

HOUSEHOLD EQUIPMENT LOAN AGREEMENT

BETWEEN

THE BORROWER

AND

FIRST BANK OF NIGERIA PLC

LOAN AGREEMENT FOR HOUSEHOLD EQUIPMENT

THIS AGREEMENT is made the day of 200... BETWEEN
.....of

(hereinafter referred to as “the Borrower” which expression shall wherever the context admits include his/her heirs personal representatives and assigns) of the one part and **FIRST BANK OF NIGERIA PLC** a company incorporated under the Laws of the Federal Republic of Nigeria and having its registered office at Samuel Asabia House, No. 35 Marina, Lagos, Lagos State (hereinafter referred to as “the Bank” which expression shall wherever the context admits include its successors-in-title and assigns) of the other part.

W H E R E A S:

1. The Bank’s Household Equipment Finance Scheme seeks to provide part-finance for the acquisition of household equipment for the personal use of individuals who are employees of Bank-approved organizations.
2. The Borrower has at his/her request been granted a facility in the sum of ₦..... (.....only) (“the Facility”) for the purpose of acquiring the equipment described in Schedule 1 hereto (“the equipment”) upon the terms and conditions herein contained.

NOW THIS AGREEMENT WITNESSETH as follows:

1. LOAN AND TERMS

In consideration of the Bank granting to the Borrower the facility in the sum of ₦..... (..... only) for the purpose of acquiring the equipment described in Schedule 1 hereto , the Borrower hereby covenants with the Bank subject to the terms and conditions hereinafter contained to pay all the sums which shall for the time being be due and owing to the Bank including all interest, usual commissions, customary banking charges and all costs and expenses incurred in connection herewith.

2. TENOR

The tenor of the facility shall be as advised to the Borrower by the Bank in its Letter of Offer.

3. REPAYMENT

Subject to the terms and conditions hereinafter contained the Borrower shall repay the facility hereunder as stipulated in the Bank’s Offer Letter.

4. INTEREST PAYMENTS AND CAPITALISATION

The Borrower shall until the total liquidation of the facility to the Bank pay interest on the balance outstanding and on all monies whatsoever at any time owing to the Bank at the rate of per centum (.....%) per annum or such other rates as may be advised from time to time such interest to be calculated on the balance owing from day to day and to be payable by monthly installments on the last day of each month PROVIDED ALWAYS and it is hereby agreed that if any interest required by this Agreement to be paid shall not be paid on the day on which the same shall have become payable, then without prejudice to any or all of the rights and remedies accruing to the Bank consequent upon such default, such interest or interests payable on arrears of interest capitalised under this present clause shall remain unpaid after the day on which same ought to have been paid the same shall be added for all purposes to the general balance of the facility and shall thenceforth bear interest payable at the rate and on the day aforesaid and all the terms and provisions of this agreement shall equally apply to interest on such arrears.

5. CONDITIONS PRECEDENT TO DRAW DOWN

The obligation of the Bank to disburse the facility hereunder shall be subject to the Borrower’s fulfillment of the terms and conditions of approval as contained in the Bank’s Offer Letter.

6. EVENTS OF DEFAULT

Notwithstanding anything hereinbefore contained, the facility or the balance for the time being shall become immediately repayable and all unpaid interest, which has accrued hereunder, shall become immediately payable upon occurrence of any of the following events:

- (a) On demand thereof being made by the Bank.
- (b) If the Borrower makes default in the repayment of any monies due hereunder and continues so to default for a period of 14 (fourteen) days after being requested to make payment of any monies or the balance thereof then outstanding.
- (c) If the facility is utilized for any purpose other than that contained in this agreement.
- (d) If the Borrower fails to duly perform or comply with any covenant or obligation expressed to be assumed by him/her in this Agreement.
- (e) If the Borrower ceases to be an employee of the Bank-approved organization for any reason whatsoever, and upon the occurrence of that event, fails to make arrangements satisfactory to the Bank for the repayment of the facility.

7. SET OFF AND LIEN

- (a) In the event of any failure to make payments of any amount(s) due hereunder from the Borrower to the Bank, the Bank may immediately and without notice to the Borrower apply any funds held by the Bank for the Borrower towards the liquidation of the amounts owed.
- (b) In addition to any other general lien or similar right to which the Bank may be entitled by law, the Bank may at any time and without notice on the Company combine or consolidate all or any of the Company's accounts with any liabilities to the Bank and set off or transfer any sum(s) standing to the credit of any one or more of such accounts in or towards the satisfaction of the Company's liabilities to the Bank on any other account or in any other respect whether such liabilities be actual or contingent, primary or collateral, several or joint.

8. REMEDIES AND WAIVERS

No failure to exercise nor any delay in exercising on the part of the Bank any right or remedy hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.

9. ASSIGNMENT

The Bank shall be entitled to assign any of its rights and powers under this Agreement, with all or any of the obligations herein stated. The Borrower shall not assign its rights and obligations under this Agreement to any person without the prior written consent of the Bank.

10. ACKNOWLEDGMENT

Any admission or acknowledgement in writing by the Borrower or by any person on behalf of the Borrower of the amount of the indebtedness of the Borrower to the Bank or any judgment or award obtained by the Bank against the Borrower or any statement of account furnished by the Bank certified by an officer of the Bank as a true copy extracted from the Books of the Bank shall be binding and conclusive against the Borrower.

11. NOTICES

A notice or demand may be served by the Borrower upon the Bank by sending it through registered post addressed to the Bank or delivered by hand at its registered office at 35 Marina, Lagos and any demand or notice to be made or given by the Bank may be made by letter signed by any Manager or other duly authorised officer of the Bank through registered post addressed to the Borrower or delivered by hand at its registered office or such other address which the Borrower shall supply in writing and any demand or notice delivered by hand shall be deemed to have been served on the date of delivery thereof and any demand or notice served by registered post on either party shall be deemed to have been served at the expiration of 14 days after it is posted in Nigeria and proof of it shall be the registration slip issued by the post office by which the letter was posted.

IN WITNESS WHEREOF the parties hereto have set their hands and seals to be hereunto affixed the day and year first above written.

SCHEDULE I above referred to

| S/N | DESCRIPTION OF EQUIPMENT |
|-----|--------------------------|
| | |

Signed Sealed and Delivered
By the within named Borrower

.....

In the presence of

Signature:

Name:

Designation:

Occupation:

Address:

Signed for and on behalf of the within-named Bank
FIRST BANK OF NIGERIA PLC by:

Signature:

Name:

Designation:

Address:

SCHEDULE II above referred to

(To be detached and adopted)

TO: _____

Dear Sirs,

CONFIRMATION AND UNDERTAKING IN RESPECT OF:

STAFF NAME: _____

STAFF IDENTIFICATION NUMBER: _____

DESCRIPTION OF FACILITY GRANTED: _____

In consideration of First Bank of Nigeria Plc granting a loan to the above-named permanent employee of our company _____ of No. _____, we hereby confirm the following:

1. That the said _____ is an employee of our company;
2. That he/she has been in our employment for a period of _____ years with effect from the ____ day of _____ 200_____;
3. That the residential address of the employee as contained in our records is No. _____ in _____ State of Nigeria.
4. His/her Annual Income (Net of statutory deductions) is: ₦ _____
5. His/her Gross Annual Income is ₦ _____
6. His/her current indebtedness is ₦ _____

With effect from the _____ day of _____ 200_____, we undertake to pay his monthly salary and emoluments into his/her account No. _____ domiciled with your Bank. We also undertake to ensure that no change of payment instruction to us is effected in respect of the above account; and no other account is opened by the employee for purposes of salary payments, without your written consent, from the date of disbursement of the facility until the final liquidation of same.

Furthermore, on the instructions of the employee, we undertake to utilize his/her terminal net benefits or part thereof (net of pension contributions) to offset the above captioned facility to the extent to which same or part thereof shall remain outstanding as the time of the employee's voluntary retirement, termination, dismissal, resignation and/or demise, whichever comes first.

This undertaking by us on behalf of our above-named employee shall remain binding and in force until a written confirmation is received from you, confirming that the facility granted by you has been recovered or repaid in full.

Yours faithfully,

FOR: _____ LIMITED
_____ (HEAD, HRM)

I _____ do hereby confirm that I have authorized my employers to issue this undertaking on my behalf. I agree with its terms/conditions and averments and undertake to be bound thereby.

Signed Sealed and Delivered
By the within named Borrower

In the presence of:

Name:

Designation:

Occupation:

Address:

Signature:

The Common Seal ofwas hereunto affixed in acknowledgement and acceptance of the foregoing Domiciliation Request this day of 200.....

.....
DIRECTOR

.....
SECRETARY

