

INTEREST- BEARING -LOAN CONTRACT N°/2023

This CONTRACT hereinafter referred to as the “**Contract**” is entered into by and between:

1. **COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC**, a company duly incorporated under the laws of The Republic of Rwanda, registered under TIN: 100005973, with its head office situated at Kigali, P.O. Box. 5230 Kigali, hereby officially represented by and, respectively and, by virtue of powers conferred upon them by the Board of Directors, hereinafter called « **The Bank** », where the context admits its successors and assigns, the contractor on the first part;

2., whose registered address is in, District,Sector, cell,village, registered under TIN no, represented by, holder of Identity card n° issued at, herein called « **The Borrower** », where the context admits its successors and assigns, the contractor on the second part;

3., whose registered address is in, District,Sector, cell, Village, holder of Identity cards n° and both issued at, herein called « **Guarantors** », the contractors on the third part.

NOW THEREFORE, the parties hereto agree as follows:

Article 1: Purpose

The borrower has been granted an Equity Release Facility subject to the terms and conditions herein mentioned in this contracts.

Article 2: Facility amount

The Bank grants to the borrower an Equity Release Facility of bringing the facility to, subject to the following conditions:

- ✓ **Collateral up stamping;**
- ✓
- ✓
- ✓

Article 3 : Financial conditions

- Interest Rate: COGEBANQUE Base rate + **1%** which is equivalent to **16%** per annum, payable monthly. The interest rate is subject to the review by the Bank based on money market trends;
- Interest on arrears (Principal, Interest and Commission): 2% per month;
- Loan processing fee: 1% once off;
- Management fee: 1% paid annually to the outstanding balance;
- Payment of a commission of 8% of the amount repaid in the event of early repayment of the loan takeover by another financial institution;
- Payment of a cancellation fee of 1% of the canceled amount of loan after the signing of the loan contract (minimum RWF 100,000);
- Payment in advance restructuring fee of 2% of the restructured loan amount in the event of restructuring the loan.

All charges are tax exclusive. They are borne by the borrower.

Article 4 : Repayment terms

The Equity Release Facility granted is repayable as follows:

- a) **Repayment: Monthly basis**
- b) **The repayment period: Months**
- c) **Instalment amount approximately: RWF**
- d) **Instalment amount including management fee (last month of the year): RWF**
- e) **First instalment date:**
- f) **Last instalment date:**

The actual repayment date and amounts shall be dependent on the dates of actual signing of the loan contract and its return as well as fulfillment of conditions precedent.

The Borrower undertakes to do the following:

- a) Repay the principal plus interests on due date through the account numberopened with **COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC** in the names of;
- b) To provide the necessary provision for the payment of insurance premiums against fire and Special perils and life insurance as stipulated in Article 16 of this contract;
- c) Assign total business proceeds to **COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC**;
- d) Security to be duly perfected prior to any disbursement;
- e) In case of expropriation of the property securing the loan, the compensation will be payable to **COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC** to reduce the outstanding balance by the compensated amount.

Article 5: Collaterals and comforts

The borrower and the guarantor(s) agree(s) to secure the facility with the following securities as conditions precedent to drawdown:

1. A mortgage on first rank on the plot n° located at Village, Cell, Sector, District;
2. Subscription to insurance bond covering building above mentioned with an article stipulating assignment of interests in favor of the Bank (article 16 of the present contract);
3. Subscription to life insurance of stipulating assignment of interests in favour of the Bank;
4. Joint and several guaranty of Mrs.;
5. Assignment of all business proceeds and rental income in the book of **COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC**.

Article 6: Mortgaging details

The borrower and the guarantor(s) hereby authorize the Bank to secure mortgage registration on the above-mentioned plot, amounting to expiring on

The validity of the valuation report is three (3) years from the valuation date. The borrower and the guarantor(s) undertake(s) to renew and submit to the Bank the updated valuation report(s) of the mortgaged property 30 days before its expiration

The up stamping mortgage registration expenses, as well as other potential charges related to the implementation, monitoring and the recovery of the facility granted to him/them by the Bank shall be borne by the borrower.

Article 7: Title remittance and lease assignment

The borrower and guarantor(s) accept to furnish to the Bank the original copy of land lease contracts of the above plot. The borrower and the guarantor also undertake to submit to the Bank potential rent contracts on the building and accordingly, they accept to assign rent proceeds that they would collect from the said building.

Article 8: Exclusiveness of the ownership

The borrower and guarantor(s) declare that they are the exclusive owners of the property above and is free of any privileged liability or guarantee whatsoever, and that it doesn't have an obligation worthy of legal mortgage privileged than the present, neither towards the government of Rwanda nor towards whomsoever. Mortgage granted in favor of the Bank extend to adjacent building that the borrower and the guarantor may join to the mortgaged buildings to be encumbered with then as a single building. The owner(s) are not allowed to create a single building property described above with any of the other buildings if they are themselves mortgaged.

Article 9: Credit reporting system

The Borrower and the guarantor(s) expressly consent(s) and allow(s) the Bank to forward personal data and credit information to licensed credit reference bureaus in accordance with the Law N° 73/2018 of 31/08/2018 governing credit reporting system

Article 10: Clause of non-alienation

Mortgaged property may not, without prior written authorization of the Bank, be alienated for any reason whatsoever, the property cannot be mortgaged, encumbered in any way, or leased for more than three years, nor be leased at rents below the normal rent.

Article 11: Penalties for delays

A delay in payment of sums due under the proposed facility on its due date automatically runs default interest comprised of Interest on arrears (Principal, Interest and Commission) of 2% per month, which may be reviewed by the Bank, from time to time. These penalties shall continue to accrue until the date of their actual payment. Such interest shall be payable at any time on demand and the Borrower hereby confirms and acknowledges that this additional interest represents a reasonable estimate of the loss to be suffered by the Bank in funding the default of

the Customer. The revision of the said rate by the Bank shall be notified to the borrower if it arises by publication in newspapers or by posting on the premises of the Bank.

Article 12: Default

The following occurrences will constitute default and cause any amount outstanding under the proposed facility to become immediately due and repayable and any commitments made hereunder by the Bank cancelled:

- (i) The failure of the Borrower to observe or perform any of his obligations under this contract and/or security documents;
- (ii) If any circumstances arise which in the opinion of the Bank have or may have a material adverse effect on the Borrower's ability to perform his obligations under this letter and/or the security documents;
- (iii) The Borrower admits in writing of his inability to pay or shall become unable to pay his debts generally as they fall due, or become Bankrupt or insolvent, or file any petition or action for relief under any Bankruptcy, re-organization or insolvency law;
- (iv) In case of a company, if proceedings are started for the Borrower's winding-up, dissolution, or re-organization (other than while solvent and on terms previously approved in writing by the Bank) or for appointment of a receiver, trustee or similar officer of any or all of the Borrower's revenues and assets;
- (v) Any of the Borrower's indebtedness is not paid on due date or becomes due prior to its stated maturity or any guarantee given by the Borrower is not honored when due or called upon;
- (vi) Any governmental or other consent or exemption required to enable the Borrower to perform its obligations under this contract and or the security documents is withdrawn or modified or it becomes for any reason unlawful for the Borrower to perform any of those obligations.

Article 13: Remedies in the event of default of payment

In case of failure to pay the interest and capital as planned on the repayment schedule, the Bank shall have power to manage, lease, sell, or take over the assets managed in accordance with the law No 10/2009 of 14/05/2009 on mortgages as amended by the law No 13/2010 of 07/05/2010 and in accordance with the law No 34/2013 of 24/05/2013 on security interests in movable property. In the event of sale of those assets, the Bank shall follow procedures outlined in the applicable law and/or enacted by competent authorities.

Article 14: Waiver of Mortgage

After the clearing of the commitments, the Bank agrees to waive, on demand of the borrower, the guarantee covering the said commitments by proceeding to deregistration of the mortgage.

Article 15: Fees

All expenses whatsoever arising directly or indirectly from the performance of this contract and its aftermath, including the costs of release, are borne by the borrower. All expenses incurred from the litigation, including attorney's fees and bailiffs, shall be borne by the borrower.

Article 16: Insurances

Property mentioned above that the borrower and the guarantor agree to maintain in a state of perfect service have to be insured against the risk of fire, earthquake, lightning and explosions and in exchange to their reconstruction value and life insurance to the benefits of the Bank. The borrower and guarantor undertake also to obtain life protection insurance for initial capital equivalent of the loan amount and for a period equaling to that of the present credit. This insurance covers, in case of death or disability of the borrower before the loan term, payment of the outstanding balance due in principal and interests. The borrower and guarantor agree to maintain and renew the insurances and to pay regular premiums and fees, and submit the receipts to the Bank within thirty (30) days before expiration date. The borrower and guarantor also agree to notify the insurers, through the Bank, the entry made in favor of the latter, and make him transfer the benefits of policies purchased, up to the amounts owed and deliver to the Bank such policies. In case of non-repayment of an annual premium in accordance with the terms and conditions of the policy, the Bank may make advance in the name and on behalf of the borrower. The advance will increase the commitment and outstanding capital. No Bank responsibility may result from the performance or non-performance of this right.

Article 17: Responsibility

By signing this contract, the borrower and the guarantor who is simultaneously the surety are committed jointly and severally. In case of separation, in any manner whatsoever, the Bank may pursue either of them for the repayment of sums due; the pursuit will be indiscriminate and will remain unaffected by the consequence of their separation.

Article 18: Use of borrower's currencies on different accounts

The Bank has the right to use the borrower's money in different currencies from different accounts in our books to pay the loan as it falls due without seeking further authorization. The prevailing rate on that date shall be applicable.

Article 19: Representation and warranties

- The Borrower confirms, represents and warrants that all statements and other information of documents provided in connection with the loan application are true and accurate and undertakes full responsibility for and accepts all consequences of any inaccurate or untrue statement, information or document.
- The Borrower has obtained from Bank all the necessary pre-contract explanations on the terms and conditions applicable to this Contract.
- This Contract has been freely entered into by the Borrower, and it constitutes binding and enforceable obligations for the Borrower, its successors and permitted assignees.
- At the Signing Date, the Borrower and the guarantors are not under mandatory enforcement and/or bankruptcy procedures, and such procedures are not likely to occur, and the Borrower will immediately notify the Bank on the occurrence of any event that may lead to the risk of the start of mandatory enforcement and/or bankruptcy procedures.
- The Borrower will immediately notify the Bank on the occurrence of any event that may lead to the risk of a significant loss/reduction of the Borrower's income, declared in the initial loan application to Bank as well those to be submitted with respect to any subsequent creditworthiness assessment that may be made by the Bank.
- The Borrower and the guarantor(s) shall immediately notify the Bank on any change of its details noted here above in this Contract.

Article 20: Notice

Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person or to an authorized representative of the Party to whom the communication is addressed, to his registered residence mentioned in this contract or any other available address or email provided by the party him/herself to the Bank.

The Borrower undertakes to inform the Bank of any change in the address. In case of no communication about the new address; any notice, request or consent shall be deemed delivered to the borrower if it is notified at the actual address provided in this contract.

Without prejudice to the physical addresses mentioned in the above provisions of this contract, the borrower erects the below contacts to be used for all related communication:

- Email.....
- Tel:

Article 21: Severability

In the event, any provision of this contract is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the contract and all other provisions should continue in full force and effect as valid and enforceable.

Article 22. Governing Law

This Contract, its meaning, interpretation, performance and the relation between the Parties shall be governed by the Laws of Rwanda. All what is not provided for by both this contract and rules and regulations governing loan proceeding, shall be governed by laws of Rwanda as well.

Article 23: Disputes Resolution

Both parties agree to settle amicably any dispute that may arise from this contract. If after 30 days from the 1st attempt, the amicable settlement become unsuccessful, the matter shall be referred to the competent Rwandan court in Kigali.

Article 24: Authentic act

This contract is authenticated by the **Private Notary** and the costs thereof shall be borne by the borrower.

Article 25: Enforcement

This contract comes into force at the time of signature.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this contract to be signed in their respective names in Kigali, and delivered in 3 copies, on this .../.... /.....

The borrower

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**For COMPAGNIE GENERALE DE
BANQUE (COGEBANQUE) PLC**

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The guarantor(s)

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NOTARY ACT NUMBER

VOLUME OF

We,, certify that the act entailing clauses above stated has been presented to us by:

1. COMPAGNIE GENERALE DE BANQUE (COGEBANQUE) PLC, a company duly incorporated under the laws of The Republic of Rwanda, registered under TIN: 100005973, with its head office situated at Kigali, P.O. Box. 5230 Kigali, hereby officially represented by and, respectively and, by virtue of powers conferred upon them by the Board of Directors, hereinafter called « **The Bank** », where the context admits its successors and assigns, the contractor on the first part;

2....., whose registered address is in, District, Sector, cell, village, registered under TIN no, represented by, holder of Identity card n° issued at, herein called « **The Borrower** », where the context admits its successors and assigns, the contractor on the second part;

3.
....., holder of Identity cards n° and both issued at, herein called « **Guarantors** », on the third part

In presence of and, both agents of the Bank, witness as and meeting all conditions required by the law Reading the act contents having been made to subscribers and witnesses, the subscribers have declared before us and before the witnesses that the act as it is composed fully expresses their will. In witness whereof, this act was signed by the appearing parties, witnesses, ourselves, and the notary and contains the seal of Private Notary.

The Parties

The Borrower

**For COMPAGNIE GENERALE DE
BANQUE (COGEBANQUE) PLC**

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The guarantor(s)

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Witnesses

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The Notary

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Fees related

The Deed fees: registered by us,, under number, volume having the cost of collected on receipt n°, of issued by

The Notary

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Mailing fees:

FOR AUTHENTIC SHIPMENT WHICH COST CHARGED FOR
AUTHENTIC MAILING ON THE SAME RECIEPT.

The Notary

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