This Loan Agreement (the **“Agreement”**) is entered into **{date}** (the **“Effective Date”**), by and between **GET GARI**, with an address of THE BOLAJOKO, 15A, REMI OLOWUDE STREET, LEKKI, LAGOS STATE (the **“Lender”**) and **{name},** with an address of **{address}** (the **“Borrower”**), collectively “the **Parties.**”

WHEREAS, Borrower desires to borrow a fixed amount of money; and

WHEREAS, Lender agrees to lend Borrower the requested amount;

IN CONSIDERATION of the mutual promises, covenants, and conditions contained herein, the Parties agree as follows:

1. **Loan Amount.** The Parties agree that the Lender will loan the Borrower **NGN{amount}** ({amountInWord} naira only), **(the** “**Loan**”).

2. **Interest Rate.** The Parties agree that the Interest Rate for this loan shall be **{interest}**% p.a

3. **Loan Term.** This Loan shall be for a period of **{tenure}** months.

4. **Loan Purpose.** The loan is granted to purchase a vehicle motor (**the Asset**). The details of the vehicle will be:

Make: **{make}**

Model:  **{model}**

Year: **{year}**

Condition: **{condition}**

VIN: **{vin}**

5. **Collateral.** The asset **{vin}** shall serve as collateral for this loan. The Total value of the asset is **NGN{carValue}** ({carValueInWords} naira only).

6. **Asset Registration.** The asset shall be registered in the name of the Lender and upon successful settlement of the loan amount, the registration shall be transferred to the name of the borrower.

7. **Loan Purpose.** The purpose of the loan is to finance the purchase of the asset.

8. **Equity Contribution.** The borrower shall pay an equity contribution in the amount of **NGN{equity}** ({equityInWords} naira only)

9. **Management Fee.** The Parties agree that the Lender shall be entitled to **1%** of the Loan Amount as Management Fee. This shall be paid upfront by the Borrower pre-disbursement.

10. **Credit Life Insurance.** The Borrower will pay 0.7% of the cost of the loan amount per annum as credit life insurance which covers death and permanent disability on the loan balance.

11. **Repayment and Renewals.** The Parties agree that the Borrower shall pay Lender **NGN{repayment}** ({repaymentInWords} naira only) every 30 days for a period of **{tenure} months**  as the loan instalment. Additionally, the Borrower will be responsible for renewal fees and such payments for renewal will be made periodically and upon request to the Lender. The applicable renewal fees and payment schedule are particularly described in schedule A below.

12. **Late Payments.** Payment shall be considered late if received by Lender seven (7) days after its due date. Lender will charge a late fee of 1% on the loan balance.

13. **Prepayment**. Parties agree that in the event that the Borrower liquidates the loan before the agreed repayment cycle, interest shall not accrue for the period left as residue on the loan term. The Borrower will not be penalized for early payment.

14. **Default.** If Borrower defaults on its payments and fails to cure said default within thirty (30) days, Lender will have the option to declare the entire remaining amount of Principal and any accrued Interest immediately due and payable. The asset shall be repossessed and auctioned to recover the balance of the loan and such repossession costs shall be borne by the Borrower.

15. **Loan Sale.** The Lender shall have the unrestricted right at any time during the duration of the Loan and without the Borrowers’ or any Guarantor’s consent, to sell, transfer or assign all or any portion of its rights and obligations hereunder to any financial institution (an “Assignee’), and the Borrower agree that they shall execute or cause to be executed such documents, including, without limitation, amendments to the Loan Agreement and to any other documents, instruments and agreements executed in connection herewith as the Lender shall deem necessary to effect the transfer. The Borrower further understands and agrees that an assignment of the rights of the Lender under the Loan Agreement may require the Borrower to Open accounts with the Assignee institution or any Institution selected by the Assignee and the Borrower undertakes to comply with the requirements necessary for the seamless transfer/Sale of the Loan.

16. **Representations and Warranties.** Both Parties represent that they are fully authorized to enter into this Agreement. The performance and obligations of either Party will not violate or infringe upon the rights of any third-party or violate any other agreement between the Parties, individually, and any other person, organization, or business or any law or governmental regulation.

17. **Severability.** In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions should continue in full force and effect as valid and enforceable.

18. **Waiver.** The failure by either party to exercise any right, power or privilege under the terms of this Agreement will not be construed as a waiver of any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

19. **Legal Fees.** In the event of a dispute resulting in legal action, the successful party will be entitled to its legal fees, including, but not limited to its attorneys’ fees, collection fees and the like.

20. **Legal and Binding Agreement.** This Agreement is legal and binding between the Parties as stated above. The Parties each represent that they have the authority to enter into this Agreement.

21. **Governing Law and Jurisdiction.** The Parties agree that this Agreement shall be governed by the Laws of the Federal Republic of Nigeria.

22. **Entire Agreement.** The Parties acknowledge and agree that this Agreement represents the entire agreement between the Parties. In the event that the Parties desire to change, add, or otherwise modify any terms, they shall do so in writing to be signed by both parties.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

**“BORROWER”**

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **“LENDER”**

Signed: ***Kayode Alao***

By: Kayode Alao (FOR: GET-GARI)

Date:  **{date}**

**Schedule A**

|  |  |  |
| --- | --- | --- |
| **Service** | **Payment Duration** | **Cost** |
| Road Worthiness | Every 6 months | {roadWorthiness} |
| Insurance | Yearly | {insurance} |
| Vehicle License | Yearly | {license} |
| Annual Maintenance | Yearly | {amc} |