

REG NO. 3355



UGANDA AGRIDEPT COOPERATIVE
SAVINGS AND CREDIT SOCIETY LTD
P.O.BOX 102 ENTEBBE
agrideptcscs@gmail.com
0706-994-964/0780-191447

LOAN AGREEMENT (INDIVIDUAL LOAN)

This loan agreement is made on the dd.....mm.....20..... between **Uganda Agridept cs & cs ltd** (also called **UGANDA AGRIDEPT**) and the party named..... (Here in after called **the borrower**).

WHEREAS

A. The borrower is desirous of borrowing the sum of(in figures).....(in words).....(herein after referred to as ‘the principal sum’)and has made an application to that effect to **UGANDA AGRIDEPT CS & CS LTD** is willing and prepared to led advance to the borrower the principal sum on the terms and conditions herein below appearing.

NOW THEREFORE THE PARTIES HERETO AGREE as follows:

1.0 AGREEMENT TO LEND

UGANDA AGRIDEPT shall lend/advance the principal sum to the borrower which sum shall be used exclusively for the purpose(s) set out in the loan application form (hereinafter referred as ‘the project /business)

2.0 INTEREST

The borrower shall pay interest on the principal sum at the rate specified in the loan application form i.e. 10.8% per annum (hereinafter referred to as the rate of interest) and it’s hereby agreed that the said rate of interest rates whenever shall be adjusted, **UGANDA AGRIDEPT** shall advise on the ruling interest rate and the adjustments in the amounts of interest payable.

3.0 DISBURSEMENT OF THE PRINCIPAL SUM

UGANDA AGRIDEPT shall disburse the principal sum to the borrower on the date specified in the loan agreement taking off the following percentage charges: 5% loan processing fees and 2% insurances fees

4.0 REPAYMENT DATE

The borrower shall repay the principal sum together with interest (herein after referred to as “the loan”) by the date as provided in the loan repayment schedule. (Therein referred to as “the repayment date”)

5.0 SECURITIES AND CAVEATS

The borrower shall secure the loan as provided by the lending policy of the society and **UGANDA AGRIDEPT** may in addition to securities require the borrower to provide additional securities and chattels as **UGANDA AGRIDEPT** may deem fit.

.....
BORROWER’S NAME

.....
BORROWER’S SIGNATURE

.....
DATE

6.0 UGANDA AGRIDEPT shall be at liberty to lodge caveats against or any land, property, chattel or asset provided by the borrower as security for repayment of the loan.

7.0 MODE OF REPAYMENT OF THE LOAN

The borrower shall repay the loan to **UGANDA AGRIDEPT** by monthly Installments as indicated in the loan repayment schedule and with each installment shall pay the interests then due.

8.0 INSURANCE

The borrower consents with **UGANDA AGRIDEPT**;

- a) To insure and keep insured for the benefit of the Borrower and **UGANDA AGRIDEPT** all additional chattels/assets /properties forming part of the loan specified in this loan agreement with full comprehensive cover with an approved insurance company and produce the policy and premium receipts on demand;
- b) Not to suffer any execution or distress to be levied on the additional chattels /assets /properties specified in this loan or any other goods of the Borrower but to give immediate notice of any such event occurrence to **UGANDA AGRIDEPT** ;
- c) To maintain the chattels/properties specified in the loan in good order and condition and as applicable properly housed.
- d) To permit **UGANDA AGRIDEPT** to view the chattels/properties specified in the loan application to reasonable notice;

9.0 BORROWERS OBLIGATIONS TO THE LOAN PURPOSE

The Borrower here by further covenants:

- i. To carry out and execute the project/business for which the loan has been granted with due diligence and efficiency and in accordance with sound financial and managerial standards.
- ii. To maintain proper records of books of the business/project as would be adequate to reflect the Borrower's operations and financial situation.
- iii. To permit or allow **UGANDA AGRIDEPT** or its authorized agents or employees to inspect the project or business and such other relevant records related to the business/project.

10.0 REGISTRATION FEES STAMP DUTY, ETC.

The Borrower hereby undertake to pay legal fees, stamp duty and other charges that shall be required in preparing and registering the securities set out as required.

.....
BORROWER'S NAME

.....
BORROWER'S SIGNATURE

.....
DATE

11.0 RIGHTS OF UGANDA AGRIDEPT

UGANDA AGRIDEPT may at its discretion with or without notice to the Borrower.

- a) Suspend or recall the loan ;
- b) Declare due and payable with immediate effect the whole loan amount or the balance thereof out standing together with interest accrued thereon;
- c) Exercise its right under the mortgage deed , debentures , or any other deed instrument executed as security for the loan;
- d) Institute legal action against the borrower.

If any of the following events shall occur;-

- i) The Borrower defaults for a reasonable period (herein referred to as “the **default period**”)in the payment of any installment of the loan or any other monies falling due under this agreement ;
- ii) There’s evidence of diversion of funds from the business/project.
- iii) **UGANDA AGRIDEPT** detects any mismanagement or financial weakness in the business /project of the Borrower;
- iv) The Borrower defaults in the performance of any covenant or condition of this agreement and such default continues for a reasonable period after notice to rectify the same has been given by **UGANDA AGRIDEPT** to the Borrower.
- v) Distress or execution is levied against any property of the Borrower.
- vi) After execution of this Agreement an extra ordinary situation has arisen which makes it impartible or impossible for the borrower to fulfill his or her obligation under this agreement.
- vii) The Borrower commits any act of bankruptcy or is declared bankrupt.

NO WAIVER

Non exercise or delayed exercise of **UGANDA AGRIDEPT’s** rights or privileges under this agreement shall not be construed as a waiver of such rights.

RECOVERY/COLLECTION CHARGES

The Borrower hereby agrees to pay all fees, charges and costs incidental to the recovery or collection of the outstanding loan and **UGANDA AGRIDEPT** shall be at liberty to debit the Borrower’s account(s) accordingly.

OTHER CONDITIONS

The Borrower further agrees to observe and perform the additional due diligence pertaining to the business or project.

.....
BORROWER’S NAME	BORROWER’S SIGNATURE	DATE

SIGNED ONBEHALF OF UGANDA AGRIDEPT:

.....
(CHAIRMAN)	(TREASURER)	(SECRETARY)