

INTEREST- BEARING -LOAN CONTRACT N° 0517/2022

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** », the contractor on the second part;

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

NOW THEREFORE, the parties hereto agree as follows:

Article 1: Purpose

The Bank has extended to the borrower a loan for purchasing a vehicle.

Article 2: Facility amount

The Bank grants a vehicle loan amounting to subject to:

- Direct payment to the seller after collateral perfection and pledge of vehicle to be financed.

Article 3 : Financial conditions

- Interest Rate: COGEBANQUE Base rate + **3,5%** which is equivalent to **18,5%** per annum, payable monthly.
The interest rate is subject to the review by the Bank based on money market trends;
- Interest on arrears(Principal,interests and commissions): 2% per month;

- Loan processing fee: 0.25% once off on the loan amount (minimum RWF 100,000) ;
- Management fee: 2% once off on the loan amount;
- Payment of a commission of 8% in the event of loan buy out by another Bank;
- Payment of a cancellation fee of 1% of the canceled amount of the loan after the signing of the loan agreement (min RWF 100,000, max RWF 5,000,000);
- Payment in advance of restructuring fee of 2% of the restructured loan amount in the event of restructuring of the loan.

Article 4 : Repayment terms

The loan granted is repayable as follows:

- a) **Repayment** : **Monthly basis**
- b) **The repayment period**
- c) **Instalment amount approximately**
- d) **First instalment date** :
- e) **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 number opened 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, loan protection insurance and third party insurance as stipulated in Article 16 of this contract;
- c) Assign total 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 agrees to secure the facility with the following securities as conditions precedent to drawdown:

1. A mortgage on the first rank on the plot with UPI n° located at Kamasaro, Kirehe Cell, Kirehe Sector, Kirehe District;
2. The Borrower agrees and exclusively pledges the vehicle(s) purchased /to be purchased together with all accessories and additions to or in the vehicle(s), as mentioned in this contract, whether present or future, by way of first and exclusive right to the Bank.
3. Subscription to loan protection insurance of with an article stipulating assignment of interests in favor of the Bank;
4. Subscription to third party insurance policy covering the vehicle to purchase with an article stipulating assignment of interests in favor of the Bank;
5. Personal and joint surety of, spouse of

Article 6: Mortgaging details

The client hereby authorizes the Bank to secure mortgage registration on above plot and pledge of the vehicle to purchase amounting to (RWF), 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 mortgage registration and pledge expenses, as well as other potential charges related to the implementation, monitoring and the recovery of the facility granted to him by the Bank shall be borne by the borrower.

Article 7: Title remittance and lease assignment

The borrower and guarantor accept to furnish to the Bank the original copy of land lease contract of the above plot and the log book. The borrower and 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 and vehicle.

Article 8: Exclusiveness of the ownership

The borrower and guarantor declare that they are the exclusive owners of the properties above and are free of any privileged liability or guarantee whatsoever, and that they do not have an obligation worthy of legal pledge and 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 building to be encumbered with then as a single building. The owners are not allowed to create a single building property described above with any of the other buildings if they are themselves mortgaged.

Article 9: Covenants

The Borrower covenants with the Bank that during the tenor of the Loan:

The Borrower shall keep and maintain the secured vehicle in good condition at the cost and risk of the Borrower in all respects and all necessary repairs, additions and improvements thereto and the Borrower shall be liable for any loss or damage caused to the collateral of the Bank, for any reasons whatsoever, including theft, damage by weather and deterioration in quality.

The Borrower shall pay all local taxes and other traffic charges/fines in accordance with the laws and regulations. The Borrower shall allow any person authorized by the Bank to have free access to the vehicle for the purpose of inspection.

The Borrower shall take consent from the Bank if the vehicle is proposed to be taken outside the territorial borders of the state in which the Assets is registered or taken out of the address/location as specified on a permanent basis or for a continuous period of more than 60 days.

Where full details of the Vehicle such as engine number/chassis number/serial number, registration number, etc. as required to be specified in the Application Form is/are not available at the time of submitting the Application Form, the Borrower shall furnish all such details of the Vehicle to the Bank, in such format as specified by the Bank, within 3 days of the receipt of such details such as registration number of the vehicle from competent authority.

Article 10: Credit reporting system

The Borrower expressly consents and allows 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 11: Clause of non-alienation

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

Article 12: Penalties for delays

A delay in payment of sums due under the proposed facility on its due date automatically runs default interest comprised of 2% per month on arrears(Principal,interests and commissions), 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 13: 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) 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;
- (v) Any governmental or other consent or exemption required to enable the Borrower to perform his 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 14: 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 law and/or enacted by competent authorities.

Article 15: 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 and pledge.

Article 16: Fees

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

The Borrower undertakes to pay forthwith on demand to the Bank all costs and expenses on a full indemnity basis incurred and or to be incurred by the Bank for inspection of Vehicle offered as security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Facility amount, security documents and other instruments creating and/or evidencing the creation of any security for the Facility as also any other instruments required in connection with the Facility.

Article 17: Insurances

The properties mentioned above that the borrower and guarantor agree to maintain in a state of perfect service have to be insured of fire insurance, third party insurance and to provide loan protection insurance, to the benefits of the Bank. The borrower agrees to maintain and renew the insurance and to pay regular premiums and fees, and submit the receipts to the Bank within Thirty (30) days before expiration date. The borrower also agrees 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 18: Responsibility

By signing this contract, the borrower and the guarantor 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 19: 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 20: Notices

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: Current laws and dispute resolution

All what is not provided for by both this agreement and rules and regulations governing loan proceeding, are hereby governed by laws enforceable in Rwanda. Both parties agree to settle amicably any dispute that may arise from this agreement. 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 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 on their behalf or 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

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

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The Guarantor

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NOTARY ACT NUMBER

VOLUME OF

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

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 the notary of,

The Parties

The borrower

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

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The Guarantor

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Witnesses

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The Notary

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Fees related

The Deed fees: Three Thousand Rwandan Francs registered by us,, under number 35, volume I/2022 having the cost of Three Thousand Rwandan Francs.

The Notary

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Mailing fees:

FOR AUTHENTIC SHIPMENT WHICH COST FIFTEEN THOUSAND RWANDAN FRANCS CHARGED FOR AUTHENTIC MAILING.

The Notary

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