**GERNARAL TERMS AND CONDITIONS OF MICROLOAN**

# **Definitions**

Except as otherwise provided, the following terms and expressions have the following meanings wherever used in these Terms and Conditions applicable to Microloan or Loan Application Form and LoanLoan Agreement:

## “**Applicant**” means the person who applies for a microloan from [DCL – exact name of DCL].

## “**Approval Notice**” means an irrevocable notice of official approval of the Loan Amount and the Loan Term issued by the Lender to the Borrower no later than one (01) month from the signing date of the Loan Agreement. The Approval Notice can be provided to the Borrower by SMS and/or direct call via mobile number registered by the Borrower (the “**Registered Phone**”) under the Agreement or such other forms which the Lender may deem fit.

## **"Borrower"** means the party to the Loan Agreement to whom the Loan is made including but not limited to Borrower's successors, legal representatives.

## **“Borrower’s Dues”** means and includes the outstanding principle amount of the Loan, Interest on the Loan, all other interest, fees, costs, charges, expenses, and all other sums whatsoever payable by the Borrower to the Lender on or before the Due Date in accordance with the Loan Terms and Transaction Documents.

## **“Business Day”** means a day (other than a Saturday, Sunday or a public holiday in Vietnam) on which the Lender is opened for banking transactions in the normal course of business.

## **"LoanLoan Agreement"** means the agreement entered into between the Lender and the Borrower providing for the Loan; as such agreement may be amended from time to time. Loan Agreement includes these Terms and Conditions as applied thereto, the Loan Application Form, the Approval Notices, and all schedules and agreements supplemental to the Loan Agreement.

## **“Due Date”** means the deadline where the Borrower must pay the Borrower’s Dues or the Minimum Amount.

## **“Default Interest Rate”** means the interest rate of 0.45% per day for overdue debt levied by the Lender from the Due Date if the Borrower fails to pay any of Minimum Amount or Borrower’s Due on or before the Due Date untill the the Borrower's Due has been paid in full.

## **“Interest”** means the Loan Interest or Default Interest as may be applicable.

## **“Lender**” means [DCL – exact name of DCL].

## **"Loan"** means the term loan facility, which has been agreed to be granted by the Lender to the Borrower for the Loan Purpose, in the manner and upon the terms and conditions specified in the Loan Agreement.

## **“Loan Amount”** means the principle amount of the funds financed by the Lender is disbursed to the Borrower plus the Finance Consultancy Service fees disbursed to the service provider for the service used by the Borrower under service agreement signed between the Borrower the service provider. The Borrower can draw any part of the Loan again once the previous Loan have been repaid in full and subject to discretion approval of the Lender.

## **“Loan Application Form”** means the application in writing submitted by the Borrower to the Lender for availing of the Loan.

## **“Loan Term”** means period of time which is provided particular in Notice of Approval, it may by vary and be determined upon the demand and the repayment capacity of the Borrower.

## “**Loan Interest Rate**” means the interest rate stated in the Loan Application Form and Loan Agreement.

## 1.16 “**Minimum Payment Amount**” (hereafter to as Minimum Amount) means the sum of the following:

* 1. Interest accrued;
  2. Default Interest Rate accrued (if any);
  3. Reserve Loan Limit Fee (if any); and
  4. Part of the principal, calculated as a predetermined percent (defined by the Lender from time to time) against the loan requested by the Borrower, equal to the Intitial Period in calendar days, deducted by the amount of interest accrued for the appropriate days of the Initial Period.

## "**Notice of Repayment**" means a notice showing the summary of payable amount provided by the Lender to the Borrower and listing the Borrower's Due, Interests, fees, adjustments (if any) and Minimum Amount to the Borrower via Registered Phone/Email and/or other means which the Lender may deem fit.

## **“Online Loan Application Form”** means the online application submitted by the Borrower at website [DCL – exact name of DCL] to the Lender for availing of the Loan.

## **“Outstanding Loan”** means the whole or the remaining amount of the Loan which the Borrower has still not repaid to the Lender.

## **“Outstanding Interest”** means the whole or the remaining amount of the Interest which the Borrower has still not fully repaid to the Lender under the Loan Agreement.

## **“Prepayment”** means premature repayment as per the terms and conditions laid down by the Lender in that behalf and in force at the time of prepayment.

## **“Repayment**” means the repayment of the total Borrower's Due on or before the Due Date as shown in the Notice of Repayment issued to the Borrower. The Borrower, however, shall have the option to pay the total Borrower's Due, the Minimum Amount or any amount in between the total Borrower's Due and Minimum Amount to the Lender.

## **“Reserve Loan Limit”** means the maximum Loan Amount permitted by the Lender for the Borrower. The Lender reserves the right to increase or decrease the Reserve Loan Limit upon a notice issued to the Borrower.

## **“Terms and Conditions”** means these terms and conditions, which form an inseparable part of the Loan Application and Loan Agreement, concluded between the Lender and the Borrower.

## **“The First Drawdown Date”** means the first date of disbursing the Loan to the Borrower through money transfer service offered by Money Transfer Providers in partnership with the Lender.

## **“Transaction Documents”** means all writings, and other documents executed or entered into or to be executed or entered into, by the Borrowers and/or the Lender, as the case may be, any other person, in relation to, or pertaining to the Loan and each such transaction document as amended from time to time, including but not limited to the Loan Agreement, Terms And Conditions, and Approval Notice.

# **The Loan Purpose**

# The Loan issued for legal consumption purpose and payment the Finance Consultancy Service (if any as per customer's requirement) in order to improve the quality of life, constructions and repairs of roofs, sanitation facilities, water installations or business activities to increase the family income only).

# Apart from the above purposes, the Borrower must get specific approval from the Lender.

# **Loan Amount**

## The Borrower agrees to borrow from the Lender and the Lender agrees to lend to the Borrower a sum as stated in Approval Notice.

## Total Loan Amount should not exceed the available Reserve Loan Limit at a time.

# **Loan Term**

## The initial period term of each Loan shall be determined by the Lender on the basis of the Borrower’s request of loan and ranges between seven (07) calendar days to thirty (30) calendar days subject to the Lender’s approval which is provided to the Lender via Registered Phone and/or other means which the Lender may deem fit.

## Subject to the Minimum Amount or the amount between the Minimum Amount and the Borrower's Due to be paid on and before the Due Date, the next period term of the Loan shall be further thirty (30) calendar days and so on.

## The Borrower voluntarily agrees to the Lender’s decisions on Loan Term.

# **Interest**

## Interest on each Loan shall begin to accrue on the First Drawdown Date of that Loan.

## During Loan Term, Loan Interest shall be charged on the Loan. The Default Interest shall be charged at the rate of 150% of the Loan Interest against the Outstanding Loan when the Borrower fails to pay at least the Minimum Amount on or before the Due Date as shown on the Notice of Repayment provided to the Borrower.

## The Lender is entitled to revise the Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the Loan Term at its sole discretion. The Lender shall inform the Borrower about the variation in the Interest/rate of interest in due course via SMS, email, media or any other means which the Lender may deem fit.

## The Interest shall be accrued on a daily basis according to the actual number of days elapsed.

# **Other Fees and Charges**

## The Borrower shall pay to the Lender the fees and charges which be collected upon operation of the Lender as permitted by laws, including but not limited fee payable for the Reserve Loan Limit of MMK 4,000,000 (Four Million Kyats) incurred for payments for the Borrower’s Dues received after the Due Date. The fee shall be charged on the Repayment Date and repaid by the Lender on the last day of the next circle of the initial period of the Loan and so on.

## Any Due Date is stated in any Transaction Document shall be applied such fee payable for the Reserve Loan Limit over-said without depending on any amendment of any Due Date under further Approval Notices.

# **Conditions precedent to disbursement of the Loan**

## The initial disbursement of Loan shall be made available after the conditions precedent set out below have been fulfilled and provided to the satisfaction of the Lender:

## The Loan Agreement duly executed by the Borrower and the Lender;

## The Approval Notice issued to the Borrower;

## Certified copies of the Borrower's NRC card/passport;

## Certified copies of Family Registration Card;

## Proof of letter or document that the Borrower lives at provided address (from Ward Office);

## Other documents the Lender deems it necessary from time to time; and

## No Event of Default is continuing or would result from the requested Loan.

## Once the Loan Application Form submitted by the Borrower is accepted by the Lender, the Borrower shall not entitled to cancel the Loan or to refuse to accept disbursement of the Loan, except with approval of the Lender of such cancellation or prepayment charges as may be stipulated by the Lender. The Borrower agrees that the Lender has the right to approve/reject the cancellation of the Loan as the Lender deems fit.

# **Repayment and Prepayment**

## The Borrower must repay the Borrower’s Dues on the Due Date. However, if the Borrower fails to pay any amounts as provided under Article 1.22 of the General Terms and Conditions, the Minimum Amount is allowed to be paid within a period of time equal the the initial period of the Loan after the Due Date and the Default Interest Rate may be applied accordingly.

## Whenever any payment by the Borrower becomes due on a day which is not a Business Day, the Due Date will be the following Business Day.

## The Borrower may prepay the whole or any part of the Loan provided if the Loan Term have passed at least half and not earlier than after seven (07) calendar days from The First Drawdown Date.

## The Borrower shall be required to make payment/repayment of the Borrower’s Dues with cash at the Payment Service Providers in partnership with the Lender or through any payment instruments as directed by the Lender from time to time.

All payments are to be applied first to the accrued fee payable for the Reserve Credit Limit, accrued Default Interest, the accrued Loan Interest, other fees and charges (if any), and then to payment of principle; provided, however, that after an Event of Default, payments will be applied to the Borrower’s obligations as The Lender determines in its sole discretion.

# **Representations and Undertakings**

## The Borrower hereby represents and warrants to the Lender on a continuing basis that:

1. The obligation expressed or to be assumed by the Borrower in The Loan Agreement, and any relevant documents are legal, valid, binding and enforceable obligations;
2. The entry into and performance by the Borrower of, and the transactions contemplated by, the Loan Agreement, and any relevant documents do not and shall not conflict with (i) any law or regulation applicable to the Borrower; or (ii) any agreement or instrument binding upon the Borrower;
3. No event of default is continuing or might reasonably be expected to result from the making available of the Loan; and
4. The Borrower has disclosed to the Lender all information (financial or otherwise) relating to the Borrower and all other relevant parties which is material to be known to the Lender in view of the provisions of The Loan Agreement, and other relevant documents and which is true, complete and accurate in all material respects as at the date it was given and is not misleading in any respect.

## The Borrower covenants with the Lender that during the Loan Term:

1. The Borrower shall comply in all respect with all applicable laws in connection with the performance of the Borrower’s obligations under the Loan Agreement, and other relevant documents;
2. The Borrower shall obtain and maintain in full force and effect any authorisation, consent or approval required to enable the Borrower to perform the Borrower’s obligations under the Loan Agreement, and other relevant documents and to ensure the legality, validity, enforceability or admissibility in evidence of the Loan Agreement, and other relevant documents.
3. The Borrower shall notify the Lender in writing of any potential or actual Event of Default (if any specified in the Loan Agreement, and the Finance Appraisal Agreement) and any event or circumstance which constitutes a default under any other agreement binding upon the Borrower (and, in each case, the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence;
4. The Borrower shall provide a prior written notice to the Lender of any change in its the Borrower’s name, date of birth, residential address within 3calendar days of such changes;

The Borrower shall notify the Lender of any change in the Borrower’s employment, business or profession before any commitment is made. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Lender informed about the financials of his or her business on a periodic basis as requested by the Lender.

**Event of Default**

## Each of the events or circumstances set out in the following sub-clauses is an Event of Default:

1. The Borrower does not comply with any provision of the Loan Agreement, and or any relevant documents, including any failure to pay when due any principal, interest, fee or any other amount payable pursuant to the Loan Agreement, and or any relevant documents.
2. Any representation or statement made or deemed to be made by the Borrower in the Loan Agreement, and or any relevant documents is incorrect or misleading in any material respect when made or deemed to be made.
3. The Borrower becomes dead or incapable.
4. Any event or series of events occurs which, in the opinion of the Lender, is likely to have a material adverse effect on the Borrower's financial conditions.
5. Any indebtedness in respect of monies borrowed from the Lender by the Borrower is not paid when due.
6. Any of the Borrower’s tax obligations or duties are not paid on the due date or become due or capable of being declared due prior to their due date.
7. Any changes in the laws of the Republic of the Union of Myanmarwhich impact on the Lender’s consideration to continue with the Loan.
8. The occurrence of any Event of Default as stipulated in the Loan Agreement, and any relevant documents.

## On and at any time after the occurrence of an Event of Default which is continuing the Lender is entitled to:

1. Declare all or part of the outstanding under the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Loan Agreement, and to be immediately due and payable;
2. Terminate all obligations of the Lender under the Loan Agreement, and other relevant documents; and
3. Exercise all of its rights and remedies under the Loan Agreement, and other relevant documents.

# **Indemnity**

The Borrower shall indemnify the Lender against any cost, loss or liability incurred by the Lender as a result of:

1. The occurrence of any Event of Default;
2. The information produced or confirmed by the Borrower being or being alleged to be misleading and/or deceptive in any respect;

Any enquiry, investigation, subpoena (or similar order or litigation with respect to the Borrower) or with respect to the transactions contemplated or financed under the Loan Agreement, and other relevant documents;

Funding, or making arrangements to fund the Loan in accordance with a drawdown notice submitted by the Borrower not being made due to the execution of any provision of the Loan Agreement;

The Borrower’s Dues under the Loan Agreement (or any part thereof) not being prepaid in accordance with a notice of prepayment given by the Borrower;

The negotiation, preparation, printing, execution of the Loan Agreement, and other relevant documents.

# **Disclosure of Information**

The Borrower hereby expressly permits the Lender to transfer and disclose to (i) any Banks in Myanmar or such other authorities; (ii) any party/person proposing or considering to tender any payment towards or purchase the indebtedness under the Loan; (iii) the security party; (iv) its auditors, lawyers or any other debt collection agents; (v) Loan reporting agencies, nominees, trustee, custodians, securities depositories or registrars; (vi) insurance companies, agents, contractors or third party service providers who are involved in the provision of products and services to or by the Lender, the LGC and the MCC and the holding company, head office, other branches, subsidiaries, related companies of the Lender, the LGC and the MCC (whether within or outside Myanmar); or (vii) for provision of or cross selling of products and services, any information relating to the Borrower’s affairs or account  in respect of the Loan, the Loan Agreement, and at any time and to such extent as  the Lender may at its absolute discretion deem expedient or necessary. The Borrower hereby agrees that the aforesaid information may be used, encrypted, transmitted and stored by the Lender and its holding company, head office, other branches, subsidiaries, related companies (whether within or outside Myanmar) and/or may be exchanged to or with all such persons as the Lender considers necessary to the extent as permitted by law. The aforesaid actions are without liability to the Borrower. The Borrower expressly consents to such actions and declares that no further consent from the Borrower is necessary or required in relation thereto.

# **Set-off**

The Lender at its discretion shall set-off or deduct any amount from any account of the Borrower held at the Lender against any obligation due from the Borrower under the Loan Agreement, and other related documents, regardless of the place of payment, booking branch or currency of either obligation. Any set-off of fixed deposit by the Lender shall be deemed as pre-mature withdrawal by the Borrower. If the currency of obligation is different from the currencies of accounts, the Lender may convert the currencies of the account into the currency of the obligation by reference to the market rate of exchange in its usual course of business.

# **Review**

## The Loan are subject to the Lender's review at any time and also subject to the Lender's overriding right of withdrawal and repayment on demand, which the Lender reserves the right to exercise at any time.

## All the Loans specified herein, unless expressly stated herein to the contrary, must be drawn down within 04 days from the date of disbursement as provided in the Notice of Approval sent the Borrower, failing which the Loan shall thereupon be automatically cancelled and withdrawn at that time.

## The Lender shall have the right to review and revise this Terms and Conditions at any time.

# **Notices**

## Notice to the Borrower

## A notice given to the Borrower in connection with the Loan Agreement, and may be delivered by hand or sent by prepaid ordinary post or sent by email (electronic mail) or sent by facsimile to the facsimile number of the addressee or sent by message to the mobile number of the addressee which is specified Transaction Documents. A notice given to the Borrower shall be treated as having been given and received:

1. If delivered, on the day of delivery if a Business Day, otherwise on the next Business Day;
2. If sent by pre-paid mail, on the second Business Day after posting;
3. If sent by email and no failure notice is received by the sender, one hour after the time of the sending of the email; and
4. If transmitted by facsimile and a correct and complete transmission report is received, at the time of transmission recorded on that transmission report.
5. If sent by message and no failure notice is received by the sender.

## Notice to the Lender

## Notices, demands or other communications shall be addressed to the Lender at its office whereby the Borrower applies for the Loan or such other address the Lender may notify to the Borrower for this purpose, and may be delivered personally, by leaving it at such address, by facsimile transmission or telex, or email, or by mobile message and shall be deemed to have been delivered to the Lender on the day of actual receipt.

**15. Certificates and Determinations**

Any certification or determination by the Lender of a rate or amount under the Loan Agreement, and any relevant documents is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

**16. Assignment and Transfer**

Notwithstanding any other provisions of the Loan Agreement and/or other relevant documents, the Lender may at any time: (i) assign or transfer its rights and obligations; or (ii) create security in or over any or all of its rights or obligations under the Loan Agreement, and or other relevant documents to any person on provision of seven (7) Business Day written notice to the Borrower. The Borrower is not permitted to assign or transfer any of the Borrower’s rights or obligations under the Loan Agreement and/or other relevant documents without the prior written consent of the Lender.

**17. Waiver**

The delay or failure of the Lender on exercise of any of its rights in the Loan Agreement, and shall not be construed or deemed as a waiver of the Lender to such rights.

**18. Language and Governing Law**

The Loan Agreement are made in Myanmar and governed by the laws of the Republic of the Union of Myanmar. The competent courts of Myanmar have jurisdiction to settle any dispute arising out of or in connection with the Loan Agreement (including a dispute regarding the existence, validity or termination of the Loan Agreement).

**18. Term of the Loan Agreement**

The Loan Agreement shall take effect from the date of signing until 12 months (the “Initial Term”). Subject to the Agreement not having been terminated, at the end of the Initial Term, the Loan Agreement shall be renewed on the same terms for a further period of 12 months (“Renewal Term”) unless the Lender informs the Borrower of its intention not to renew by way of written notice at least one month prior to the end of the Initial Term or the Renewal Term (as the case may be).