

## Loan Term Summary

1. Client Information			
Company name	Zigoti Coffee Works Limited		
Location	Plot Number 104/106, 5th Street, Industrial Area, Kampala, Uganda		
Product Financed	Coffee		
Legal Representatives			
Name	Title	Identification document and number	
Enock Senyonga	Finance Director	009466233	
Rose Kayondo Nakayenga	Managing Director	009458036	
2. Credit conditions			
Approval date	14-Mar-22		
Loan officer	Zakayo Ng'etich		
Loan structure	Borrowing Base Line of Credit		
Repayment type	Triangulation	Loan tenor	12 months
Amount	\$300,000	Maturity date	1-Apr-23
Initial Disbursement	up to \$200,000		
Interest rate		10.0%	
Disbursement fee		1.0%	
Wire fee	\$30, payable with each transfer of funds after the 10th such transfer.		
Repayment of Loan			
The Borrower shall provide the Lender with a copy of each invoice sent to a Buyer under each Eligible Contract at the same time as such invoice is sent to the Buyer. In each invoice the Borrower shall irrevocably instruct the Buyer to transfer one hundred percent (100.0%) of the amount payable pursuant to such invoice into the Lender's account, as specified in the Repayment Instructions or the Borrower Letter, as the case may be.			
Key Positive Covenants			
So long as any the Loan Amount hereunder remains outstanding, or the Borrower has any other Obligation hereunder, or any Loan Amount remains available to the Borrower, the Borrower shall, unless the Lender shall otherwise consent in writing:			
(i) <b>Monitoring Reports.</b> Within ten (10) days of the last day of each month, a report including, but not limited to an overview of the amount of cherry purchased, cherry processed and the resultant parchment/green coffee and all sales made on such a date and any other information required by the Lender, such reports to be used, inter alia in determining the percentage of the payments by the Buyer to be withheld by the Lender, in order to secure timely repayment of the Loan and the Borrower's other financial Obligations hereunder; and			
(ii) <b>Audited Financial Statements:</b> on or before December 31, 2022, the Borrower shall furnish to the Lender a copy of the Borrower's audited financial statements for the fiscal year ending on September 30, 2022. The Borrower's financial statements will be prepared in accordance with generally accepted accounting principles and practices consistently applied and consistent with the books and records of the Borrower and will be reviewed by an external Auditor and approved by a Responsible Officer.			
(iii) <b>Unaudited Financial Statements:</b> on or before June 30, 2022, the Borrower shall furnish to the Lender a copy of the Borrower's unaudited financial statements as at March 31, 2022. The Borrower's financial statements will be prepared in accordance with generally accepted accounting principles and practices consistently applied and consistent with the books and records of the Borrower and will be reviewed by a Responsible Officer.			
(iv) <b>Certifications, Licenses, Approvals.</b> The Borrower shall maintain at all times all such certifications, licenses and approvals required by any applicable governing body for the operation of the Borrower's business, including, without limitation, Export License. Copies of all such certifications, licenses and approvals, and any renewals thereof, shall be furnished to the Lender as soon as received by the Borrower. For the avoidance of any doubt the renewed certificate for Export License should be provided to the Lender no later than October 31, 2022.			
In the event that any such certifications, licenses or approvals are suspended, the Borrower shall notify the Lender immediately of said suspension, and, as soon as it becomes available, the Borrower shall send copies of any documentation issued by any entity that has suspended said certification(s), license(s) or approval(s), as well any other additional information requested by the Lender.			
Key Negative Covenants			
So long as any Loan Amount remains outstanding, the Borrower has any other Obligation arising hereunder, or any Loan Amount is available to the Borrower, the Borrower shall not, and, if applicable, shall ensure that no director, manager, officer, employee or Subsidiary shall, unless the Lender shall otherwise consent in writing:			
(a) <b>Additional Indebtedness:</b> Incur, create, become or be liable, directly or indirectly, in any manner with respect to or permit to exist any Financial Indebtedness or obtain any other short, medium, or long term credits or financing except for:			
(i) Indebtedness owed to the Lender, including, without limitation, the indebtedness represented by the Loan Agreement;			
(ii) Unsecured liabilities of Borrower existing as of the date hereof (other than for money borrowed or for purchase money indebtedness with respect to fixed assets) incurred upon customary terms in the ordinary course of business; and			
(iii) Indebtedness listed on Annex B hereto.			
(b) <b>Additional Liens:</b> Create or permit the existence of any mortgage, pledge, lien, claim, or encumbrance, of any nature whatsoever, on the assets of the Borrower except for:			
(i) Liens in existence as of the date of this Loan Agreement;			
(ii) Liens for taxes, assessments or governmental charges or levies on property of the Borrower if the same shall not at the time be delinquent or thereafter can be paid without interest or penalty;			
(iii) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business for sums not yet due or which are being contested in good faith and by appropriate proceedings which serve as a matter of law to stay the enforcement thereof and as to which adequate reserves have been made in accordance with generally accepted accounting principles;			
(iv) Pledges or deposits under workmen's compensation laws, unemployment insurance, social security, retirement benefits, or similar legislation;			
(v) Liens in favor of the Lender; and			
(vi) To the extent not covered above, any lien for which the Lender has given its prior approval as listed on Annex B (hereto).			
(b) <b>Distributions to Shareholders:</b> Purchase or redeem any of its equity interests, declare or pay any distributions thereon, make any cash or property distributions to equity holders, or set aside any such funds for such purpose.			
(c) <b>Inter-company Cash Transfers:</b> Make any non-trade related cash transfer payments to any Related Parties.			
In case of default			
Penalty interest	5.00%		
Penalty for direct payment to borrower	1% of purchase contract value paid directly		
3. Borrowing Base			
Borrowing Base type	Eligible Letters of Intent and Eligible Contracts		
Borrowing Base Advance Rate	Seventy percent (70%) of Eligible Contracts		
Seller	Contract #	Shipment Date	Notes
TBD			
4. Root Capital's bank account information for payment			
Beneficiary Name	Root Capital Inc.		
Bank	Bank of America		
Bank Address	100 Federal Street, Boston, MA 02110, United States of America		
SWIFT Code	BOFAUS3N		
ABA Routing Number	026009593		
ACH ABA Routing Number	011000138		
Account Number	004611648103		