



GENERAL TERMS AND CONDITIONS

These Standard Terms and Conditions governs this Loan Agreement between **Yes Microfinance Bank Limited** (“the Bank”) and the Borrower. It is important that you read these terms and conditions carefully and keep them for future reference.

ADVANCEMENT

- a. This terms and conditions shall commence on the effective date (written above) and shall continue until the facility is fully liquidated.
- b. Yes Microfinance Bank Limited agrees to advance the Loan and the Borrower agrees to take the loan subject to this terms and conditions as set out herein.
- c. The Bank gives loan to Borrower for the purpose of boosting their business capital.

INTEREST RATE AND CHARGES

- a. The Monthly Percentage Rate of Interest (“MPR”) for the direct Loan Accounts are **[5%]** or at such higher rate which the Bank may in its sole discretion (subject to applicable laws and regulations) determine from time to time and also as will be varied by the Bank under sub- clauses B and/or C below.
- b. The interest rate is subject to review at the Bank discretion
- c. Any change in interest rate will take effect on the Borrower’s account following a minimum of 7 days written notice.
- d. The **Management fee on any loan is [4%]** or at such higher rate which the Bank may in its sole discretion

(subject to applicable laws and regulations) determine from time to time and also as will be varied by the Bank.

- e. The interest rate is a fixed rate and it runs through the duration of the payment.
- f. **Management fee on the said loan will be deducted at source.**
- g. **VAT of 5% will also be charged on the management fee.**
- h. **One (1) % credit life insurance fee will be deducted from the Borrower’s principal amount upon disbursement.**
- i. Yes Microfinance Bank Limited will calculate interest on the daily balance outstanding (after adjustment is presented to the bank in the course of collection).
- j. Yes Microfinance Bank Limited shall compound interest on the loan at such interval as it shall solely in its discretion determine.

METHOD OF PAYMENT

All repayments by the Borrower will be made by one of the following methods: Direct Deposit at Yes Microfinance Bank Accounts, Cash deposit, Company Postdated Cheques and Standing Order or through an acceptable electronic channel. All other methods will be accepted with the Bank’s consent only.

- a. The Borrower will be given a dedicated and customized repayment plan together with this offer letter upon approval of the loan application.
- b. The Borrower will be expected to make monthly repayments in accordance with the repayment plan.
- c. The Borrower will be sent an electronic message or SMS every single day of the 5 days to repayment date before each monthly repayment date and the Borrower hereby agrees that such notice shall be conclusively deemed received by the Borrower needless of any further notice.

LOAN REPAYMENT

- a. The Borrower will be given a dedicated and customized repayment plan together with this offer letter upon approval of the loan application.
- b. The Borrower is obliged to repay the loan according to the re-payment plan.
- c. The Bank will debit the Borrower’s account on repayment date or pay into the Bank’s correspondent bank .
- d. If the installment to pay back coincides with a public holiday then the payment takes effect on the next banking day .

ANTICIPATED LOAN REPAYMENT

- a. The Borrower agrees to repay the Loan (principal and accrued interest) in accordance with this terms and condition.

- b. The installmental repayment as calculated in the dedicated repayment schedule are done on the basis of payment at regular agreed intervals. If the due date for instalmental repayment falls on a non-business day, then the installmental repayment may be paid on the next succeeding business day, and charges may accrue in event that the holiday is not a Bank holiday.
- c. The Borrower may terminate the Loan Agreement and repay back all or any part of the borrowed sum on any day before the scheduled maturity date, by paying to Yes Microfinance Limited, all interest, fees and other monies then accrued or due under this Agreement as at the date of early repayment (whether or not yet payable).
- d. The Borrower hereby agrees that nonpayment of the amount owed to Yes Microfinance Bank Limited by the Payment Due Date shall render the Borrower in default and entitles the Yes Microfinance Bank Limited to take steps to recover the outstanding loan amount.
- e. The Borrower hereby agrees to abide by the payment date in his repayment plan as there is no option of change in repayment date.
- f. Liquidation or pay-down of the loan must be authorized in writing by the Bank, and any such Liquidation or pay-down must comprise of the principal loan and accrued interests.

PENALTIES

In case of late payment, penalty rate is 1% daily on the principal loan and accrued interests.

CONDITION PRECEDENCE

At the Bank's request, the Borrower will be required to provide the Bank with the following:

1. Written application for loan
2. Copies of incorporation documents (Memart & certification of incorporation)
3. Board resolution to access a loan(For Companies).

4. Bank Statements of account of the Borrower and for the last one year
5. Postdated cheques for repayment including 5,000.00 cheque for signature verification
6. Residential utility bills, passports and identity cards of the borrower or all the directors (companies).
7. A corporate guarantor/individual guarantor
8. Incorporation documents of the Guarantor if a corporate guarantor but if an individual guarantor, residential utility bill, passport and identity card of individual.
9. Bank Statements of account of guarantor
10. Guarantors cheque in the loan amount and signature verification cheque of 2,000
11. Collateral worth 200% of loan amount and the title documents for the said collateral.
12. If the borrower is a company, Company search (the sum of 10,000 to be paid for by the Borrower)
13. Contingent liability details and any other reasonable information relating to the Borrower and /or the Borrower's financial affairs.

USE OF CREDIT BUREAU

Upon filling of Yes Microfinance Bank Ltd loan application form, the Borrower agrees that:

- a. Yes Microfinance Bank Limited will approach dedicated Credit Reference Agencies for a credit report of the Borrower upon considering any application for credit.
- b. The Borrower authorizes Yes Microfinance Bank Limited to access any information available to it as provided by the Credit Agencies.
- c. The Borrower also agrees that its details and the loan application decision will be registered with the Credit Agencies .
- d. In the event the Borrower wishes to access the credit report, Yes Microfinance Bank Limited will advise the Borrower of the contact details of the relevant credit agencies and the Borrower waives any claims he/she may have against the Bank in respect of such disclosure.

RIGHTS AND OBLIGATION OF THE BORROWER AND THE CO -SIGNATORY.

- a. The Borrower has the right to receive and use the loan as stipulated in the terms and conditions.
- b. The installments must to be paid as and when due by paying in any of the conventional banks.
- c. The Borrower must not use the loan for a different purpose as against the stipulated purpose provided in the

application form.

- d. The Borrower has to inform the Bank immediately in event that there is change in Business/residential address, home, change of business activity and/or other change that is significant to the loan.
- e. The Borrower needs the Bank's express and written approval when:
 - Selling partly or entirely his/her fixed business assets.
 - Pledging or selling any of the collaterals.

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants that:

- a. The Borrower agrees to accept this facility and has executed the offer letter herein without duress after reading and understanding the contents of same.
- b. The Borrower agrees to accept this facility and has taken all necessary actions to authorize same upon executing the offer letter herein.
- c. The Bank is not in default or under any obligation in respect of any borrowed money that the acceptance of this facility will be or result in breach of or default under any provision of any other agreement to which the Borrower is a party.
- d. The information given to Yes Microfinance Bank Limited verbally or in writing in the formal loan application form is true and accurate.
- e. The Borrower will utilize the loan for the purpose(s) for which it intimated Yes Microfinance Bank Limited about in their application for the loan.
- f. The Borrower agrees that Yes Microfinance Bank Limited will not be held liable for the postdated cheques provided by the Borrower upon approval of the loan facility; in any event that such loan is declined subsequently.
- g. The Borrower agrees that Yes Microfinance Bank Limited can decline an already approved loan applications at any stage and at its discretion.
- h. Yes Microfinance Bank Limited will not be held liable for any damage claim whatsoever.
- i. The Borrower agrees that in the event this loan application is declined by Yes Microfinance Bank Limited, application documents shall not be returned to the Borrower.

EVENTS OF DEFAULT

The occurrence of any of the following events shall cause all outstanding amounts under this facility to become immediately due and payable:

- a. If the Borrower fails to make a repayment or payment of principal, interest or other amount in respect of the loan on the date it was due to be paid; or
- b. If the Borrower breaches any of the terms and conditions in this offer letter including any representation or confirmation given by the Borrower in this loan agreement.
- c. Where the Borrower is unable to pay any other party within the meaning of Section 1 of the Bankruptcy Act (Cap 30) Laws of the Federation of Nigeria.
- d. Where a situation arise which in the opinion of Yes Microfinance Bank Limited makes it inappropriate for Yes Microfinance Bank Limited to continue to extend the facility to the Borrower.
- e. If the Borrower defaults in the performance or observance of any other term, condition or representation herein and such breach or default continues unliquidated after ten days' notice shall have been given to the Borrower .
- f. The Borrower fails to make repayment in full, on or before the payment date in accordance with the monthly repayment plan availed to the Borrower;
- g. Any representation, warranty or assurance made or given by the Borrower in connection with the application for this loan or any information or documentation supplied by the Borrower, is subsequently discovered to be materially incorrect; or
- h. The Borrower by his Act or Omission prejudices the Bank's rights in terms of this Agreement and/or cause Yes Microfinance Bank Limited to suffer any loss or damage.
- i. The Borrower agrees to sign an indemnity form in event of further default and the adverse effect of defaulting further shall be deemed self-inflicted.

RIGHTS OF THE BANK IN EVENT THAT THE BORROWER DEFAULTS

- a. Yes Microfinance Bank Limited will on each Repayment Date collect the total amount payable by that date in accordance with the repayment plan schedule given to the Borrower. Where the Borrower fails to honor their obligation to repay their total monthly repayment amount by the due date, the Bank will attempt to collect the outstanding amount within the next twenty-four (24) hours.
- b. Where **more than forty-eight (48) hours** have elapsed since the repayment date and the repayment amount (total or partial) still remains outstanding, the Bank will start calculating accelerated interest at the **rate of 1% per day** of the amount due.
- c. Following the Borrower's default, the Bank reserves the right to assign its right, title and interest under the Agreement to an external Collections Agency who will take all steps to collect the outstanding loan amount .
- d. The Bank also reserves the right to institute a legal proceeding against the defaulting Borrower and is under no obligation to inform the Borrower before such proceedings commence.
- e. The Bank will be entitled to terminate this Agreement (after service of any notice required there under) if the Borrower in any way perpetrates or attempts to or is involved in any act of fraud or other criminal activity in respect of Yes Microfinance Bank Limited or the Loan, or if any information provided by the Borrower as part of the application is incorrect or misleading in any material manner. On such termination, the Bank reserves the right to demand repayment of the full loan amount with interest calculated.
- f. **The Company and its authorized officers can at any time visits the business and house premises of the Borrower in order to verify the existence and state of the collateral and verify the use of the credit.**
- g. **In case the Borrower has failed to pay as at when due, the Company has the right under the cosigned to debit all accounts of the Borrower with the overdue installment.**
- h. **The Bank has the right to unilaterally terminate the contract and to demand immediate payment of the entire outstanding loan principal, interest, penalties and other charges accrued the loan.**

COSTS AND EXPENSES

- a. The Borrower hereby agrees to pay all administrative costs, charges and expenses (including legal fees) reasonably incurred by Yes Microfinance Bank Limited in connection with the processing of this loan request .
- b. The Borrower hereby agrees to pay Two Thousand Naira (N2000) in the event that any of the repayment instruments issued by them in favour of Yes Microfinance Bank Limited is returned unpaid.
- c. The Borrower hereby agrees to pay all costs and expenses (including legal fees) incurred by Yes Microfinance Bank Limited in connection with any proceedings instituted by or against Yes Microfinance Bank Limited as a consequence of entering into this loan agreement.
- d. The Borrower shall bear the cost of credit reference bureau check.
- e. The Borrower agrees to pay N10,000 being cost for Company Search.
- f. The Borrower agrees to pay penalty charges at the **rate of 1% per day** of the amount due.

ASSIGNMENT AND DISCLOSURE OF INFORMATION

- a. The Borrower consents irrevocably to any future transfer and assignment, however arising of the loan, whether as part of a loan transfer scheme or otherwise.
- b. The Borrower authorizes Yes Microfinance Bank Limited to disclose any information or documentation relating to the loan to the general public and will further be flagged on the Credit bureau Agency in event that the Borrower defaults in repaying the said loan.
- c. In the case of individuals, the Borrower authorizes the Bank to disclose any information or documentation relating to the loan to the general public including but not limited to the borrower's friends, family members and relatives, and any other affiliated organizations or bodies associated with the borrower in the event that the loan has ceased to be serviced by the Borrower.

VARIATION OF CONDITIONS

Yes Microfinance Bank Limited reserves the right at all times to vary the terms and conditions of the loan agreement. Any such variation will become effective upon notice to the Borrower by any means Yes Microfinance Bank Limited considers reasonable in the circumstance.

SET- OFF

Yes Microfinance Bank Limited may at any time with or without notice:

- a. Combine or consolidate some or all of the Borrower's accounts with it without any liability to Yes Microfinance Bank Limited and
- b. Set off and transfer any sum outstanding to the credit of any such account in full or partial payment of any amount the Borrower owes to Yes Microfinance Bank Limited.
- c. This clause is in addition to and does not amend or qualify any other present or future rights of Yes Microfinance Bank Limited to combine or set off any of the Borrower's accounts with it.

MEANS OF COMMUNICATION

The Borrower agrees that the Bank may communicate with them by sending notices, emails, messages, alerts and statements in relation to this Agreement in the following manner:

- a. To the most recent address the Bank holds for the Borrower.
- b. By delivery to any email address provided during the application process.
- c. By delivery of an SMS to any mobile telephone number the Borrower has provided to the Bank.
- d. Yes Microfinance Bank Limited reserves the right to contact Borrower's corporate guarantor concerning loan details especially as it relates to any case of default.

GOVERNING LAW

This Agreement shall be governed by the laws of the Federal Republic of Nigeria and shall be subject to the jurisdiction of the courts of the Federal Republic of Nigeria

MISCELLENOUS

- a. If the Bank does not strictly enforce its rights under this Agreement (including its right to insist on the repayment of all sums due on the Repayment Due Date) or grant the Borrower an indulgence, the Bank will not be deemed to have waived those rights and will not be prevented from insisting upon its strict rights at a later date.
- b. The Bank reserves the right to transfer or assign its rights and obligations under this Agreement (including its obligation to lend money to the Borrower or the amount owed under this Agreement) to another person. The Bank will only tell the Borrower if such a transfer causes the arrangements for the administration of this Agreement to change.
- c. The Bank reserves the right to destroy all cheques (including post-dated) at the expiration of the loan or on payment in advance of installment by the Borrower.
- d. Any refund made to the Borrower for duplicate payment may attract a refund processing fee.
- e. The Bank reserves the right to review, verify and screen all details, including but not limited to the loan amount applied for by the Borrower and the Bank is not bound to grant the exact loan amount applied for by the Borrower.
- f. The Borrower agrees to bring to the notice of the Bank about any change in registered office Address or any other change.
- g. The Borrower agrees to provide a Corporate Guarantor whose duty is to confirm the Borrower's existence and credibility.
- h. Borrower that submit fake or fraudulent documentation shall be reported to appropriate regulatory bodies, for prosecution and/or any other penalties as the regulatory body deems fit.
- i. Borrower's repayment instrument (cheque) will be presented for repayment without further recourse to the Borrower, in event that the direct debit mandate executed by the Borrower does not pick the repayment on repayment due dates.
- j. The Borrower also authorize Yes Microfinance Bank Limited to present the repayment instrument issued by the Borrower (in favour of Yes Microfinance Bank Limited) for the repayment of the Loan as and when due until the Loan has been fully liquidated and if, for any reason whatsoever, the Borrower's account is not funded at the time of presentation, the Borrower's shall be criminally liable under the Dishonored Cheques (Offences) Act, CAP D1, LFN 2004.
- k. The Bank shall present the Borrower's repayment instrument (Cheque) on repayment due dates without recourse to the Borrower and the Bank shall not be held liable for charges incurred on any return instrument .
- l. The Borrower hereby acknowledges and concedes that the Bank's books and accounts shall be evidence of the sum due or which the Borrower is bound to pay in respect of the credit.
- m. The invalidity of any part of this offer of credit facility ["offer letter"] will not and shall not be deemed to affect the validity of any other part. In the event that any provision or clause of this offer letter is held to be invalid, the parties

agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision; and If at any time any term or provision in this Offer letter shall be held to be illegal, invalid or unenforceable, in whole or in part, under any rule of law or enactment or by judicial pronouncement, such term or provision or part shall to that extent be deemed not to form part of this Offer letter, but the enforceability of the remainder of this Offer letter shall not be affected.

- n. This offer letter shall constitute the entire offer letter between the parties. Any prior understanding or representation of any kind preceding the date of this offer letter shall not be binding on either party except to the extent incorporated in this offer letter; and it is hereby expressly agreed by parties to this offer letter that no Party has entered into this Offer letter under any form of duress or in reliance upon any representation, warranty, indemnity, covenant or undertaking of any other Party which is not expressly set out in this Offer letter. WHEREBY IT IS HEREBY EXPRESSLY AND MUTUALLY AGREED THAT THE "COLLATERAL EVALUATION", Borrower's Means of Identification, Borrower's passport photograph and all documents submitted to the Bank by the Borrower and accepted by the Bank for the purpose of approving this loan form part of this agreement.
- o. Any modification of this offer letter or additional obligation assumed by either party in connection with this offer letter shall be binding only if evidenced in writing signed and sealed by each party or an authorized representative of each party.
- p. This offer letter may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

DISCLAIMER: PLEASE NOTE THAT NO FORM OF CASH TRANSACTION BETWEEN CLIENT AND ANY STAFF, AGENT OR PERSONS ON BEHALF OF YES MICROFINANCE BANK LIMITED IS ALLOWED. YES MICROFINANCE BANK LIMITED WILL NOT TAKE LIABILITY FOR SUCH TRANSACTION OR PAYMENT.

ILLITERATE JURAT

The foregoing having been read and interpreted to

In _____ language by me

(Sworn interpreter)

And the client perfectly understands same before appending his left thumb print hereto

BRANCH MANAGER

Name : _____

Signature and Date : _____

LEGAL/COMPLIANCE

Name : _____

Signature and Date : _____

Memorandum of Acceptance

I Agatha Obiageli Emodi, hereby accept the terms and conditions contained in this Offer Letter dated 12-09-2022 of which this is a copy. ; and by this acceptance I HEREBY EXPRESSLY AUTHORIZE YES MICROFINANCE BANK LIMITED TO SELL ALL OR ANY OF THE COLLATERAL SUPPLIED BY ME TO SUPPORT MY LOAN APPLICATION WITHOUT FURTHER RECOURSE TO ME IN THE EVENT OF ANY DEFAULT OF MY OBLIGATION UNDER THIS OFFER LETTER.

NAME OF BORROWER : _____

HOME ADDRESS : _____

SIGNATURE : _____

PHONE NUMBER : _____

DATE : _____