**BUSINESS LOAN AGREEMENT**

**THIS AGREEMENT** is made between:

**GREAT NORTH CREDIT LIMITED,** a company incorporated in Zambia and having its registered office at, Garden Plaza Plot No 35370, Thabo Mbeki Roads, Lusaka represented by its Chief Executive Officer, named below (hereinafter referred to as the “Lender**”**);

And

**BERNARD SMART MOYO** residing at **KAPICHILA PALACE LUNDZAI, NRC # 359826/11/1:**  and (Hereinafter referred to as the **“Borrower”);**

**WHEREAS IT WAS DECIDED AND AGREED UPON AS FOLLOWS:**

**Article 1**: The Lender has agreed to provide the Borrower with a loan in the sum of **ZMK [65,000**] in accordance with the loan schedule more particularly described in the Annexure attached hereto (the “*Loan*”) subject to the terms and conditions in Article 1.2 (the “Condition Precedents”) which shall form an integral part of this agreement (the “Loan Agreement”).

**Article 1.2**: By entering into this Loan Agreement with the Lender, the Borrower

1. Shall complete a Loan application form and provide GNC with all applicable governance documentation
2. Warrants that the information given in the loan application is accurate and true and shall be liable to the Lender in the event of any damages, loss, or lawsuit against the Lender arising from such misleading or inaccurate information.
3. Acknowledges that the application of the Loan for any other use not sanctioned herein is strictly prohibited by the Lender and warrants that the Loan shall solely be used according to the information and purpose given in the Loan application.
4. Certifies that he/she neither support or conduct, directly or indirectly, violence or terrorist activities of any kind, nor enters into this agreement with the intention to conceal or disguise the origins of criminally derived proceeds (‘money laundering”) or to use Loan proceeds for criminal or illegal purposes.
5. Undertakes to provide and create sufficient collateral as security in favour of the Lender over the Borrower’s or any other agreed third party’s assets through an agreement (the ***“****Security Agreemen****t*”**) to be entered into with the Lender for securing the Loan as agreed herein.
6. The Borrower represents and warrants that the registered office or place of business is located at the address specified in the parties’ clause above.

**Article1.3**: The Loan will be availed to the Borrower during the opening hours of the Lender by way of a bank transfer in to a designated bank account held by the Borrower.

**Article 2**: The Borrower commits to re-paying the principal and interest (as detailed in Article 4 below) in accordance with the repayment schedule attached as an annexure (the **“***Annexure A”)* and incorporated herein. The Lender reserves the sole right to restructure the repayment schedule where it is expedient to do so on such terms and conditions it may deem fit.

**Article 2.2**: All repayments in respect of the Loan by the Borrower must be done on time and in accordance with the repayment schedule. Payments should be effected at any of the Lender’s branch, bank or designated agents.

**Article 2.3:** Subject to Article 2.2, the Borrower shall not effect payment or have any direct or indirect cash dealings with an account relationship officer and in the event of breach of this Article, the Borrower shall at all times be liable to the Lender in accordance with the terms and conditions of this Loan Agreement.

**Article 3:** Unless otherwise expressly indicated in writing by the Borrower, the Loan shall be subject to a credit life assurance policy (the “*Policy***”**) at such premium as shall be agreed upon between the Lender and its designated insurance service provider. The Policy is intended for the benefit of the Borrower and a copy shall be provided to the Borrower upon request.

**Article 4**: The present Loan is granted to the Borrower for a period of **[6]** months starting from the disbursement date and more particularly described in Annexure A. The Loan shall automatically be listed with the Credit Reference Bureau after it has been disbursed. In the event that the Borrower delays to make payments in accordance with the repayment schedule, the delinquent or non performing account shall automatically be updated with delinquent or non performing status with the Credit Reference Bureau and in such an event the Borrower shall not hold the Lender liable for any lost revenues, profits incidental, direct or indirect, special or punitive damages that may occur or that are foreseeable, whether in tort, negligence, contract or howsoever arising as a consequence thereof.

**Article 5**: The Borrower shall pay the principal and interest on the daily closing balance at an agreed rate as outlined in the Annexure A

**Article 5.1:** The Borrower shall incur the costs or fees necessary for perfecting security to be pledged as collateral for the Loan.

**Article 6**: The Lender shall be in default under this Loan Agreement upon the occurrence of any of the following events (an **“Event of Default”**):

1. The principal and/or the interest is not paid at the stipulated dates agreed in the Annexure;
2. Where the loan is not used for the purpose provided under this Loan Agreement;
3. Where the Borrower knowingly or intentionally provides wrong or false information to the Lender under the loan application form or any other document that forms the basis of this Loan Agreement;
4. A change in the value at the instance of the Borrower and/or the quantity of securities provided for in the Security Agreement;
5. Any event of fraud on the part of the Borrower regardless of whether the fraud is committed with respect to the Loan or otherwise;
6. Failure to notify the Lender in writing of any adverse material change in the financial condition of the Borrower or change in the controlling or shareholding structure in the case of a company;
7. Where the Borrower is issued with a notice of repayment and the Borrower neglects and/or fails to comply with the notice;
8. Any material breach of this Loan Agreement on the part of Borrower;
9. The Borrower ceases or threatens to cease to carry on the business currently being carried on or a substantial portion thereof;
10. Breach of any of the terms and conditions contained in the Security and Guarantor Agreements.
11. The Lender believes in good faith that the prospect of payment or performance of any of the obligations under this Agreement is impaired;
12. The Borrower fails to carry out any of the commitments provided in this Loan Agreement;

**Article 6.1**: On or after the occurrence of any Event of Default at the option of the Lender:

1. Any or all of the obligations in respect of the principal and interest not payable will become immediately payable with or without notice;
2. The obligation if any of the Lender to extend further credit to the Borrower will cease;
3. The security granted hereby will become immediately enforceable; communicate with the Borrower in writing and all outstanding amounts shall immediately become payable by the Borrower to the Lender in respect of both the principal and the interest.

**Article 6.2**: In addition to any right or remedy otherwise provided herein or by law, on or after the occurrence of any Event of Default, the Lender will have the rights and remedies set out below, all of which may be enforced successively or concurrently:

1. Immediately call the Loan and payment of the principal and interest by the Borrower;
2. Enforce the terms and conditions in the Security Agreements and shall sign any relevant documentation necessary to ensure change of ownership of title.
3. Carry on all or any part of the business of the Borrower;

**Article 7**: Both parties commit themselves not to disclose any confidential information obtained directly or indirectly in the negotiation, or execution without the prior written consent of the other.

**Article 8**: The Borrower declares and accepts that:

1. The Annexure, loan application form, collateral evaluation form and Security Agreement form an integral part of this Loan Agreement;
2. Any information given to the Lender is accurate and reflects the financial position of the Borrower;
3. He/she is not subject to any legal proceedings that may endanger any property that has been pledged as security for this Loan to the Lender
4. He/she shall notify Lender in the event that legal proceedings are commenced against him/her during the term of the Loan Agreement; and
5. He/she shall notify Lender of any changes in the Borrower’s contact details and material change in financial position or structure;
6. Any notice to be given in connection with this Agreement will be given in writing by personal delivery, registered mail, or by electronic means addressed to the Borrower at its address specified in this Agreement or such as address as may be notified by the Borrower to the Lender.
7. He/she irrevocably appoints the Lender to be his or her attorney to do all things and execute and deliver, documents, financing statements, demands and assignments which the Borrower is obliged to do or execute or deliver hereunder and generally to act in the name of the Borrower in the exercise of any of the powers hereby conferred on the Lender;
8. He/she has received a copy of this Agreement and waives all rights to receive from the Lender a copy of any confirmation statement, registered financing statement, or amendment to the registered financing statement registered or issued at any time in respect of this Agreement;
9. He/she has given consent for the Lender to register the financing statements or any amendments thereof as may be required.

**Article 9:** The Lendershall have the right to conduct monitoring of the Borrower’s business activity, control financial status of the Borrower and check for changes in the loan provisioning. Solely the Lender shall determine the frequency of the monitoring and number of visits without giving prior notification to the Borrower.

**Article 10:** The Borrower understands and accepts in full the implications relating to this Loan Agreement and declares to have sought independent legal advice with regard to the implications thereof.

**Article 11:** The Borrower certifies that he or she has complied with the Lender’s exclusion list and applicable local laws and regulations.

**Article 12**: In the event that a disagreement or dispute arises in connection with the interpretation of this Loan Agreement, the parties shall amicably at the first instance attempt to settle the disagreement or dispute as the case may be through good faith negotiations, failure to which the dispute shall be referred to a court of competent jurisdiction in Zambia.

**Article 13:** In the event of non -payment of the principal and/or the interests at the due date, the Borrower will be obliged to pay the Lender an interest on past due principal calculated over and above the amount due at the rate of 0.15% per day, billed monthly, amount shall continue to accrue daily for as long as the payment is outstanding.

**Article 14:** The Borrower shall also be liable to pay any prior valuation of property in applying for a loan, and thereafter any subsequent legal action, auction, sale and administrative costs that that the Lender may incur in pursing and recovering any outstanding debt due to it;

**Article 15**: This Agreement shall be interpreted in accordance with the laws of Zambia. Fully permitted law, the Borrower waives all of the rights, benefits and protections given by the provisions of any law which imposes limitations upon the powers, rights or remedies of the Lender.

Done at [Great North Credit Garden Plaza], in two copies, on **[22/2/2023]**

**Great North Credit Limited xxxxxx**

The Representative of the Chief Executive Officer. The Borrower

[***…………………………***] […………………. …………..]

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**In Witness of**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Full Names