

1.0 LOAN AGREEMENT.

1.1 First Royal Microfinance Bank Ltd. agrees to make available to the Borrower the loan amount shown overleaf and on conditions set out in this agreement

1.2 The details of the loan are as shown on the schedule over leaf.

1.3 The loan amount shall be made available by direct payment into borrower's account with First Royal Microfinance Bank Ltd.

2.0 INTEREST

2.1 First Royal Microfinance Bank Ltd. will charge interest on the loan amount at the rate of 3% flat per month.

Interest rate is subject to upward /downward review in line with money market realities as shall be advised by First Royal Microfinance Bank Ltd. from time to time. If the borrower fails to pay any amount which he owes First Royal Microfinance Bank Ltd. on due date of such repayment, the bank shall be entitled to charge interest on the outstanding amount for one month 15% two months 17.5% and three months 20% as stated in this clause.

3.0 PAYMENT

3.1 The Borrower must repay the loan as shown over leaf.

3.2 The Borrower agrees that First Royal Microfinance Bank Ltd. have the rights to deduct the monthly instalments in full as set out overleaf directly from the Borrower salary as a deduction from his or her employers payroll.

3.3 The Borrower hereby gives First Royal Microfinance Bank Ltd. the right to deduct monies owing to it from any unpaid wages or any other remuneration credits payable to the Borrower if the Borrower leaves the service of his / her employer for any reason before the total amount repayable under this agreement has been paid.

3.4 Penal Charges will be applied on preliquidated loan; of 3% on the outstanding amount.

3.5 In the event of the Borrower's death or permanent disability, the Borrower will be liable for the repayment of any outstanding amount/ utilizing His/ her terminal benefit/ gratuity or any other disclosed or undisclosed entitlement from his employer.

COST AND CHARGE:

The Borrower agree that, if First Royal Microfinance Bank Ltd. has to use lawyers, Debt Recovery Agents and /or other consultants because the borrower has not carried out any part of this agreement, the Borrower will pay to First Royal Microfinance Bank Ltd. all the cost incurred.

4.0 BREACH:

4.1 In the event of any failure by the Borrower to pay any amount owed in full and on the date he or she has to, or any other breach by the Borrower of the terms of this agreement; then the full balance due under this agreement, together with any penalty interest and all other charges and expenses owed to First Royal Microfinance Bank Ltd. shall become immediately due and payable to First Royal Microfinance Bank Ltd. who shall be entitled to terminate this agreement and claim and /or recover from the Borrower any damages/ losses it may have suffered as consequences.

4.2 Penalty interest charge shall not exceed the maximum allowable rate in terms of the notice on overdue amount in case of default by the Borrower or his/ her employer.

4.3 The amount owed by the Borrower to First Royal Microfinance Bank Ltd. at any time may be shown by a certificate in which First Royal Microfinance Bank Ltd. officer has worked out and stated the amount owed. A Staff of First Royal Microfinance Bank Ltd. must sign the certificate. The certificate will be proof of the amount owed to First Royal Microfinance Bank Ltd. by the Borrower and will be used in any legal proceedings.

OTHER OBLIGATION

5.0 GENERAL

5.1 This agreement is the whole agreement between First Royal Microfinance Bank Ltd. and the Borrower. It cannot be changed unless the change is put into writing and signed by both First Royal Microfinance Bank Ltd. and the Borrower.

5.2 The Borrower agrees that for the period of this agreement, he or she will not close his or her account with the First Royal Microfinance Bank Ltd.

5.3 First Royal Microfinance Bank Ltd. will give to any Borrower requesting a statement setting out all deductions from his/ her salary and the outstanding balance.

5.4 The Borrower authorizes First Royal Microfinance Bank Ltd. to access any information available to his or her application, and also gives First Royal Microfinance Bank Ltd. permission to register details of the conduct of the Borrower's account with any credit bureau, and the Borrower waives any claims he or she may have against First Royal Microfinance Bank Ltd. in respect of such disclosure.

5.5 Disbursement is subject to the availability of fund as well as Central Bank of Nigeria Regulations.

I confirm that I have read, understood and agreed to the above terms and conditions. I also authorize my employer to deduct monthly instalment as per the agreement shown overleaf from my salary until the loan has been fully paid and to recover any outstanding instalment against my terminal dues in the event of termination of employment before the loan is fully recovered.

5.6 In pursuance of any sum due arising from my default, I hereby mandate First Royal Microfinance Bank Ltd., to debit any/all accounts linked to my Bank Verification Number (BVN) herein provided, to satisfy whatever outstanding balance (whether principal sum, interest sum and default charge) owed them by me, upon the expiration of a 7 (seven) Days Notice of same to me, either by telephone calls, SMS, e-mails or letter.

Name: \_\_\_\_\_ Sign: \_\_\_\_\_ Date \_\_\_\_\_

FOR OFFICE USE

Head of Credit Comment: \_\_\_\_\_

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date \_\_\_\_\_

Managing Director Approval:

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date \_\_\_\_\_