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| **OVERDRAFT FACILITY AGREEMENT** BETWEEN**..............................** AND **GUARANTY TRUST BANK (RWANDA) PLC** |

THIS OVERDRAFT FACILITY AGREEMENT is made the 27th January, 2023

Between

.............................. with Company Code: ………………….., Kigali-Rwanda; officially represented by ……………………., holder of ID number: ………………….. and having its principal place of business in Kigali-Rwanda, (hereinafter called “the Borrower”) of the one part;

And

Guaranty Trust Bank (Rwanda) plc., a Public Limited Company licensed by the Central Bank of Rwanda to operate as financial institution with Company Code 100003180, P.O. Box 331, Kigali –Rwanda, herein officially represented by Joel Gatanazi and Louis Hategekimana N., respectively Head, Business Division and Head, Legal and Company Secretary; hereinafter called “GTBank” of the other part;

W H E R E A S:

(1) The Borrower has applied to the Lender to make or continue to make available to the Borrower overdraft facilities (hereinafter called "the facility") in the sum of **Rwf……………….. (…………………. Rwandan Francs)** such sums as the Bank thinks fit.

(2) The Lender has agreed to grant the facility to the Borrower on the terms and conditions

 hereinafter contained and stipulated in the Lender's Offer Letter with reference: .................................... and addendum with reference: ......................................... to the Borrower (hereinafter called “the Offer Letter”.

NOW IT IS HEREBY AGREED as follows:

**1.** **FACILITY, TERMS AND PURPOSE**

* 1. In consideration of the Lender granting the facility or other financial accommodation to the Borrower, the Borrower hereby covenants with the Lender to pay on demand all sums which shall be due or owing to the Lender from the Borrower subject to the terms and conditions specified herein including all usual commissions and customary banking charges and all costs and expenses incurred in connection with or incidental to the recovery of any amount due on the facility.
	2. It is agreed that the facility shall include any sum owing to the Lender by

 reason of an advance (if any) made directly to any person at the request of

 or on behalf of the Borrower on any bonds, letters of credit issued and

 guarantee or indemnities given by the Lender on behalf of the Borrower.

* 1. The Borrower hereby agrees that the said facility will be used for the purpose

stated in the Offer Letter(s) and that the Borrower shall not use any advance for any purpose except that permitted in this clause.

 1.4. The Borrower agrees that this Agreement does not constitute an obligation on the Lender to grant any facility save as it deems fit from time to time at its sole discretion and the Lender may without notice alter or cancel the facility.

**2**. **SECURITY/SUPPORT**

* First Rank Legal Mortgage on a commercial property with UPI: ………………. located in ……… Sector, ……………….. District in the name of ……………………………...
* Personal Guarantees of the Company’s shareholders for the total facility amount plus accrued interest.
* Fire and Open Peril Insurance over the pledged properties noting GTBank (Rwanda) Plc as the first loss payee.
* Promissory Note for the total facility amount plus accrued interest.

**CONDITIONS PRECEDENT TO DRAWDOWN:**

The facility shall become available to the Borrower upon approval and after receipt by Guaranty Trust Bank (Rwanda) plc of the following:

* Receipt of a letter from the Customer requesting for the Overdraft Facility increase.
* Notarized Board Resolution of .............................. accepting the facility and naming those authorized to accept them on its behalf.
* Duly executed Offer Letter signed by the authorized signatory of the Company.
* Duly executed Guaranty Trust Bank Standard Overdraft Agreement.
* Duly executed Guaranty Trust Bank Standard Term Loan Agreement.
* Fire and Open Peril Insurance over the pledged commercial properties noting GTBank (Rwanda) plc as the first loss.
* Personal Guarantee signed by the Company’s shareholders for the total facility amount plus accrued interest.
* Receipt of Tax Clearance Certificate.
* Mortgage perfection of the pledged property with UPI: ……………………..
* A recent clean CRB report for the Company and its shareholders.
* Letter of set-off to be duly signed by the Customer.
* A Promissory Note for the total facility amount plus accrued interest.
* Payment of all upfront fees.

**3**. **DRAWDOWN**

 Drawdown on the facility may be made in any way from time to time depending on the pattern of

 disbursement agreed by both the Borrower and the Lender from the date of satisfactory

 completion of all required documentation and satisfaction of all condition’s precedent to

 drawdown as specified in the Offer Letter with reference: ................................ and addendum

 with reference: .................................................

4. **CONDITIONS PRECEDENT TO DRAWDOWN**

 The obligation of the Lender to advance sums of money to the Borrower under this Agreement

 is conditional upon provision of all documents necessary for the perfection of the security created

 by the Borrower (if any) as well as the satisfaction of other conditions specified by the Lender in

 the Offer Letter with reference: ............................. and addendum

 with reference: ........................................

5. **TENOR**

 The tenor for the Overdraft facility is 12 months from the date of disbursement

 (Renewable upon satisfactory performance).

6. **INTEREST RATE**

 The Borrower shall until repayment of the facility pay to the Lender interest on such part of the facility as may from time to time be outstanding at the rate shall, subject to review, be Base Rate minus a margin of 5.95% i.e., 12% per annum (where local currency (Rwf) base rate is 17.95%). However, this shall be subject to review from time to time in line with prevailing money market conditions. Any change in the pricing of the facility notified by the Lender to the Borrower and agreed upon, shall become binding on the parties.

7. **REPAYMENT**

 7.1 Subject to the terms and conditions contained in this Agreement the Borrower shall repay the facility to the Lender on demand.

 7.2 The Borrower shall have the right in accordance with the usual practice in this regard to pay up any amount outstanding plus interest at the specified rate on the facility at any time before maturity and thereafter drawdown on the facility to the limit of the facility before the expiration of the tenor of the facility.

 7.3 Upon maturity, the Borrower shall repay and discharge all principal moneys plus interest at the specified rate and all other liabilities due and owing to the Lender on the balance outstanding.

7.4 In the event of any failure to make payment of any amount due hereunder, the Lender may if it thinks fit and proper and apart from any other remedy which it may have in law, cause any collateral to be sold in conformity with the law and shall apply the proceeds of such sale towards the repayment of all sums which may be due to the Lender from the Borrower.

7.5. The amount due to the Lender will include costs, charges and expenses

 incidental to such sale and the enforcement of the Lender’s rights herein,

 including payment of Attorneys fees and other incidental expenses and

 payments.

8. **INTEREST PAYMENTS AND CAPITALIZATION**

 If any interest required by this Agreement to be paid shall not be paid on the day on which the same shall become payable then without prejudice to any or all of the rights and remedies accruing to the Bank consequent upon such default and without rendering such interest other than overdue and immediately payable without demand, the interest so in arrears shall thenceforth itself bear interest at the rate of 2% per month above the Lender's lending rate computed from the date the same became payable to the date on which it is in fact paid and may at the sole discretion of the Lender be at any time capitalized and added for all purposes to the facility hereby secured and bear interest accordingly until actually paid and all overdue interest whether capitalized or not and the interest charge thereon shall be secured in the same manner as the facility and all covenants provisions and remedies contained in and conferred by this Agreement and all rules of law and equity in relation to the facility and the interest thereon shall equally apply to such overdue interest and to the interest thereon

9. **COVENANTS REPRESENTATIONS AND WARRANTIES**

 The Borrower hereby makes the following covenants representations and warranties in favor of the Lender:

* 1. That it has the power to enter into and perform this Agreement and to borrow hereunder and has taken all necessary action to authorize the borrowing of the facility upon the terms and conditions of this Agreement and to authorize the execution, delivery and performance of this Agreement in accordance with its terms.
	2. That all consents, licenses, approvals, or authorizations of any governmental authority, bureau or agency required in connection with the execution, delivery, performance validity or enforceability of this Agreement have been obtained and are valid and subsisting.
	3. That all the information relating to the Borrower or otherwise relevant to the matters contemplated by this Agreement which has been supplied to the Lender by the Borrower is true and correct in all material respects and contains no material omission.
	4. That it shall maintain a comprehensive insurance over all its assets against loss or damage by fire, earthquake, rain or windstorm, tornado, civil commotion. Provided that where all assets or specific assets of the Borrower have been charged to the Bank as security for this loan facility, the Borrower shall maintain such insurance cover stated herein including such other risk as the Bank may from time to time consider necessary, in an insurance office approved by the Bank in the joint names of the Bank and the Borrower and will duly pay all premiums for keeping such insurance. The Bank’s interest as loss payee must be duly endorsed on the policy. Where the Borrower is unable or unwilling to undertake such insurance cover as required above and to renew it latest 15 days before the maturity date, it is hereby agreed that the Bank shall insure the assets and debit the Borrower’s account for the cost of the insurance.
	5. That it shall not mortgage, pledge or subject to any lien or encumbrance any of its property and assets now owned without either securing the Lender's outstanding on a pari-passu basis or giving other security acceptable to the Lender.
	6. That it shall promptly upon becoming aware of them, deliver to the Lender details of any litigation, arbitration or administrative proceedings which are current, threatened or pending and which might, if adversely determined, have a material adverse effect in relation to it.

10. **OTHER COVENANTS**

 The Borrower further covenants with the Lender as follows:

 Not to, without the previous written consent of the Lender do or attempt to do any of the following (except those actions which the Borrower must take in compliance with Government's regulations, laws and/or Acts):

 10.1 Alter its Memorandum and Articles of Association in any manner so as to affect the interest of the Lender.

 10.2 To provide the Lender with a copy of its audited accounts and any other

 information as the Lender may require from time to time.

11. **TAXES**

* 1. All payments (whether of principal, interest or otherwise) to be made by the Borrower to the Lender, shall be made free and clear of and without deduction of any taxes, duties, charges, fees, deductions, withholdings, set-offs, counterclaims, restrictions or conditions of any nature.
	2. Where by any law or regulation, the Borrower shall be required to deduct or withhold any sum from the total sum or any installment payable to the Lender, the Borrower undertakes to pay such additional amounts as may be necessary to ensure that the Lender receives a net amount equal to the full amount which the Lender would have received had such deduction or withholding not been made by the Borrower.

12. **CHANGE IN CIRCUMSTANCES**

 If any change in the law or administrative regulations applicable to this Agreement or any interpretation by the Courts of Law makes it unlawful or illegal for the Borrower to perform its obligations hereunder then and in any such situation:

* 1. The available facility shall be automatically cancelled and the Lender's commitment shall be reduced to zero.
	2. The Borrower shall repay to the Lender the outstanding principal amount of the facility together with accrued interest thereon and any accrued but unpaid commissions and other costs and charges payable hereunder.

13. **EVENTS OF DEFAULT**

 Notwithstanding anything herein before contained the facility or the balance of the facility for the time being outstanding plus interest at the specified rate shall become immediately repayable:

* 1. If the Borrower makes default in the payment of any monies due

 hereunder and continues to default for a period of 7 (seven) days of being

 required to make payment of the facility or the balance thereof then

 outstanding and/or

 13.2 If the Borrower stops repayment and/or operating the account; and/or

* 1. If any distress execution sequestration or other process is levied or

 enforced upon or issued out against the property of the Borrower and is

 not discharged within 5 (five) days; and/or

* 1. If any encumbrancer takes possession or a receiver or other similar

 officer is appointed for all or any part of the undertaking and assets of the

 Borrower; and/or

* 1. If the Borrower commits any breach of this Agreement and in the case of any breach capable of remedy fails to remedy the breach within 10 (ten) days of being required in writing by the Lender to do so; and/or
	2. If there should in the opinion of the Lender be a material adverse change in the financial condition of the Borrower; and/or
	3. If any government consent required by law for the validity, enforceability or legality of this Agreement and the securities hereunder or the performance thereof ceases to be or is not for any reason in full force and effect

* 1. If any representation or warranty made by the Borrower in this Agreement

 or in any notice, certificate or statement delivered or made hereunder

 proves to have been incorrect or materially inaccurate when made or

 delivered.

* 1. If the Borrower ceases or threatens to cease to carry on business;
	2. If the Borrower ceases to be under the control of its existing shareholders or owners or there is any significant change in the management and control of the Borrower;
	3. If any circumstance arises which in the opinion of the Bank give grounds for belief that the Borrower may not (or may be unable) to perform, or comply with its obligations under this Agreement and any related documents to which it is a party;
	4. If the Borrower shall be in default of any payment obligation to any person or group of persons or organization whether such default is waived or not;
	5. If all or any part of the property constituting the security for the facility[s] is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of the same where such purchase might have a material adverse effect on the business or financial condition of the Borrower or on the ability of the Borrower to perform its obligations under this Agreement and /or related documents to which it is or will become a party.

14. **COSTS AND EXPENSES**

The Borrower shall reimburse the Lender on demand its reasonable costs and out-of-pocket expenses including but not limited to printing, stamp duty, solicitor's professional fees and registration charges or other fees incurred by the Lender in connection with the negotiation preparation registration execution and enforcement of this Agreement.

15. **REMEDIES AND WAIVERS**

 Failure to exercise or delay in exercising on the part of the Lender any right power or remedy hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any right power or remedy prevent any further or other exercise thereof or the exercise of any other right power or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

16. **BENEFIT OF AGREEMENT**

* 1. This Agreement shall be binding upon the Borrower and its permitted assigns and shall inure to the benefit of the Lender and its successors and assigns, provided that the Borrower may not assign or transfer any of its rights and benefits hereunder save with the prior written consent of the Lender.
	2. The Lender may at any time with written notice to the Borrower assign all or any part of its rights and benefits hereunder to any one or more banks or other lending institutions (each of which is hereinafter called a "Participant") for the consideration that each such Participant shall perform that percentage of the Lender's rights and benefits assigned to such Participant and for this purpose the Lender may disclose to a potential participant such information about the Borrower as the Lender shall consider appropriate.

17. **RECONSTRUCTION AND AMALGAMATION**

 This Agreement shall not be affected by any amalgamation, take-over or other reconstruction that may be effected by the Lender, its successors and assigns with any other company or persons whether the new company thus formed shall or shall not differ in its name, objects, character and constitution it being the intent that this Agreement shall remain valid and effectual in all respects in favour of and with reference to any such new company when formed and may be proceeded on or enforced in the same manner to all intents and purposes as if the new company had been named and referred to herein instead of the Lender.

18. **INDULGENCE**

 The Lender may without prejudice to its rights herein enter into any Agreement for giving of time or other facilities to the Borrower for the repayment of the facility or other monies hereby covenanted to be paid or any part thereof and may release or compound for the same with the Borrower or any person, company or corporation liable to pay the same.

19. **NOTICES**

 Any notice required hereunder shall be deemed to be sufficiently given provided it is in writing and given under the hand of any Manager or officer of the Lender and sent by post, addressed to the Borrower at the address stated above or any other address of the Borrower known to the Lender and every such notice shall be deemed to have been made on the day the notice would have been received in the ordinary course of post.

20. **SET-OFF**

The Borrower agrees that the Lender shall have the right to combine or consolidate all or any of the Borrower's deposits and accounts and set off or transfer any sum or sums standing to the credit of any one or more such accounts towards the satisfaction of all amounts which may become payable to the Lender hereunder.

21. **ACKNOWLEDGEMENT**

 Any admission or acknowledgement in writing by the Borrower or any person on behalf of the Borrower of the amount of indebtedness of the Borrower to the Lender or any judgment or award obtained by the Lender against the Borrower or any Statement of Account furnished by the Lender certified by an Officer of the Lender as a true copy extracted from the books of the Lender shall be binding against the Borrower in the absence of any manifest error.

22. **HEALTH SAFETY AND ENVIRONMENTAL POLICIES**

The Borrower agrees to continue to carry on and maintain its business in conformity with the Laws applicable in Rwanda and upon the Bank’s request, shall supply evidence to verify its fulfillment of this obligation

23. **LAW**

 This Agreement shall be governed by and construed in accordance with Rwandan Laws.

24. **AMENDMENT**

 This Agreement may be amended from time to time as dictated by exigencies of the situation and at the discretion of the Bank. Notice of such amendments shall be given to the Borrower and will bind the Borrower.

25. **DISPUTE SETTLEMENT**

 Any dispute arising out of this agreement shall be settled amicably failing of

 which it shall be referred to competent Courts in Rwanda

26. **COMMENCEMENT**

 This Agreement shall take effect from the date of acceptance of the offer letter.

**IN WITNESS WHEREOF the parties hereto have executed this Agreement in the manner set out hereunder on the day and year first above-written.**

1. NOTARIZED ACT NUMBER THREE HUNDRED THIRTY SIX (336) -------------------------------VOLUME XVIII/2023 ----------------------------------------------------------------------------------------------The year Two Thousand and Twenty Three ----------------------------------------------------------------The Fourteenth day of the Month of March -----------------------------------------------------------------

I, Rutikanga Sixbert, Private Notary, hereby certify that this instrument, whose terms are reproduced herein, has been presented to us this day by:

……………………. employee of Guaranty Trust Bank (Rwanda) plc, resident in Kigali city witness to this instrument.

The parties hereby accept the terms and conditions in this agreement. In agreement with that, the present act has been signed by the parties as indicated above, the witness and Notary, and sealed with the seal of the Private Notary.

-------------------------------------------------------THE PARTIES------------------------------------------------

**Guaranty Trust Bank (Rwanda) plc**

###### Joel Gatanazi Louis Hategekimana N.

Head, Business Division Head, Legal and Company Secretary

**The Customer**

**……………………………**

Represented by ………..

-----------------------------------------------------------**THE WITNESS** ------------------------------------------

…………………………….

------------------------------------------------------ **THE NOTARY** -----------------------------------------------

Rutikanga Sixbert

---------------------------------------------------------**THE NOTARY**----------------------------------------------

Notary Fee: Eleven Thousand Seven Hundred Rwandan Francs. Recorded by Rutikanga Sixbert, Private Notary, the deed number recorded is: 336 and the Volume is: XVIII/2023 of the Private Notary, the notary fee was paid as per the Bank slip with reference: 229690 on 14th March, 2023 through Guaranty Trust Bank (Rwanda) plc.

---------------------------------------------------------**THE NOTARY**----------------------------------------------