

LOAN AGREEMENT No. _____

_____ city

«__» _____ 202

Joint-Stock Company «Garantbank», represented by the _____ Operations Department/Banking Services Office (hereinafter — the Bank), acting on the basis of the Charter and Power of Attorney No. ___ dated _____ 202_, in the person of the Head of the Operations Department/BSO Manager [Full Name], on the one part, and «[Company Name]» ([legal form]), represented by its Director [Full Name], acting on the basis of the Charter/Certificate (hereinafter — the Borrower), on the other part, have entered into this Agreement as follows.

1. Subject Matter of the Agreement

1.1. The Bank shall provide the Borrower with credit funds in the amount of _____ () soums for a term of , **including a grace period of _____, at an interest rate of _____% per annum, for the purpose of _____, pursuant to Decision No. «» of the Credit Committee of the Operations Department/BSO dated «» «_____» 202.**

2. Definitions

2.1. The following definitions apply in this Agreement:

Purpose of the Loan — purchase of a motor vehicle of the make _____.

Interest Payment Date — the ___ day of each calendar month, until the Borrower has fully discharged all obligations under this Agreement.

Principal Repayment Date — the ___ day of each calendar month following the expiry of the grace period (if applicable).

Financing Opening Date — the date on which the loan or any portion thereof is disbursed.

Loan Indebtedness (Principal) — the amount of the Loan or any portion thereof that has been drawn down by the Borrower but has not yet been repaid or settled.

Use of the Loan — the Borrower's targeted expenditure of funds under the Loan Agreement for the purpose of implementing the project.

Loan — the total amount of funds provided by the Bank to the Borrower on the terms and conditions set out in this Agreement.

Lender/Bank — Operations Department/BSO of JSC _____.

Loan Interest Rate — «_____» () percent per annum on the outstanding principal (calculated on the remaining loan balance).

Loan Term — «_____» months from the date of execution of the Loan Agreement.

Loan Security — _____.

Grace Period for Principal Repayment — «__» months from the date of signing the Loan Agreement.

Interest Accrual Period — commences on the date of loan disbursement and ends on the next Interest Payment Date (exclusive of such date) until the Borrower has fully repaid the debt.

Final Principal Repayment Date — the date of final repayment of the principal, set no later than the end of the loan term.

Principal Repayment Period — a period not exceeding «__» months, running from the date of the first loan repayment instalment following the expiry of the grace period to the date of the final loan repayment instalment.

Interest Payment Period — the period covering each Principal Repayment Date through to the final repayment of the last outstanding portion of the principal.

Third Party — any legal entity or individual who is not a party to this Agreement.

Banking Business Day — the working hours established by law during the course of a day.

2.2. In this Agreement, unless the context otherwise requires, words in the singular include the plural and vice versa.

3. Loan Disbursement Terms

3.1. The Loan shall be extended to the Borrower for the purposes specified in Clause 1.1 of this Agreement under a closed (open) credit line, funded from the Bank's own resources (reserve funds).

3.2. Upon fulfilling all requirements for obtaining the Loan in accordance with the terms of this Agreement, the Borrower shall be entitled to receive the loan funds for the purposes specified in Clause 1.1 of this Agreement.

3.3. In order to ensure due performance by the Borrower of its obligations under this Agreement, and in accordance with Article 783 of the Civil Code of the Republic of Uzbekistan, the Borrower hereby grants the Bank the right to debit, without acceptance, any funds in any currency from any of the Borrower's accounts held at any bank, in order to settle the outstanding debt.

3.4. The loan funds shall be disbursed to finance the following agreements: the amount of _____ million soums for the purpose of _____ pursuant to Agreement No. ____ concluded with LLC _____ on ____ 202__.

3.5. The loan utilisation period shall be _____ months from the date of signing this Agreement.

3.6. The grace period for repayment of the principal on the disbursed loan shall be ____ months from the date of signing this Agreement.

3.7. The Borrower shall make monthly loan repayments no later than the ____ day of each calendar month in accordance with the loan repayment schedule. The principal shall be distributed in equal instalments proportional to the loan term, net of the grace period. The Borrower is required to fully draw down the loan funds within the grace period. Loan funds not drawn down within the prescribed period shall not be disbursed.

3.8. Interest on overdue debt shall be accrued at a rate 1.5 times the applicable interest rate.

3.9. The amount of interest shall be calculated based on the Borrower's actual outstanding loan balance by dividing the actual number of days of loan utilisation by the annual base period (365 days). Interest accrued on the loan shall be payable in national currency once a month, on the 5th day of each calendar month, commencing from the Financing Opening Date. The final interest payment shall be made on the date of final repayment of the loan.

3.10. The Borrower's execution of this Agreement constitutes an acceptance granting the Bank the right to debit funds in any currency from any of the Borrower's accounts held at any bank in the event of failure to duly perform obligations under this Agreement.

3.11. Unless other mandatory rules apply or the Bank decides otherwise, any payments made by the Borrower under this Agreement shall be applied by the Bank to discharge the Borrower's obligations in the following order of priority:

- commissions, fines, penalties, and default interest accrued on overdue principal;
- overdue interest payments on the loan;
- overdue principal repayment instalments;
- current interest payments on the loan;
- current principal repayment instalments.

The date of repayment of the principal and accrued interest thereon shall be deemed to be the date on which funds are credited to the specified accounts.

Pursuant to Clause 10 of Presidential Decree No. PP-292 of the Republic of Uzbekistan dated 4 September 2023 «On Measures to Implement the Tasks Set at the Open Dialogue of the President of the Republic of Uzbekistan with Entrepreneurs in 2023», where the amount of a payment is insufficient to meet credit obligations, funds shall be applied in the following order: first, proportionally toward overdue principal and overdue interest; second, toward current interest and principal; and in subsequent order, toward penalties and enforcement costs.

3.12. If the due date for repayment of principal or interest under this Agreement falls on a non-business day, the payment shall be made on the next following business day.

4. Rights and Obligations of the Parties

4.1. Rights of the Bank:

4.1.1. In the event of a breach of the terms of this Agreement by the Borrower, the Bank shall be entitled to debit, without acceptance, the full amount of outstanding principal, accrued interest, and any other payments due under the loan from any accounts of the Borrower.

4.1.2. To require the Borrower to provide loan collateral within the prescribed time limits and in the prescribed amounts in accordance with the terms of this Agreement and the requirements of applicable law.

4.1.3. To monitor the motor vehicle pledged as collateral under the loan and to require the Borrower to ensure its preservation and to refrain from any actions that may diminish its value. In the event of a reduction in the value of the pledged property, to require the Borrower to provide additional collateral in the form of other property.

4.1.4. In the event of non-performance and/or improper performance by the Borrower of its obligations under this Agreement, to take the following actions:

- send the Borrower a written notice of default specifying the deadlines for remedying such default;
- require the provision of additional security for the performance of obligations under this Agreement;
- in the event of breach or improper performance by the Borrower of its obligations under this Agreement, deterioration of the financial standing of the Borrower or the Guarantor, or the emergence of any factors impeding repayment of the microloan — unilaterally terminate the Loan Agreement prior to its maturity date and apply to the competent court with a statement of claim for recovery of the full outstanding debt;
- enforce the loan collateral in the prescribed manner;
- terminate this Agreement in the manner stipulated herein;
- exercise any other rights in accordance with this Agreement and applicable law.

4.1.5. To require the Borrower to use the loan funds for their intended purpose. In the event of a breach of this condition by the Borrower — to demand early repayment of the loan funds.

4.1.6. To enforce, out of court, the collateral pledged by the Borrower and/or the pledgor in accordance with Article 280 of the Civil Code of the Republic of Uzbekistan.

4.2. Rights of the Borrower:

4.2.1. Upon submission of all documents required by the Bank, to demand disbursement of the loan in the prescribed amount and within the prescribed time limits.

4.2.2. To obtain information on the status of loan utilisation and to submit proposals to the Bank regarding amendment of the loan terms.

4.2.3. To decline receipt of the loan without incurring any payments during the period from the execution of this Agreement to the disbursement of the loan funds.

4.2.4. With the Bank's prior written consent, to repay the outstanding loan debt under this Agreement ahead of schedule, with interest accrued on the loan up to the date of payment being settled first.

4.3. Obligations of the Bank:

4.3.1. To extend the loan to the Borrower on the terms and in the manner provided for in this Agreement.

4.3.2. To provide the Borrower with statements of accounts involved in the lending process, as well as information on accrued commissions and other charges.

4.3.3. Upon full repayment of the loan by the Borrower, to submit a letter to the notarial authorities for the removal of encumbrances on the pledged asset. Where the pledge was registered by the Bank without the involvement of a notary, the encumbrance shall be removed directly by the Bank.

4.4. Obligations of the Borrower:

4.4.1. Prior to the entry into force of the Loan Agreement, to make payment in the amount of _____ % of the value of the motor vehicle being purchased with the loan proceeds, which equals _____ soums.

4.4.2. As security for repayment of the loan, to duly execute the following in accordance with applicable law and in a form satisfactory to the Bank:

a) to pledge in favour of «Garantbank», within 10 (ten) days of the state registration of the motor vehicle of the make _____, valued at _____, purchased with the loan proceeds, on the basis of a pledge agreement.

4.4.3. To pay the insurance premium to the insurance company in an amount sufficient for the insurance policy to come into force, prior to receipt of the loan.

4.4.4. To submit to the Bank the vehicle registration certificate (technical passport) within 15 (fifteen) days, inclusive of the date of purchase of the motor vehicle.

4.4.5. To submit to the Bank a notice of prohibition on the transfer of the motor vehicle purchased on credit to third parties in favour of JSC «Garantbank» within 10 (ten) days.

4.4.6. To repay the principal and accrued interest in full within the prescribed time limits by making monthly payments in accordance with Annex No. 1 to this Agreement — the Loan Repayment Schedule, which forms an integral part hereof.

4.4.7. Upon the Bank's request, to provide the Bank with information on the condition of the pledged property throughout the entire term of this Agreement.

4.4.8. To provide movable and immovable property, as well as other security, as collateral in accordance with the terms of this Agreement and applicable law.

4.4.9. Upon the Bank's first demand, to reimburse all additional costs incurred by the Bank or which the Bank may incur in connection with the performance of this Agreement.

4.4.10. Throughout the utilisation of the loan under this Agreement, to strictly observe the principles of targeted use, time-boundedness, security, payment, and repayability of the loan.

4.4.11. In the event of any change to the Borrower's legal form, address, banking details, or other particulars, to notify the Bank thereof within 5 (five) banking business days and to submit the relevant documents.

4.4.12. To create all necessary conditions for the Bank to verify the targeted use of the loan funds.

4.4.13. Not to obstruct the Bank's representatives from inspecting the preservation of property pledged by the Borrower.

4.4.14. Where amendments to the Loan Agreement are initiated by the Borrower, to make a payment in the amount of 5 (five) times the Base Settlement Unit as of the date of submission of the application.

4.4.15. To carry out operations that result in a reduction of own funds (capital) — including payment of dividends, reduction of the charter capital, and the like — only after obtaining the Bank's prior written consent.

4.4.16. Throughout the entire term of this Agreement and until all obligations of the parties have been fully discharged, to refrain from any business or legal transactions that may in any way adversely affect the Borrower's business operations and its ability to repay the loan, as well as from any transactions contrary to the Borrower's charter.

5. Events of Default

5.1. Any of the following events shall constitute an event of default:

- failure by the Borrower to make payments of principal, interest, and/or other amounts due under this Agreement and the payment schedule;
- submission of false or misleading documents to the Bank;
- partial or total loss of value or validity of any collateral provided by the Borrower, as determined by the Bank;
- concealment of information indicating deterioration of the Borrower's creditworthiness or systematic non-performance of obligations under this Agreement;
- breach of the terms and conditions of this Agreement;
- breach of the terms and conditions of any other agreement related hereto (pledge, insurance, and others).

6. Loan Security

6.1.1. The following shall be accepted as collateral for the loan:

6.1.2. _____.

6.2. Other liquid collateral in a form satisfactory to the Bank may be accepted by agreement with the Bank.

6.3. The total value of the collateral shall not be less than 125% of the outstanding loan balance.

6.4. Where property purchased with the loan proceeds is provided as collateral, the Borrower undertakes, within 10 (ten) banking business days from the date of registration of title to such property, to duly execute and submit to the Bank a pledge agreement in respect of the said property at a value agreed with the Bank and not exceeding ____% of its market value. In the event of a breach of this condition, the Bank shall be entitled to charge the Borrower a daily penalty of 0.5% of the outstanding loan balance for each day of non-compliance, calculated from the date of occurrence of the breach until its full rectification, provided that the total amount of the penalty shall not exceed 50% of the outstanding loan balance.

6.5. In the event of deterioration or reduction in the value of the collateral, or failure of the provided collateral to meet the Bank's requirements on other grounds, the Borrower undertakes to provide collateral meeting the Bank's requirements within 30 (thirty) banking business days from the date on which the Bank's demand is raised.

6.6. In the event that the collateral is confiscated as the subject of an offence or a crime, or is otherwise lost, or in the event of the guarantor's insolvency, the Borrower shall be required to secure the loan with other liquid property meeting the Bank's requirements.

7. Early Recovery of Loan Indebtedness

7.1. The occurrence of any of the following circumstances shall entitle the Bank to demand immediate early repayment of the loan amount and any other applicable payments from the Borrower, and to apply to a court for early recovery:

- a) the Borrower's loss of ability to repay the outstanding loan debt, or failure to repay it when due, if such circumstance continues for 30 (thirty) calendar days from the date of the missed payment;
- b) the Borrower's non-performance of its obligations under this Loan Agreement and/or any other agreement, including pledge agreements, surety agreements, and other transactions (including the making of payments under the payment schedule), if such circumstance continues for 5 (five) business days following the Bank's notification to the Borrower of the event of non-performance;
- c) non-performance of obligations in respect of any other indebtedness of the Borrower (other than indebtedness under this Loan) or under any agreement in respect of which the Borrower has outstanding overdue debt;
- d) the loan security or any part thereof ceasing to be effective in relation to the obligations under this Agreement;
- e) the taking of any action by governmental authorities aimed at liquidating all or part of the Borrower's assets or other property, or at winding up the Borrower's operations;
- f) the filing of claims or the commencement of proceedings against the Borrower or third parties connected with the Borrower, which may result in the distribution of the Borrower's assets among its creditors;
- g) enforcement proceedings being commenced against the Borrower's assets in connection with other obligations, or the imposition of an arrest on such assets.

8. Special Conditions

8.1. The Bank may, at its sole discretion, exercise or refrain from exercising any of its rights under this Agreement with respect to the Borrower.

8.2. The Bank's failure to exercise, or partial exercise of, such rights shall not constitute a waiver thereof, and the Bank may exercise such rights at any time in the future.

8.3. By signing this Agreement, the Borrower grants the Bank the right to process and use any data relating to the Borrower, its founders, and employees for the purposes of performing the terms of this Agreement, as well as for other purposes not contrary to law, in accordance with the legislation on personal data.

9. Liability of the Parties

9.1. A party's refusal to perform the obligations provided for in this Agreement shall entail liability in accordance with the terms of this Agreement and the applicable legislation of the Republic of Uzbekistan.

10. Force Majeure

10.1. If, following the execution of this Agreement, either party is unable to partially or fully perform its obligations hereunder due to circumstances of force majeure beyond the parties' control that could not have been foreseen or prevented, neither party shall be held liable therefor. In such event, neither party shall be entitled to claim compensation for any potential losses, save for the obligation to repay the loan already disbursed.

10.2. The following shall constitute force majeure events: flood, fire, earthquake, explosion, storm, landslide, epidemic, and other natural phenomena, war or military operations, civil unrest, and acts of terrorism.

10.3. In the event of force majeure circumstances, the time for performance of obligations shall be extended for a period commensurate with the duration of such circumstances and their consequences.

10.4. The parties shall notify each other in writing of the occurrence and cessation of force majeure circumstances within 10 (ten) days.

10.5. A party invoking force majeure shall be required to provide a relevant document from a competent governmental authority confirming the occurrence of such circumstances.

11. Term of the Agreement

11.1. This Agreement shall enter into force on the date of its execution and shall remain in effect until the Borrower has fully repaid the loan and all interest accrued thereon, and until all obligations assumed by the parties have been discharged.

12. Dispute Resolution

12.1. Any disagreements and/or disputes arising under this Agreement that are not expressly provided for herein shall be resolved by the parties through negotiation in accordance with the legislation of the Republic of Uzbekistan. Should the parties fail to reach an agreement, the dispute shall be referred to the judicial authorities for resolution in accordance with the legislation of the Republic of Uzbekistan.

12.2. If a dispute cannot be resolved by agreement, the party considering its rights to have been violated shall submit a claim to the other party. The party receiving the claim shall be obliged to respond within 15 days of the date of receipt. If no agreement is reached on the dispute, it shall be heard by the court at the place of the Bank's location.

13. Anti-Corruption Provisions

13.1. These provisions reflect the commitment of the Parties, their affiliates, and employees to the principles of open and honest conduct of business, are aimed at minimising the risk of the said persons becoming involved in corrupt activities, and are designed to maintain the Parties' high business reputation.

13.2. The Parties undertake to comply with these provisions and to ensure compliance therewith by their affiliates and employees acting under this Agreement, as well as to assist each other in cases of actual or potential breach of these provisions.

13.3. The Parties undertake not to carry out the following actions in the course of performing this Agreement, and to ensure that their affiliates and employees do not carry out such actions, either directly or indirectly:

- paying or offering monetary funds, or providing other items of value, or performing works (services) free of charge, to public officials, relatives of public officials, or persons indicated by public officials, or to persons otherwise connected with the state, for the purpose of unlawfully gaining advantages for the Parties, their affiliates, and employees acting under this Agreement;
- paying or offering monetary funds, or providing other items of value, or performing works (services) free of charge, to employees of the other Party or its affiliates, for the purpose of securing actions in the interests of the incentivising Party (conferring unjustified advantages, providing certain guarantees, expediting relevant procedures, and the like);
- any other actions in violation of anti-corruption legislation, including commercial bribery and other unlawful or illegal methods of conducting business.

13.4. Should either Party have grounds to suspect that a corruption-related offence has been or may be committed, the relevant Party shall be obliged to notify the other Party thereof in writing and shall be entitled to suspend performance of its obligations under the Agreement until it receives from the other Party a written confirmation that the offence has not been or will not be committed. Such confirmation shall be provided within 10 (ten) banking business days from the date of receipt of the written notice.

13.5. In the event that one of the Parties breaches anti-corruption legislation and/or the other Party does not receive the required confirmation within the prescribed period, the other Party shall be entitled to unilaterally terminate the Agreement by sending a written notice of termination. The Party initiating termination of the Agreement pursuant to these provisions shall be entitled to claim compensation for actual damages sustained as a result of such termination.

14. Final Provisions

14.1. Any amendment to the terms of this Agreement shall be made by mutual agreement of the parties and shall be formalised by way of a supplemental agreement. Any supplemental agreements to this Agreement concluded without the participation of an authorised representative of the Bank and not bearing the Bank's seal shall have no legal force.

14.2. This Agreement is executed in the Uzbek language in 2 (two) counterparts, one for each party, each of which shall have equal legal force.

14. Details of the Parties