

LOAN GUARANTEE CONTRACT N°---/2025

This Agreement is entered into by and between:

LOLC UNGUKA FINANCE Plc, a deposit-taking microfinance company registered under the Laws of Rwanda, TIN: **100500249**, P.O Box **6417**, Kigali, represented by **Mr KAGISHIRO Justin**, Chief Executive Officer, hereinafter referred to as the “**Company**”, on one part.

And

-----son/daughter of-----and of-----, having Identity card No.-----
-----issued at-----/-----, residing at -----, telephone: -----
-----, hereinafter referred to as “**the Borrower**”, on the other part;

Reference is made to Loan Contract N° -----/2025 executed on -----/-----/2025 between the Lender and-----, hereinafter referred to as the «**Borrower** », which the Loan Guarantor acknowledges, and attached to this Loan Guarantee Contract;

The Loan Guarantor hereby confirms to the Lender that he/she has thoroughly reviewed and fully understood the terms and conditions of Loan Contract N°-----/2025.

As such, the Loan Guarantor agrees to personally guarantee and assume responsibility for the repayment of the outstanding loan amount, including all accrued interest and late fees, should the Borrower default on the loan repayment for any reason.

Article 1: Purpose of this contract

This contract is entered into between the Lender and the Loan Guarantor for the purpose of the Loan Guarantor personally guaranteeing the repayment of the loan granted to the Borrower. The Loan Guarantor assures the Lender that he has the financial ability to repay the loan, including any interest and late fees, if the Borrower fails to comply with the repayment schedule attached to the loan contract.

In addition, the Loan Guarantor agrees to fulfill this obligation if any circumstances arise that require the Lender to demand full repayment of the loan from the Borrower prior to the end of the loan term.

Article 2: Obligation of loan guarantor

The Loan Guarantor's obligations include:

- a) reminding the Borrower to make timely payments of the loan, interest, and late fees after being notified by the Lender that the Borrower has failed to repay the loan in a timely manner.
- b) notifying the Lender of the Borrower's assets other than the collateral that may be seized and sold by the Lender to recover the outstanding loan, to prevent the Borrower from fraudulently transferring or disposing of them fraudulently.
- c) to refrain from disposing of or selling his/her own property as soon as he/she is notified that the Borrower has failed to make timely payments or has defaulted on the repayment of the loan and this obligation not to transfer the Loan Guarantor's assets shall be deemed effective immediately upon receipt of notice of the Borrower's default.
- d) payment of all debts owed by the Borrower to the Lender if the Borrower is unwilling to pay the outstanding loan principal, interest, and late fees without requiring the Company to first pursue the Borrower.
- e) payment of all costs and expenses incurred by the Lender because of the Borrower's default, as well as any additional costs arising from the contract and its consequences, including expenses related to the seizure or sale of the property of the Borrower or the Loan Guarantor.

Article 3: Obligation of the company

The Lender has the following obligations:

- a) to notify the Loan Guarantor of any changes to the loan contract requested by the Borrower (including changes to the interest rate, repayment period or term of the loan, replacement of collateral, etc.) for approval prior to such changes being implemented by the Borrower and the Company. None of the foregoing changes shall in any way affect or imply a novation of the Loan Guarantor's obligations provided herein. The Loan Guarantor's obligation to repay off the outstanding loan or its top-up in the event of the Borrower's default shall remain in full force and effect.
- b) to provide the guarantor with periodic updates on the performance of the loan to enable the guarantor to assess the likelihood of being called upon to fulfill his/her obligations.
- c) to exhaust all amicable means to recover the loan from the Borrower before resorting to the guarantor's option.

Article 4: Amendment

This contract may be amended by the mutual written consent of the parties. No amendment to this contract shall be binding on either party unless made in writing and signed by both parties.

Article 5: Governing law and dispute settlement

5.1. This contract shall be governed by and construed in accordance with laws of the Republic of Rwanda.

5.2. The Lender informs the loan guarantor that it has established a committee responsible for resolving disputes arising from the performance of this contract. The means and procedures for submitting a complaint to the above committee are available on the Lender social media platform posted on notice board of the Lender's branches.

5.3. If the Company's Financial Consumer Complaints Committee does not resolve the dispute, the Loan Guarantor shall submit the complaint to the competent court.

Article 6: Final provisions

6.1. This Loan Contract is signed in the presence of the Notary and shall be executed in triplicate each party having all of which shall be of equal value.

6.2. The guarantor has two (2) days to read the contract and seek advice before signing.

Article 7: Effective date of this contract

This contract is effective upon signature by both parties.

Done at Kigali, on ----/----/2025

the Loan Guarantor

For the Company

I have read and understood this contract.

Therefore, I hereby agree to be bound by its content

