

## CREDIT AGREEMENT No. \_\_\_\_

City of \_\_\_\_\_

"\_\_" \_\_\_\_\_ 202\_

Joint Stock Company "Garant Bank", represented by the Head of the Operations Department / Manager of the Banking Services Office \_\_\_\_\_, *acting on the basis of the Charter and Power of Attorney No. \_\_\_\_ dated "" \_\_\_\_\_ 202*, hereinafter referred to as the "**Bank**", on the one part, and \_\_\_\_\_ (name and legal form of the enterprise), represented by its Director \_\_\_\_\_, acting on the basis of the Charter / Certificate, hereinafter referred to as the "**Borrower**", on the other part, collectively referred to as the "**Parties**", have entered into this Credit Agreement as follows:

### 1. Subject Matter of the Agreement

**1.1.** Pursuant to Resolution No. \_\_\_\_ of the Credit Committee of the Operations Department / Banking Services Office dated "\_\_" \_\_\_\_\_ 202\_, the Bank shall provide the Borrower with a loan in the amount of \_\_\_\_\_ (\_\_\_\_\_) Uzbek soums for the purpose of \_\_\_\_\_, for a term of \_\_\_\_\_, including a grace period of \_\_\_\_\_, subject to the payment of interest at the annual rate of \_\_\_\_%.

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### 2. Definitions

**2.1.** For the purposes of this Agreement, the following terms shall have the meanings assigned to them below:

**Loan Purpose** – \_\_\_\_\_.

**Interest Payment Date** – the second day of each month until the Borrower fully performs all obligations under this Agreement.

**Principal Repayment Date** – the second day of each month following the expiration of the grace period (if any).

**Disbursement Date** – the date on which the loan or any portion thereof is disbursed.

**Loan Indebtedness (Principal Debt)** – the amount of the Loan or any part thereof utilized by the Borrower and not yet repaid.

**Utilization of the Loan** – the targeted use of the Loan proceeds by the Borrower for the implementation of the project.

**Loan** – the total amount of funds provided by the Bank to the Borrower under the terms and conditions of this Agreement.

**Lender / Bank** – JSC \_\_\_\_\_, Operations Department / Banking Services Office.

**Interest Rate** – \_\_\_\_ percent per annum applicable to outstanding principal indebtedness and calculated on the remaining balance of the Loan.

**Loan Term** – \_\_\_\_\_ months commencing from the date of execution of this Agreement.

**Collateral** – \_\_\_\_\_.

**Grace Period for Principal Repayment** – \_\_\_\_ months from the date of signing this Agreement.

**Interest Accrual Period** – commencing from the Loan disbursement date and continuing until full repayment by the Borrower, ending on the next interest payment date (excluding such date).

**Final Principal Repayment Date** – the final date established for repayment of the principal amount, not later than the expiration of the Loan term.

**Principal Repayment Period** – a period not exceeding \_\_\_\_ months beginning from the first repayment date after expiration of the grace period and ending on the date of the final loan installment.

**Interest Payment Period** – the period ending upon repayment of the last installment of the principal debt.

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

**Banking Business Day** – the working hours established by the laws and regulations of the Republic of Uzbekistan.

2.2. Unless otherwise required by the context, words importing the singular shall include the plural and vice versa.

### 3. Loan Disbursement Terms

3.1. The Loan shall be provided to the Borrower for the purposes specified in Clause 1.1 of this Agreement through a closed (open) credit line and financed from the Bank's own funds (fund resources).

3.2. Upon fulfillment by the Borrower of all requirements stipulated under this Agreement for obtaining the Loan, the Borrower shall be entitled to receive the Loan proceeds for the purposes specified in Clause 1.1 hereof.

3.3. For the purpose of securing the proper performance of obligations under this Agreement and in accordance with Article 783 of the Civil Code of the Republic of Uzbekistan, the Borrower grants the Bank the right to debit, without acceptance, funds in any currency from any accounts of the Borrower maintained with any banks for the purpose of repayment of indebtedness.

3.4. The Loan proceeds shall be allocated to finance the following contracts:

- under Contract No. \_\_\_ dated "\_\_\_" \_\_\_\_\_ 202\_, concluded with LLC \_\_\_\_\_, for \_\_\_\_\_, in the amount of \_\_\_\_\_ million Uzbek soums;
- under Contract No. \_\_\_ dated "\_\_\_" \_\_\_\_\_ 202\_, concluded with LLC \_\_\_\_\_, for \_\_\_\_\_, in the amount of \_\_\_\_\_ million Uzbek soums.

**3.5.** The utilization period of the Loan shall be \_\_\_\_\_ months from the date of execution of this Agreement.

**3.6.** The grace period for repayment of the principal amount of the Loan shall be \_\_\_ months from the date of execution of this Agreement.

**3.7.** The Borrower shall make monthly loan payments no later than the \_\_\_ day of each month in accordance with the repayment schedule.

The principal debt shall be divided into equal amounts proportionally over the Loan term excluding the grace period.

The Borrower shall fully utilize the Loan proceeds within the grace period. Any undisbursed or unused amount after expiration of such period shall not be made available.

**3.8.** Interest on overdue indebtedness shall accrue at a rate equal to one and a half (1.5) times the agreed interest rate.

**3.9.** Interest shall be calculated on the basis of the actual outstanding indebtedness and the actual number of days of utilization by dividing the annual rate by a 365-day basis.

Interest payments shall be made in the national currency once a month, on the fifth day of each month, commencing from the date of disbursement.

The final interest payment shall be made on the final repayment date of the Loan.

Repayment of the principal amount shall be made in the currency in which the Loan was granted or in the national currency.

The Borrower shall also have the right to repay Loan tranches by converting the national currency into US Dollars at the applicable exchange rate on the currency exchange market of the Republic of Uzbekistan. All conversion-related obligations and expenses shall be borne by the Borrower.

**3.10.** The Borrower's execution of this Agreement shall constitute its irrevocable consent authorizing the Bank to debit, without acceptance, funds in any currency from any accounts maintained by the Borrower with any banks in the event of non-performance or improper performance of obligations under this Agreement.

**3.11.** Unless otherwise required by mandatory provisions or determined by the Bank, any payments made by the Borrower under this Agreement shall be applied in the following order:

1. commissions, fines, penalties and increased interest accrued on overdue principal indebtedness;
2. overdue interest payments;
3. overdue principal payments;
4. current interest payments;
5. current principal payments.

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

**3.12.** Should the due date for repayment of principal or payment of interest fall on a non-business day, payment shall be made on the next Banking Business Day.

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## **4. Rights and Obligations of the Parties**

### **4.1. Rights of the Bank**

**4.1.1.** In the event of a breach by the Borrower of the terms of this Agreement, the Bank shall have the right to debit, without acceptance, the entire indebtedness, including principal, accrued interest and any other payments due under the Loan, from any account of the Borrower.

**4.1.2.** To require the Borrower to provide collateral in the amounts and within the time limits established by this Agreement and applicable legislation.

**4.1.3.** To monitor movable and immovable property pledged as collateral and require the Borrower to ensure its preservation and refrain from actions leading to a decrease in its value.

Should the value of the pledged property decrease, the Bank shall have the right to demand additional collateral.

**4.1.4.** In the event of non-performance or improper performance by the Borrower of its obligations under this Agreement, the Bank shall have the right:

- to send a written notice specifying the breach and the time period for remedying it;
- to require additional collateral securing performance under this Agreement;
- in the event of breach of obligations, deterioration of the financial condition of the Borrower or Guarantor, or occurrence of circumstances adversely affecting repayment of the Loan, to unilaterally terminate this Agreement prior to maturity and file a claim with the competent court for recovery of the full indebtedness;
  - to enforce collateral in accordance with applicable procedures;
  - to terminate this Agreement in accordance with its provisions;
  - to exercise any other rights granted under this Agreement and applicable law.

**4.1.5.** To require the Borrower to use the Loan proceeds strictly for the intended purpose.

In case of violation of this requirement, the Bank shall have the right to demand early repayment of the Loan.

**4.1.6.** To foreclose upon pledged assets provided by the Borrower and/or pledgor without a court decision 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, the Borrower shall have the right to demand disbursement of the Loan in the amount and within the period specified herein.

**4.2.2.** To obtain information regarding the status of the Loan and to apply to the Bank with proposals concerning amendments to the terms of the Loan.

**4.2.3.** To refuse to obtain the Loan without payment of any fees or charges during the period from execution of this Agreement until actual disbursement of the Loan proceeds.

**4.2.4.** With the Bank's prior written consent, to repay the Loan indebtedness under this Agreement prior to maturity. In such case, the interest accrued up to the date of repayment shall be settled first.

#### **4.3. Obligations of the Bank**

**4.3.1.** To provide the Borrower with the Loan under the terms and in accordance with the procedure stipulated by this Agreement.

**4.3.2.** To provide the Borrower with account statements reflecting transactions related to the Loan, calculations of commissions and other payments associated with the Loan.

**4.3.3.** Upon full repayment of the Loan by the Borrower, to submit a letter to the notarial authorities for the purpose of lifting encumbrances imposed on the collateral.

Where the collateral has been registered by the Bank without participation of a notary, the cancellation of such encumbrance shall be carried out by the Bank itself.

#### **4.4. Obligations of the Borrower**

**4.4.1.** To repay the principal amount of the Loan and accrued interest in full and within the prescribed terms by making monthly payments in accordance with Appendix No. 1 – Loan Repayment Schedule, which constitutes an integral part of this Agreement.

**4.4.2.** At the request of the Bank, to provide information regarding the condition of the pledged assets throughout the entire term of this Agreement.

**4.4.3.** To provide movable and immovable property and other forms of security as collateral in accordance with the terms of this Agreement and applicable legislation.

**4.4.4.** Upon the Bank's first demand, to reimburse all additional expenses incurred by the Bank in connection with performance of this Agreement.

**4.4.5.** During utilization of the Loan, to strictly observe the principles of purpose-specific use, maturity, collateralization, payment and repayment.

**4.4.6.** In the event of any change in the Borrower's legal form, address, banking details or other information, to notify the Bank thereof and provide supporting documents within five (5) Banking Business Days.

**4.4.7.** To create all necessary conditions for the Bank to conduct inspections concerning the targeted use of the Loan proceeds.

**4.4.8.** Not to impede representatives of the Bank from inspecting the condition and preservation of the pledged assets.

**4.4.9.** Where amendments to the Loan Agreement are initiated by the Borrower, to pay a fee equal to five times the Basic Calculation Amount (BCA) effective on the date of submission of the application.

**4.4.10.** To carry out transactions resulting in a reduction of its own funds (capital), including payment of dividends, reduction of charter capital and other similar transactions, only after obtaining the Bank's relevant consent.

**4.4.11.** During the validity period of this Agreement and until complete fulfillment by the Parties of their obligations, not to conduct any business or legal transactions that may adversely affect the Borrower's business activities or its ability to repay the Loan, and not to conduct 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 repay the Loan, interest and/or other payments in accordance with this Agreement and the repayment schedule;
- submission of false or inaccurate documents to the Bank;
- partial or complete loss of value or invalidity of any collateral provided by the Borrower, as determined by the Bank;
- concealment of information concerning deterioration of the Borrower's financial standing or information resulting in systematic failure to perform obligations under this Agreement;
- violation of the terms and conditions of this Agreement;
- violation of the terms and conditions of other agreements related to this Agreement, including pledge agreements, insurance agreements and others.

## 6. Loan Security

6.1. The following shall be accepted as collateral securing the Loan:

6.1.1. \_\_\_\_\_.

6.1.2. \_\_\_\_\_.

6.1.3. \_\_\_\_\_.

6.2. Subject to agreement with the Bank, other forms of liquid collateral acceptable to the Bank may also be accepted.

6.3. The aggregate value of the collateral shall not be less than one hundred twenty-five percent (125%) of the outstanding Loan balance.

6.4. In the event that the property acquired with the Loan proceeds is to be pledged as collateral, the Borrower undertakes, within ten (10) Banking Business Days from the date of registration of ownership rights to such property, to duly execute and submit to the Bank a pledge agreement over such property at a collateral value agreed with the Bank and not exceeding \_\_\_\_% of the value determined by an independent appraisal report.

In case of violation of this requirement, the Bank shall have the right to charge a penalty in the amount of 0.5% of the outstanding Loan indebtedness for each day of delay, starting from the date the violation occurred until its complete elimination. The total amount of the penalty shall not exceed fifty percent (50%) of the Loan indebtedness.

6.5. Should the collateral deteriorate, decrease in value or otherwise cease to satisfy the Bank's requirements, the Borrower shall, within thirty (30) Banking Business Days from the date of the Bank's demand, provide collateral that complies with the Bank's requirements.

6.6. If the collateral is confiscated as a result of an offense or criminal act or is otherwise destroyed, or if the guarantor becomes bankrupt, the Borrower shall provide other liquid assets acceptable to the Bank as security for the Loan.

## 7. Early Recovery of Loan Indebtedness

7.1. The Bank shall have the right to demand immediate early repayment of the Loan amount and other related payments and to file a claim with the court for early recovery in any of the following cases:

(a) The Borrower loses its ability to repay its obligations under the Loan or fails to make payment when due, and such default continues for thirty (30) calendar days from the date on which payment became due.

(b) The Borrower fails to perform its obligations under this Credit Agreement and/or any other agreement, including pledge agreements, surety agreements and other transactions (including scheduled payments), and such failure continues for five (5) Business Days after the Bank has notified the Borrower of such default.

(c) The Borrower fails to perform obligations arising from any other indebtedness or obligations under agreements unrelated to this Loan, or has overdue liabilities not paid within the prescribed period.

(d) The collateral securing the Loan or any part thereof loses its validity with respect to obligations under this Agreement.

(e) Government authorities undertake actions aimed at seizing all or part of the Borrower's property or other assets or take any action intended to terminate the Borrower's activities.

(f) Claims or proceedings are initiated against the Borrower or third parties affiliated with the Borrower, and as a result there exists a possibility that any of the Borrower's assets may be distributed among its creditors.

(g) The Borrower's property becomes subject to enforcement proceedings or attachment arising from other obligations.

## **8. Special Provisions**

8.1. The Bank may, at its sole discretion, exercise or refrain from exercising any rights vested in it under this Agreement.

8.2. Failure by the Bank to exercise, or partial exercise of, any rights shall not constitute a waiver of such rights, and such rights may be exercised by the Bank at any time thereafter.

8.3. Under this Agreement, the Borrower grants the Bank the right, in accordance with legislation governing personal data, to process and use any information relating to the Borrower, its founders and employees for the purpose of performance of this Agreement and for other purposes not contrary to applicable law.

## **9. Liability of the Parties**

9.1. Refusal by either Party to perform obligations stipulated under this Agreement shall entail liability in accordance with the terms hereof and the applicable legislation of the Republic of Uzbekistan.

## **10. Force Majeure**

10.1. If, after execution of this Agreement, due to extraordinary and unavoidable circumstances beyond the control of the Parties and which could not reasonably have been foreseen or prevented (force majeure), the Parties are wholly or partially unable to perform their obligations under this Agreement, they shall be released from liability for such non-performance.

In such event, neither Party shall be entitled to claim compensation for damages, except for the obligation to repay the Loan provided hereunder.

10.2. Force majeure events shall include, but not be limited to:

- flood;
- fire;
- earthquake;

- explosion;
- storm;
- landslide;
- epidemics and other natural disasters;
- war or military operations;
- civil disturbances;
- acts of terrorism.

10.3. In the event of force majeure, the period for performance of obligations shall be extended for a duration corresponding to the period during which such circumstances and their consequences continue to exist.

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

10.5. The Party invoking force majeure shall provide a document issued by a competent governmental authority confirming the existence of such circumstances.

## **11. Term of the Agreement**

11.1. This Agreement shall enter into force upon its execution by the Parties and shall remain valid until the Borrower has fully repaid the Loan, paid all accrued interest thereon, and the Parties have fully performed all of their respective obligations hereunder.

## **12. Dispute Resolution**

12.1. Any disagreements and/or disputes not settled under this Agreement shall be resolved by the Parties through negotiations in accordance with the legislation of the Republic of Uzbekistan.

In the event that the Parties fail to reach an agreement, the dispute shall be referred to the competent courts in accordance with the legislation of the Republic of Uzbekistan.

12.2. If a dispute cannot be resolved through negotiations, the Party claiming that its rights have been violated shall submit a written claim to the other Party.

The Party receiving such claim shall provide a response within fifteen (15) days from the date of receipt thereof.

If no agreement is reached, the dispute shall be referred to the court having jurisdiction at the location of the Bank.

## **13. Final Provisions**

13.1. Any amendments and additions to this Agreement shall be made by mutual consent of the Parties and shall be executed in the form of a supplementary agreement.

Any supplementary agreement to this Agreement executed without the participation of an authorized representative of the Bank or not bearing the Bank's official seal shall have no legal force.

13.2. This Agreement is executed in the English language in two counterparts having equal legal force, one counterpart being retained by each Party.

## **SIGNATURES OF THE PARTIES**

### **THE BANK**

JSC "Garant Bank"

Authorized Representative

\_\_\_\_\_

Signature: \_\_\_\_\_

Seal

### **THE BORROWER**

\_\_\_\_\_

Director

\_\_\_\_\_

Signature: \_\_\_\_\_

Seal