers hereby or by law conferred on the Lender.

16. Confidential Information

- 16.1.** The Lender may hold and process, by computer or otherwise, any information obtained about the Borrower as a consequence of this application and/or agreement/Letter of offer.
- 16.2.** The Borrower agrees that the Lender may:
- 16.3.** Include personal data in its Borrower systems which may be accessed by other companies in the Bank's group for credit assessment, statistical analysis including behaviour and scoring and to identify products and services (including those supplied by third parties) which may be relevant to the Borrower; and
- 16.4.** Permit other companies within the Lender's group to use personal data and any other information it holds about the Borrower on the Lender's customer systems to bring to its attention products and services, which may be of interest to the Borrower.
- 16.5.** The Borrower further agrees that the Lender may disclose personal data and/or information relating to the Borrower including data and information relating to the Transaction Documents or the assets, business or affairs of the Borrower outside the Lender's group whether such personal data and/or information is obtained after the Borrower ceases to be the Lender's customer or during the continuance of the Lender -customer relationship or before such relationship was in contemplation:
- 16.5.1. For fraud prevention purposes;
- 16.5.2. To licensed credit reference agencies or any other creditor;
- 16.5.3. To its external lawyers, auditors and other sub-contractors or persons acting as the Lender's agents;
- 16.5.4. To any person who may assume the Lender's rights under this Letter;
- 16.5.5. Access the borrower's information through the Credit Reference Bureau.
- 16.5.6. If the Lender has a right or duty to disclose or are permitted or compelled to do so by law; and
- 16.5.7. For the purpose of exercising any power, remedy, right, authority, or discretion relevant to this Letter or any Transaction Document following the occurrence of an Event of Default, to any other person or third party as well.
- 16.6.** The Borrower acknowledges and agrees that, notwithstanding the terms of any other agreement between the Borrower and the Bank, a disclosure of information by the Lender in the circumstances contemplated by this paragraph does not violate any duty owed to the Borrower either in common law or pursuant to any agreement between the Lender and the Borrower or in the ordinary course of banking business and the customs, usage and practice related thereto and further that disclosure as aforesaid may be made without reference to or further authority from the Borrower and without inquiry by the Lender as to the justification for or validity of such disclosure.

17. Assignment

The Borrower shall not be entitled to assign all or any part of its rights obligations benefits hereunder without the prior consent in writing of the Lender.

18. Notices

18.1. Any notice or other communication required to be given:

18.1.1. To the Bank under this Letter shall be addressed and delivered to the Bank at **Head Office, KN 67, Street 2** and if sent by post to Post Office Box Number **1348 Kigali, Rwanda** and if by Facsimile transmitted to Facsimile Number **+250 788140000**;

18.1.2. To the Borrower under this Letter shall be addressed and delivered to the Borrower at the following address: **Tel No.** or either such case at such other address as may be notified by the relevant party to the other party from time to time for this purpose;

18.2. Any notice or other communication to be given under this Letter may be given by registered post, telex or facsimile and shall be deemed to have been given if delivered in a prepaid envelope five days from the date of such delivery and in the case of telex or facsimile one Business Day after the date of its transmission.

19. Time Waivers, remedies cumulative

19.1. Time shall be of the essence in respect of the Borrower's obligations under or in respect of this Letter or the Facilities.

19.2. No failure or delay by the Bank in exercising any right, power or privilege under this Letter shall impair the same or operate as a waiver for the same nor shall any single or partial or defective exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Letter are cumulative and not exclusive of any rights and remedies provided by law or by the security.

20. Law

This Facility Letter shall be governed by and construed in all respects in accordance with the Laws of Rwanda. Nothing in this Paragraph shall limit the right of the Lender to take proceedings against the Borrower in any other Court of competent jurisdiction, nor shall the taking of proceedings at one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

21. Offer period

The offer contained in this letter is available to the Borrower for acceptance as provided in this letter until the commitment expiry date after which date the offer will lapse unless extended in writing by the Lender.

The Lender recommends that the Borrower seeks independent legal advice on the terms of this letter and of any security to be issued hereunder to help him/her fully understands what the facility letter entails and the potential consequences and implications on the borrower by agreeing to its terms.

EXECUTION

For and on behalf on of the Lender

.....

.....

FORM OF ACCEPTANCE

To: BPR BANK RWANDA Plc

Dear Sir,

We refer to your offer letter No. dated (of which the above is a copy) in which you offered to place at my disposal of a term loan facility of (.....) on the terms and conditions contained therein and we are pleased to accept such offer on such terms and conditions. We further confirm that we have obtained independent legal advice and opinion on the meaning of terms and conditions contained in your said Letter as well as their full purport effect and tenor.

Yours faithfully,

For and on Behalf of

.....
MANAGING DIRECTOR

ANNEXURE I

SECURITIES TO BE PERFECTED AND FULFILLED BEFORE THE LOAN DRAWDOWN

1. First rank legal charge over the Property with UPI No. located in District, Sector, Cell;Village;
2. First rank legal charge over the Property with UPI No. located inDistrict, Sector,Cell; Village;
3. First rank legal charge over the Property with UPI No. located inDistrict, Sector,Cell;
4. A promissory Note of **Frw**signed by the borrower's representative;
5. A joint surety to be signed by the borrower's spouse covering the total loan amount;
6. Comprehensive insurance policy (fire, theft and allied perils) for the Borrower's business assets noting the interests of the Lender as the first loss payee;
7. Loan protection insurance policy for covering the total loan amount noting the interests of the Lender as the first loss payee;
8. Deed of guaranty and indemnity to be signed by the shareholders of the Borrowing company;

ANNEXURE II

CONDITIONS TO BE FULFILLED BEFORE DRAWDOWN

1. Board resolution authorizing the company the request of the term loan facility and giving collaterals;
2. Submission of the proof of marital status of the property owners;
3. The borrower to channel all the business proceeds to their account opened in the lender's books.

AUTHENTIC DEED NUMBER

The year two thousand, the, We,, the Rwandan private Notary, being and living in Kigali, certify that the deed, the clauses of which are here before reproduced were presented to us by:

- 1. represented by
- 2. **BPR Bank Rwanda Plc**

Were present and all living in Kigali as witnesses to the deed fulfilling the legal requirements. Having read to the subscribers and witnesses the content of the deed, the subscribers have declared before us and in the presence of the aforesaid witnesses that the deed, as it is written down, includes well their will.

In witness whereof, the hereby deed was signed by the subscribers and us, authenticated and imprinted of the seal of

THE SUBSCRIBERS

Borrower

Lender/BPR Bank Rwanda Plc

.....
Represented by

.....

THE WITNESSES

.....

.....

The Notary

.....
DERIVED RIGHTS

The deed fees:

....., the Rwandan private Notary being and living in Kigali, under number

The Notary

.....