**Yangon City Development Committee**

**Revenue Department**

**Licensed personal Loan Business**

**Authorisation Agreement**

Date: 1 April 2013

This agreement is made, under the following terms and conditions in Yangon on the 1st April 2013, betweenHead of Revenue Department on behalf of Yangon City Development Committee (**YCDC)** (hereinafter referred to as the license grantor and includes persons, who exercise consistently the authority of the YCDC, the recipients authorised by law and groups of legal representative) ‘one part’ and **Daw**--------(hereinafter referred to as thelicence holderand includes herself and which extends to heirs, recipient authorised by law, legal representatives) ‘another part’.

**Type of allowed Business and Location**

**1.**  Business - Personal/Private Loan Business No.(-)

Location - -------------------Township

**Responsibilities of the license grantor**

2.(a) The license grantor shall as it thinks fit assist the license holder to be able to undertake his business in accordance with the existing laws and regulations of Myanmar.

(b) The authorisation agreement may, where determined necessary by the Government or Regional Government or YCDC, be cancelled prior to termination of its term. Besides, the business valuation may be amended from time to time.

**License holder’s responsibilities**

3.(a) The license holder, without the prior approval of YCDC, shall not transfer the license by means of sub-sale or sublet. If it is found, doing either one of them upon inspection, the license shall be annulled; the Committee shall confiscate the securities, premiums and revenues.

(b) The security as a whole or part thereof, where contrary to the terms of authorisation agreement or rules and regulations of YCDC Act or any directive occasionally issued, shall be confiscated.

(c) The license holder if violated the terms of the license, a written notice of warning for the first time, fine for the second, three times of the fine imposed for the third, the license shall be annulled; the securities and revenues shall be confiscated for the fourth. When the license was subcontracted and thereby incurred losses (if the original business valuation when calculated with the time period remained is less than that of expected business) the amount of money loss shall be incurred by the former, and the former shall not be entitled to those returns if the business that has been subcontracted makes more returns.

(d) The license holder shall be obliged to comply with the lawful inspection under the supervision of the official of the YCDC.

(e) The license holder is allowed to run a single business in a specified township, and is not allowed to run the same business in two townships nor is allowed to move to another township.

(f) If the license holder, desires to change the address in the specified township within a financial year, he shall seek a permission and can change it.

(g) Reports, where there are matters related to penal law, shall be made immediately to the nearest police station or head of municipal department or revenue department. Where there are seizures or actions taken under the Penal law Code, the license holder shall be liable, and YCDC shall have nothing to do with it.

(h) No agricultural tools or properties of armed forces or stolen property shall be received or pawned for a loan.

1. No immoveable property shall be mortgaged.

(j) **Things received for loan shall be kept securely.**

(k) It shall stop running business immediately when the term of the license expires and thereby obtain a temporary license from YCDC to allow redemption of the pawned properties.

(l) No application shall be considered for returning the business within the term specified or for reduction of tax due to business failure.

(m) Application for the return of the deposit for the business shall be allowed to be made within 3 years starting from the day the license expires. Application made beyond such periods shall not be considered, and the security in question is to be confiscated by the Committee.

(n) In doing business, the name of the business shall be described as a licensed microcredit business under the YCDC and the same shall be described when dealing with other departments concerned.

**Conditions for the pawned, setoff, redemption/withdrawal, receiving of the property pawned and stolen property**

4.(a) Voucher must be written on carbon copy paper and the first copy is to be kept as an accepted receipt, and the second carbon copy to be given to borrower. The receipt and collateral are to be attached. Types of property, value, term, date are to be clearly written on the voucher and the borrower shall sign it.

Модем ли мы отправите его по почте клиенту? Не написано в какой срок заемщик должен подписать

Выдавать и мгновенно выкупать

(b) The value of the pledged properties shall be determined based on mutual agreement by both parties.

(c) For the transaction, the interest rate shall be 3% and the pawn period shall be 4 months.

(d) The description on the receipt shall clearly be printed that there are no rights to redeem the property after 4 months and ten days from the date of pawning .

(e) The license holder shall be responsible for the pawned property until the day when the pawned property is redeemed.

(f) A borrower shall be 18 years of age and shall not be a members of a religious order or persons of unsound mind.

(g) A copy of identity card shall be taken when gold or valuable items are pawned.

(h) A careful examination of the amount of money and a receipt shall be made after the transaction is done.

(i) If the borrower, when pays the interest accrued prior to due date, demands an extension to repay the debt, the extended period shall be allowed.

(j) The extension of period shall be systematically entered in the register book.

(k) If properties are redeemed, the property should be verified against the receipt and then the receipt shall be returned.

(l) An application can be made when the receipt was lost, for a renewal with a copy of ID Card, the endorsements from the police station and authority concerned, and if found acceptable, the redemption shall be allowed upon paying a fee.

(m) If it made by an agent, a general letter of authorisation power and a household member list shall be required.

(n) A prior declaration, when the loan business ceased, shall be made for the purpose of withdrawal.

(o) Proper security for the pawned properties, which are not to be damaged, shall be required.

(p) The compensation for the loss of mortgaged properties, when occurred due to one’s own negligence, shall be made by the money lender and the amount is to be stipulated by the Committee.

(q) A record shall be kept for disposal of the overdue pawned property where the owners have defaulted.

(r) The proceed of the disposal, when exceeds the combination of interest rate and capital, shall return to the mortgagor who defaulted on his mortgaged property.

(s) When property received for mortgage has a reason to believe to be related to theft or robbing or cheating or when a claim is made by the police for the exhibition of evidence in relation to penal offences, such property in question shall be delivered to the police.

(t) During the terms of license, copying the information or registers or lawful inspection or seizure of pawned properties by persons appointed by the letter of Committee or authorised person shall be allowed.

**Time Period for the License**

5. The time period for the license is from 01.04.2013 to 31.03.2014.

**Business Valuation and Conditions**

6.(a) According to Article 6 (A/35), the resolutions of the meeting made on 18.02.2013 by the members of YCDC, the amount of money (------------------) under the personal loan business No. (------) was received as a loan by Daw ---------- in the fiscalnancial year (2013-2014).

(b) Payment payable for the fiscal year (2013-14) in terms of one tenth of security and business valuation shall be made not later than 15.3.2013.

**Termination the Agreement**

7. Both parties (the license grantor and holder) have the rights to terminate this agreement when one of the following conditions arises:

1. Unavoidable circumstances if occurred consecutively in two months periods;
2. Termination of the license period;
3. Failure to agree to the resolutions of the YCDC.

8. When one of the parties violate the terms of the agreement and if the evidence shows beyond doubt for that purpose by the other, a prior notice shall be sent to the violator within (30) days and thereby this agreement may be terminated.

9. When there is a failure to implement or adhere to the order and directive of the Committee or an omission of the remedy for such failure within 30 days, the termination of the business, seizures of revenues and the securities shall be incurred. For the termination of the business, shall not infringe the license grantor’s rights to receive business-value or compensation from the license holder.

**Settlement of Dispute**

10. Settlement of dispute shall be subject to the resolutions made by the members of YCDC, and it shall be final and conclusive.

**Force Majeure**

11. There shall be no claim by the license holder from the license grantor for compensation resulted from losses incurred by the force majeure, danger of flood, storm and fire or restrictions by the Government for the rule of law or braking out of war, or boycott or similar circumstances when become unavoidable though due diligent by one of the parties.

12. A written notice shall be sent to the license grantor by the license holder within 14 days from the day when such unavoidable circumstances occurred. If approved by the license grantor, there shall be exemption of business-value for the periods of business suspended.

**Modification of the agreement**

13. If the terms of this agreement are to be modified, altered and added, which can be done, subject to mutual, official written agreement, by both license grantor and license holder.

**Protection of environmental pollution**

14. The permit holder shall keep the environment cleaned and avoid from polluting the environment in accordance with the laws.

**Effective Date**

15. This agreement shall come into force on the day when the business is commenced.

**Communications**

16. Both The parties to this agreement, when any issue arisen, shall use the following addresses for the official communications purpose;

**The license grantor**

Head of Dept.--------------------------

Revenue Dept.-------------------------

(For and on behalf of YCD)

**The license holder**

Daw----------------------------------

NRC No. ----------------------------

Address-----------------------------

17. Having completely understood the terms and conditions detailed in this agreement, both the license grantor and license holder themselves hereby signed this agreement before the following witness:

**The license grantor The license holder**

Position- Head of Department Name---------------------------

Revenue Department N.R.C. No. ---------------------

YCDC Address---------------------(Signed by the resolution made by

the meetings held on (18.02.2013)

under Para 6 (A/35) )

**Witnesses**

Name---------------------------- Name ---------------------------

Position-------------------------- NRC No.------------------------

Department--------------------- Address-------------------------