

REF: {loanID} Date: {date}

Customer’s Name: {clientName}

Customer’s Home Address: {homeAddress}

Tel: {mobilePhone}

E-Mail: {emailAddress}

Dear Sir/Madam

**RE: OFFER LETTER**

We thank you for choosing Platinum Credit (U) Ltd (PCUL) as your preferred provider of Credit facilities.

We are glad to inform you that your application has been reviewed and we are willing to offer you the loan described below;

|  |  |
| --- | --- |
| **Loan** **Amount** | Ush {loanAmount} |
| **Loan** **Term** (Months) | {numberofInstalments} months |
| **Interest Rate Per Month** | 4% |
| **Interest** **Type** | Fixed to Term |
| **Installment Per Month** | Ush {instalment} |
| **Tracking fees** (for Motor Vehicles Only) | Ush 75,000 per Month |

The loan will be disbursed as follows;

|  |  |  |  |
| --- | --- | --- | --- |
| **Loan Amount Capitalized** | Ush {totalPrincipalbalance} | Customer instruction fee: | Signature |
| **Application Fees** | Ush {applicationFee} | I agree to have these fees capitalised |  |
| **Processing fees (7.5% of the loan amount)** | Ush {appraisalFee} |
| **Insurance premium payable to insurance** | Ush {insurancePremium} |
| **Top up Balance** | Ush {topUpAmount} |
| **Buyoff Amount** | Ush {buyoffAmount} |
| **Transfer Fees** | Ush {mobileMoneyfee} |
| **Other Charges** | Ush {otherCharges} |
| **Expected amount** | Ush {expectedAmount} |

Note: {otherChargesNarration} ({otherChargesOfferLetter})

Note: Buyoff Institution / Individual: {buyoffName}

Note: When you choose to have the above fees capitalized, all will be added to your initial loan amount which will attract interest for each month.

# COLLATERAL DETAILS

|  |  |
| --- | --- |
| **NO. OF MOTOR VEHICLES** | **MOTOR VEHICLE REG NO** |
| **MOTOR VEHICLE** | {registrationNumber} |
| {collateralType} | {collateralDetails} |

Note:

Kindly sign and return to us a copy of this offer letter, its terms and conditions and your Declaration to confirm your interest and acceptance of the loan terms as described in this letter so we can go ahead and pay to you the loan proceeds.

Upon cancellation of this offer after its acceptance, you MUST refund Platinum Credit the amount incurred on registration of Caveat on the log book and other processing fees. Cancellation MUST be communicated formally and in writing to the undersigned with in 24hrs of acceptance.

*Prepared by: {loanAppraiser}*

## TERMS AND CONDITIONS

The following **TERMS AND CONDITIONS** shall also apply to your loan facility:

## The Loan

* 1. At your request, PCUL agrees to make available to you the advised loan amount on the terms and conditions set out in this agreement.
     1. You have the right to repay the principal amount of the loan within three business days from the date of disbursement upon full payment of administration costs. This repayment must be done using the repayment methods referred to in clause 1.5.1.1
     2. You acknowledge and accept the terms and conditions upon which payment of the loan amount shall be made by Platinum Credit (U) Limited.

## The Collateral

* + 1. The Borrower has willingly provided the collateral described above specifically to secure the loan and in the event of default, the lender will exercise her right to impound the collateral and realize any amount outstanding and any other costs incurred without recourse to court.
    2. All loan facilities will be linked to a pre-existing charged collateral, until all facilities are fully paid.

## Breach

* + 1. In the event:-
       1. Any failure by you to pay any amount which is owing to this agreement in full and on the dates you have to, or
       2. Any other breach by you of the terms of this agreement;
       3. Any claim that you have failed to carry out your duties under this agreement; then the full balance due under this agreement together with any roll over interest and all other charges and expenses owing to PCUL by you shall become immediately due and payable to PCUL without affecting any of Platinum Credit’s rights under this agreement. PCUL shall be entitled to terminate this agreement and claim/or recover from you any damages/losses it, may have suffered as a consequence.
       4. In the event of a default by you in making payment PCUL shall have the right to use any money paid by you to first pay legal and other costs, then interest and then the actual loan amount.
       5. PCUL reserves the right to engage third party debt collectors to recover any total outstanding balance at your cost.
       6. The responsibility to ensure timely payment of the installments lies with the borrower; the company is entitled to charge a default penalty fee at a rate of 0.33% of the arrears.

## Redemption

* + 1. In the event that the collateral has been withheld by PCUL as a result of default by the borrower, the Borrower can only redeem back the collateral upon full payment of the outstanding arrears, and any other costs incurred as a result, as demanded by PCUL, except that the borrower will lose the right to redeem the collateral when PCUL has gone through the auction process and disposed of the same to recover any outstanding sums on the loan.

## Payments

* + 1. Repay the loan installments in full as and when they fall due.
       1. Not to give money in whatever form to any of PCUL’s employees meant for loan repayment or any of the loan processes. All cash deposits shall be paid via;
          1. MTN mobile money: \*165#, Select Payments (4), Select Goods and Services (4), Enter Merchant code: PCUL, Reference: Client I.D | Airtel Money: \*185\*4\*9#, Business Number: 230011, Amount: XXXX, Reason: Client I.D or,
          2. Bank Name: Stanbic, Account Name: Platinum Credit (U) Ltd, Branch: Forest Mall, Account Number: 9030005697890 or,
          3. Bank Name: ABSA, Account Name: Platinum Credit (U) Ltd, Branch: Hannington Road, Account Number: 6006726893.

## Representations and warranties

* + 1. Where a Land Title has been provided as collateral, the borrower undertakes to:
       1. Authorize and hereby authorizes PCUL to have custody and register a mortgage on the land title with the relevant body for as long as the loan remains undischarged.
       2. Guarantee that the borrower is the owner of the land title used to secure the loan facility with the subject land title;
    2. Where a motor vehicle has been provided as collateral, the borrower undertakes to:
       1. Guarantee that the Borrower is the owner of the vehicle used to secure the loan facility with the subject motor vehicle;
       2. Authorize PCUL to register a Caveat on the ownership of the Motor vehicle for as long as the loan remains undischarged.
       3. Keep and maintain the vehicle in good order and condition (fair wear and tear only expected) and will be fully responsible for any loss thereof or damage thereto however occasioned;Punctually pay all licenses, duties, fees, and registration charges as and when they fall due.
       4. Authorizes PCUL to install a tracking device in the subject motor vehicle.
       5. The Borrower should ensure that the tracking device of the motor vehicle used as security is not tampered with and/or damaged. In the event that the borrower is found to have tempered and destroyed the tracking device, a new device will have to be purchased and installed at his/her cost.
       6. In the event that the motor vehicle will not be in use for any period of the loan, the borrower shall notify PCUL of the specific dates, and arrange to have the said Motor Vehicle to be held at an approved yard.
       7. Should the tracking device develop a technical fault within the course of this loan agreement, PCUL and the tracking company service provider will contact the borrower. It's the borrower's responsibility to cooperate with PCUL and the service provider to ensure that the vehicle is submitted to the service provider to solve the issue, and restoration of the transmission signal to normal status. In the event that a borrower fails to cooperate, PCUL will institute repossession procedures of the affected motor vehicle after 24 hours from notification at the borrower's cost.
       8. The borrower shall pay tracking fees of UGX 75,000 (Seventy-Five Thousand Shillings) per Month for each motor vehicle provided as security.

## Insurance

* + 1. Keep the vehicle insured at all times for the entire loan period. PCUL shall be entitled to the full benefit of the Insurance Policy thereof including claims that might at any time be outstanding. Any monies received by virtue of such insurance shall at the discretion of PCUL be applied in replacing or restoring any loss or damage in respect of which the same shall be received or in or towards liquidation of the amount for the time being due by you to PCUL under this agreement.
    2. To renew the Insurance Policy 7 days before expiry thereof. Failure of which PCUL shall make its own arrangements to have the asset comprehensively insured to safeguard our financial interest in the asset.
    3. The Borrower shall not use the motor vehicle nor permit it to be used for any purpose not permitted by the terms and conditions of the Insurance Policy.

## Interest Rate and Interest Calculation

The total interest chargeable on the facility is calculated at a flat rate of 4% per month on the base of the principal loan amount plus capitalized fees (where applicable) subject to the applied loan term. In accordance with globally accepted International Financial Reporting Standards (IFRS), principal and interest repayments on the loan amortization schedule shall be calculated on the basis of an equivalent reducing balance interest rate of up to a maximum of 6.64% subject to the loan term, which shall form the basis of calculating the outstanding amount due in the event of a prepayment.

## Applicable default penalty and bank charges accrued

* + 1. Default penalty of 0.33% shall be charged on an unpaid instalment amount on a daily basis until full payment of the amount due.
    2. Where a cheque/instrument provided by the Borrower is dishonored, the actual bank charges of Ushs100,000/= incurred by PCUL for each dishonored cheque/instrument shall be recovered from the Borrower.
    3. Consequently, PCUL will be entitled to repossess and dispose off the collateral in such manner as may be provided by the law and the borrower is obligated to cooperate accordingly.
    4. Upon repossession of the collateral, PCUL will temporarily halt banking of the subsequent cheques/instruments in its custody until the loan account is regularized or fully settled.
    5. Upon full settlement of the obligations under the loan facility, PCUL will deregister her interests on the title documents of the collateral at the borrower’s cost.

## 2.0 PCUL's Data Protection Policy

* + 1. It is hereby understood and agreed that the borrower has provided his/her personal data to PCUL to facilitate the processing of the loan facility.
    2. It is hereby understood and agreed that by signing this contract the borrower:
    3. Consents to PCUL processing the data as per its internal company policy;
    4. Has given consent to PCUL to continue holding and processing the data provided even after all obligations under the loan facility has been settled for a variety of purposes including but not limited to research, product development, analysis of market trends, operation of PCUL's regulations and procedures;
    5. Is at liberty to exercise its rights as a data subject and as is provided by the Data Protection & privacy Act, 2019 Laws of Uganda
    6. PCUL undertakes to ensure that the personal data provided by the borrower is processed in accordance with the Data Protection & privacy Act, 2019 Laws of Uganda
  1. **Credit Reference Bureau**- It is hereby understood and agreed that by signing this contract the Borrower;
     1. Gives PCUL authority/consent to access the Borrower's credit history from a registered Credit Reference Bureau.
     2. Gives PCUL permission to register details of the conduct of the Borrower's account with any credit bureau and the Borrower herein waives any claim the Borrower may have against PCUL in respect of such disclosure.Indemnity
  2. The Borrower undertakes to fully indemnify, and hold harmless PCUL, its directors, agents, affiliates from any claims, demands, actions, suits, damages, liabilities and losses which are a consequence of Fraud, negligence or misrepresentation by the borrower or where he/she transfers, assigns or sells the collateral to a third party without the consent of PCUL.

## Loan Cancellation

* 1. Where the loan is cancelled at any stage of processing before disbursement of the funds, the Borrower shall be obligated to pay any loan origination costs incurred.
     1. Cancellation of the loan before disbursement of the funds should be communicated in writing by an official letter.
     2. If the loan is cancelled after receipt of the funds, the Borrower shall reimburse the disbursed amount plus the loan origination costs within 48 hours of receipt of the said funds.

## Dispute resolution

* + 1. In case of a dispute regarding the loan contract herein or any transactions thereof, the borrower can seek resolution from the lender in writing via email [customerservice@platinumcredit.co.ug](mailto:customerservice@platinumcredit.co.ug) or via Call Centre No.

+256 (0) 200300500

* + 1. Unless this Agreement has already been repudiated or terminated, the parties shall, (notwithstanding that any dispute is subject to the dispute resolution procedure set out in this agreement), continue to carry out their obligations in accordance with this agreement.

## Governing Law

* 1. This agreement shall be subject to the Ugandan Laws and to the exclusive jurisdiction of the Ugandan Courts.

**IN AGREEMENT** thereof, the Borrower and the Lender hereby affix their respective signatures. For and on Behalf of BORROWER Names:

**BORROWER(S)**

1. **Surname: First Name:**

Other Names: Position: \_\_

Signature: Date:

## Surname: First Name:

Other Names: Position: \_\_

Signature: Date:

**FOR AND ON BEHALF OF PCUL**

Surname: First Name:

Other Names: Position: \_\_

Signature: Date:

*Prepared by: {loanAppraiser}*

# THE REPUBLIC OF UGANDA

**IN THE MATTER OF OATHS AND STATUTORY DECLARATION ACT, (CAP 22 OF THE LAWS OF UGANDA)**

# STATUTORY DECLARATION

I, , of Post

Office Box ……………...........…….., in the Republic of Uganda do hereby make oath and declare as

Follow:

1. THAT I am a [male/female] adult of sound mind and the lawful holder of a Ugandan National Identity Card Number ..............................................................................and I am therefore competent to swear this Declaration.
2. That the telephone and email contacts I have provided in the Log Book Finance Application form shall be in active use for the duration of the loan. In the event that I change my telephone and email contacts, I will notify PCUL in writing through the email [credit@platinumcredit.co.ug.](mailto:credit@platinumcredit.co.ug)
3. THAT in case of any communication with regards to my loan account, I will promptly contact Platinum Credit Limited's care center on Tel No. +256 (0) 200 300 500
4. THAT the settlement statement I will be given to facilitate pay off of the loan facility will be valid only for the day of the said request.
5. THAT I am fully aware that Platinum Credit Limited will send any communication with regards to my loan (Initial Notices, Statements, Demand Notices, and Notices of Disposition) to the Postal and/or email addresses availed on the loan application.
6. THAT unless I give Platinum Credit Limited a minimum of two (2) days notification to reschedule my monthly installment, and the same is granted, I will be obligated to remit that month's installment when it falls due.
7. THAT I will not tamper with the tracking device, and will allow the Motor Vehicle to be tracked at all times for the term of the loan, and in the event that Platinum Credit Limited establishes that I did or tried to tamper with the gadget, then they will have a right to repossess the Motor Vehicle.
8. THAT I acknowledge that by entering into this agreement, I authorize Platinum Credit limited to register a caveat on the ownership of the Motor vehicle with Uganda Revenue Authority. If the collateral is a Land Title, I authorize Platinum Credit limited to endorse Its mortgage on the ownership of the Land Title with Uganda Lands Commission
9. THAT I acknowledge that upon full payment of my loan and after removal of the tracking gadget, Platinum Credit will discharge the logbook online and release the log book to my custody within 7 working days.
10. THAT I undertake not to sell the motor vehicle or Land to a third party within the term of the loan.
11. THAT I undertake to bring to the lender's attention accidents involving the Motor Vehicle within 24 hours of occurrence.
12. THAT I understand that it is my responsibility to collect a copy of the Security Agreement in respect of the Motor Vehicle used to secure this loan.
13. THAT I have received a copy of the Log Book Financing Application Form, Terms and Conditions and the Statutory Declaration
14. THAT upon prepayment of the loan, it is my responsibility to collect any unutilized cheque leaf (ves) from PCUL, failure of which PCUL shall be at liberty to destroy the same.
15. THAT I have signed the chattel Mortgage Agreement and abide by all terms and conditions thereunder.
16. THAT I make this declaration believing the same to be true and in accordance with the provisions of the oaths & statutory declaration Act cap 22 laws of Uganda

DECLARED AT THIS DAY OF

20 BY THE SAID

(Name :)

Signature: Date

Declared Before me;

Stamp; Commissioner for Oaths

Signature:

(Name:)