

## LOAN AGREEMENT

Entered into between

**TUGENDE LIMITED LLC** a limited liability company, incorporated under the laws of Uganda, registration number: 124451, with its statutory seat in Kampala, Uganda and its registered office address at Plot 57 Ntinda II Road, Naguru, Kampala, Uganda (the **Borrower**)

And

**THE INVESTORS** who are duly represented by and who mandate **Hands-on B.V.**, a private company with limited liability, incorporated under the laws of the Netherlands, registered with the Dutch chamber of commerce under number 55711766, with its statutory seat in Rotterdam, the Netherlands and its registered office address at Eendrachtsplein 3 – unit 2A, 3015LA Rotterdam, the Netherlands, operating under the name Lendahand (hereinafter referred to as the “**Crowdfunder**”), to act on their behalf.

### Article 1 DEFINITIONS

1.1 In this Agreement the following terms shall have the meaning referred to below.

<b>AFM</b>	shall mean the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> );
<b>Agreement</b>	shall mean this loan agreement;
<b>Amortization Schedule</b>	shall mean the amortization schedule as per Annex I to this Agreement;
<b>Annex</b>	shall mean an annex to this Agreement;
<b>Borrower</b>	shall mean Tugende Limited LLC a limited liability company, incorporated under the laws of Uganda, registration number: 124451, with its statutory seat in Kampala, Uganda and its registered office address at Plot 57 Ntinda II Road, Naguru, Kampala, Uganda;
<b>Borrower's Group</b>	shall collectively refer to any Affiliates, subsidiaries and parent/holding company, if any, of the Borrower;

<b>Business Day</b>	shall mean any day on which banks are open for business in the Netherlands and the place of business of the Borrower;
<b>EUR</b>	shall mean Euro, the official currency of the Eurozone;
<b>Event of Default</b>	shall mean the events of default as stated in Article 7;
<b>FSA</b>	shall mean the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> );
<b>Fully Funded Notice</b>	shall mean the notice given by the Borrower to Crowdfunder by which it accepts the funding raised via the Website for the eligible Project to which this Agreement relates;
<b>Giro Act</b>	shall mean the Dutch Securities Giro Act ( <i>Wet op het giraal effectenverkeer</i> );
<b>Indemnified Parties</b>	shall have the meaning set forth in Article 5.4
<b>Interest Date</b>	shall mean the first day of the month following the month in which the Project is full funded on the Website of the Crowdfunder;
<b>Interest Payment Date</b>	shall mean the applicable interest payment date as stipulated in Annex I;
<b>Interest Rate</b>	shall mean the fixed annual interest rate as stipulated in Annex I;
<b>Investors</b>	shall mean the retail investors/lenders who subscribe to a Project as published on the Crowdfunder's Website and lend money to Borrower under this Agreement;
<b>Material Adverse Effect</b>	shall mean any circumstance or event which a) has a material adverse effect for the Investors on the validity, legality or enforceability of this Agreement b) has a material adverse effect on the business, properties, assets, condition (financial or otherwise) of the Borrower or any member of the Borrower's Group, c) impairs materially the ability of the Borrower to duly and punctually pay or perform its obligations under this Agreement;
<b>Loan Amount</b>	shall mean the aggregate amount of principal loaned by the Borrower from the Investors under this Agreement as stipulated in Annex 1;
<b>Outstanding Amount</b>	shall mean the Loan Amount minus any repayments effected in accordance with Article 4;
<b>Payment Institution</b>	the licensed payment institution (betaalinstelling) used for all payments and repayments pursuant to this Agreement;
<b>Penalty Interest</b>	shall have the meaning set forth in Article 7.5
<b>Prepayment Amount</b>	shall have the meaning set forth in Article 4.2;

<b>Prepayment Date</b>	shall have the meaning set forth in Article 4.2;
<b>Project</b>	shall mean the Project as set out on the Crowdfunder's Website;
<b>Purpose</b>	the Borrower shall use the proceeds to finance its loan portfolio consisting of motorized assets leased to self-employed and small businesses in Uganda;
<b>Repayment Date</b>	shall mean the applicable principal payment date as stipulated in Annex I;
<b>Security</b>	shall have the meaning set forth in Article 10.1;
<b>Voluntary Prepayment Website</b>	shall have the meaning set forth in Article 4.2; shall mean <a href="http://www.lendahand.com">www.lendahand.com</a> , the internet website owned and operated by the Crowdfunder that allows Investors to select and fund an eligible Project of the Borrower to which this Agreement relates.

1.2 In these Terms and Conditions, unless the context dictates otherwise, references to the singular shall include references to the plural and vice versa and references to any pronoun shall include the corresponding masculine, female or neuter.

## **Article 2 The Loan and Role of the Crowdfunder**

2.1 The Borrower seeks funding for the Purpose. Subject to the terms of this Agreement, the Investors have agreed lend the Borrower the Loan Amount.

2.2 The Investor's will subscribe to the Loan Amount in increments of EUR 50 (fifty Euros). Once the Loan Amount has been subscribed to in full, the Borrower will be sent a Fully Funded Notice in accordance with the website access agreement. Upon receipt of the executed Fully Funded Notice the Crowdfunder will countersign this Agreement on behalf of the Investors and instruct the Payment Institution to disburse the Loan Amount to the Borrower.

2.3 This Agreement do not give the Investors any right to ownership in the Borrower nor does it provide the Investors with voting rights and/or meeting rights.

2.4 The Crowdfunder is a licensed investment firm that provides the services of order transmittance and custody of financial instruments in accordance with the FSA (Wet financieel toezicht), the Dutch Securities Giro transfer Act (Wet giraal effectenverkeer) and

is regulated by the AFM. The Crowdfunder has also been granted an exemption for the mediation in payable funds.

2.5 The Crowdfunder shall maintain a record of all the Investors' who subscribe to the Loan Amount including each Investor's subscription amount. The Crowdfunder will be treated as the recordholder and will represent the Investors' interests as per this Agreement.

2.6 In the case of a discrepancy between the Crowdfunder's general terms and conditions and the provisions contained in this Agreement, the provisions contained in this Agreement will prevail insofar it concerns the Borrower and/or this Agreement.

### **Article 3 INTEREST AND INTEREST PAYMENTS**

3.1 The Loan Amount shall bear interest at the Interest Rate from the Interest Date up to and including the Maturity Date, or such earlier date on which the Loan Amount has been repaid in full.

3.2 Interest is payable semi-annually in arrears on the applicable Interest Payment Date(s) in accordance with the Amortization Schedule.

3.3 Interest shall be calculated on the basis of 30 (thirty) days in a month and 360 (three hundred and sixty) days in a year. Interest is calculated on the basis of the Outstanding Amount under the loan in such year, the first year starting as of the Interest Date.

### **Article 4 PRINCIPAL REPAYMENT**

4.1 The Loan Amount shall be repaid by the Borrower in accordance with the Amortization Schedule on the applicable Repayment Date(s). Principal repayments shall be effected semi-annual and in equal instalments.

4.2 Not earlier than 12 (twelve) months after the Interest Date, the Borrower may prepay the Amount Outstanding, in full or in part (the "**Prepayment Amount**"), on an Interest Payment Date (the relevant Interest Payment Date hereinafter being referred to in this paragraph as the "**Prepayment Date**") (the "**Voluntary Prepayment**"). In addition to the Prepayment Amount, the Borrower shall pay to the Investors on the Prepayment Date an amount equal to the sum of: (a) interest accrued on the Prepayment Amount up to the Prepayment Date, and (b) a prepayment fee of 1.5% (one and a half percent) of the

Prepayment Amount, and any legal or other fees incurred as a result of the Voluntary Prepayment or otherwise.

- 4.3 All repayments made by the Borrower under this Agreement shall be calculated and made in EUR only and shall be deposited into the bank account of the Payment Institution used by the Investors, as provided under the terms and conditions of the Crowdfunder.
- 4.4 The Borrower shall, under no circumstances, have the right to suspend any principal repayment, the right to set-off or any similar right to withhold any principal repayment.
- 4.5 Any payment made by the Borrower shall be first applied to the interest due and subsequently to the principal amount.

## **Article 5 TAXES**

- 5.1 All taxes charged in Uganda in relation to any payments made under this Agreement will be paid by the Borrower.
- 5.2 All payments by the Borrower under this Agreement shall be made without any deduction and free and clear of and without deduction for or on account of any taxes, except to the extent that the Borrower is required by law to make payment subject to any taxes. If any tax or amounts in respect of tax must be deducted, or any other deductions must be made, from any amounts payable or paid by the Borrower under this Agreement, the Borrower shall pay such additional amounts (*make whole*) as may be necessary to ensure that the Investors receive a net amount equal to the full amount which they would have received had payment not been made subject to tax.
- 5.3 All taxes required by law to be deducted or withheld by the Borrower from any amounts paid or payable under this Agreement shall be paid by the Borrower when due and the Borrower shall, within 15 (fifteen) days of the payment being made, deliver to the Investors' evidence satisfactory to the Investors' (including all relevant tax receipts) that the payment has been duly remitted to the appropriate authority.
- 5.4 The Borrower will indemnify and hold the Crowdfunder, its directors, officers, employees, agents and Investors (the **Indemnified Parties**) harmless, on demand, against any and all losses, damages, costs, expenses, fines, penalties, fees (including legal fees) and liabilities that may be suffered or incurred (directly or indirectly) by any

of the Indemnified Parties as a result of a breach by the Borrower of any tax obligation under this Agreement.

## **Article 6 COVENANTS**

- 6.1 The Borrower shall at all times preserve and maintain in full force and effect its legal existence and its good standing under the laws of the jurisdiction in which it is incorporated and operates.
- 6.2 The Borrower shall comply with all laws applicable to it or its property including, without limitation, all laws relating to the environment, health and safety, labour and employment. The Borrower shall duly pay and discharge all liabilities, including taxes, assessments and governmental charges to which it or its property is subject to.
- 6.3 The Borrower shall obtain all consents and approvals required under any applicable law to enable the Borrower lawfully to enter into and perform its obligations under this Agreement.
- 6.4 The Borrower shall at all times preserve and maintain in full force and effect all license, permits or the like required to do business and maintain good standing in each jurisdiction in which it is incorporated and operates.
- 6.5 The Borrower shall maintain appropriate books, records and accounts in which full, true and correct entries are made of all of its transactions. The Borrower will allow the Crowdfunder to visit its premises to inspect and make excerpts of such books, record and accounts during business hours as it deems necessary. The Borrower will also allow the Crowdfunder to meet with its employees, officers and customers provided that the Crowdfunder has furnished the Borrower with prior notice thereof.
- 6.6 The Borrower shall maintain and preserve all property and equipment necessary for the proper conducting of its business in good working order and condition, ordinary wear and tear excepted.
- 6.7 The Borrower shall maintain all necessary insurance in relation to the conducting of its business which will include amongst others public liability insurance and workers' compensations with a reputable and financially sound insurer.
- 6.8 The Borrower shall procure that no substantial change is made to the general nature of its business from that carried on at the date Agreement is entered into.

- 6.9 The Borrower shall not undertake or permit any merger, demerger, amalgamation or corporate restructuring, which has or could reasonably be expected to have a Material Adverse Effect.
- 6.10 The Borrower shall not grant any guarantee, indemnity, bond, letter of credit or similar assurance against financial loss in support of, any indebtedness owed by it or any other member of the Borrower's Group in excess of 35% (thirty five percent) of its assets value, unless the prior written consent of the Crowdfunder has been obtained.
- 6.11 The Borrower shall not declare or pay any dividends upon any of its stock, or purchase, redeem, retire or otherwise acquire, directly or indirectly, any shares, or make any distribution of cash, property or assets among the shareholders, unless the prior written consent of the Crowdfunder, has been obtained.
- 6.12 The Borrower has ownership and management structures, which follow the principles of good corporate governance and has developed or is committed to develop and comply with anti-money laundering and anti-terrorism financing standards.
- 6.13 Neither the Borrower nor any other member of the Borrower's Group i) is on any sanction list, including but not limited to that of the United Nations sanction list ii) is in breach of any anti-money laundering laws, iii) engages in any dealings or transactions with any such person or iv) use the proceeds of the loan to finance any activities on any exclusion list.
- 6.14 Neither the Borrower nor any other member of the Borrower's Group shall enter into business directly or indirectly with any person, group or entity listed on any sanctions lists.
- 6.15 No part of the proceeds from the loan will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage
- 6.16 All costs related to the obligations of the Borrower under this Article shall be borne by the Borrower.

## **Article 7    EVENTS OF DEFAULT**

7.1    Each of the events as described hereunder constitutes an Event of Default on the part of the Borrower:

- a) the failure to pay any sum due under the Agreement at the time, in the currency and in the manner required, which non-payment is not remedied within 30 (thirty) days after the due date thereof;
- b) a representation or warranty hereunder or repeated by the Borrower is incorrect or misleading in any material respect when made or repeated;
- c) failure by the Borrower to duly perform any other obligation, including the covenants under Article 6, which non-performance, if capable of remedy, is not remedied within 7 (seven) days after receipt of a notice from the Crowdfunder on behalf of the Investors’;
- d) an attachment or execution affects any of the assets of the Borrower and is not discharged within 14 (fourteen) days;
- e) the dissolution or embargo of the Borrower's assets;
- f) the Borrower, or any other member of the Borrower’s Group, under its relevant jurisdiction is declared bankrupt or is granted a moratorium or a request for bankruptcy or moratorium is filed;
- g) the Borrower, or any other member of the Borrower’s Group, is dissolved, a resolution for its dissolution is passed or a request for its dissolution is filed;
- h) any material debt, outside the ordinary scope of business, of the Borrower in an amount exceeding EUR 500,000 (five hundred thousand euros), for which no legitimate dispute exists, or restructuring has been agreed with the applicable lender or creditor;
- i) any material debt of the Borrower in an amount exceeding EUR 500,000 (five hundred thousand euros) is declared to be or otherwise becomes due and payable



prior to its specified maturity as a result of an event of default as defined under the provisions of the applicable facility agreement;

i) any event or circumstance occurs that, in the opinion of the Crowdfunder, acting on behalf of the Investors, might have a Material Adverse Effect (whether directly or indirectly) on the Borrower's ability to perform any of its payment obligations under this Agreement; or

j) any event of default under the website access agreement concluded between Crowdfunder and the Borrower.

7.2 The Borrower shall without any delay notify the Crowdfunder in writing if an Event of Default has occurred or is likely to occur.

7.3 If an Event of Default has occurred or is likely to occur, the Investors' hereby mandate the Crowdfunder to perform any such acts and/or conclude agreements as may be necessary to assist the Borrower avoid and/or mitigate an Event of Default. Without detracting from the generality of the abovementioned provision the Crowdfunder may elect to, amongst others:

- a) consent to write-offs,
- b) waive or amend Covenants,
- c) consent to stand stills or payment holidays,
- d) consent and enter into a repayment plan,
- e) waive or amend Interest including Penalty Interest,
- f) vary maturity dates and/or
- g) take Security or waive Security.

The Crowdfunder shall exercise this mandate in its sole and absolute discretion and shall thus not be required to give notice to or obtain prior approval from the Investors'. The Crowdfunder shall, however, ensure that the Investors' receive communication in respect of any such actions taken by the Crowdfunder on the Investors' behalf.

The Investors' expressly and with full knowledge of the implications, conferred the abovementioned mandate on the Crowdfunder. The Investors' agree and confirm that they shall accept all such actions or omissions taken by the Crowdfunder without demur and that same shall be binding on the Investors' where exercised in good faith. The

Crowdfunder shall not be liable for any loss and/or damages sustained by the Investors' and/or the Borrower in respect of any such actions or omissions save, where the Investors' and/or Borrower are able to establish bad faith, fraud or gross negligence on the part of the Crowdfunder.

- 7.4 If an Event of Default has occurred, and under the same mandate, the Crowdfunder shall also be entitled to call up all loans still outstanding, together with accrued interest and all other amounts owing under the loan, which will then immediately be due and payable without any notice of default or court intervention being required.
- 7.5 An additional interest of 2% (two percent) per annum above the Interest Rate, shall be charged on the outstanding balance under all loans, plus any accrued but unpaid interest thereon, following the occurrence of an Event of Default until remedied **(Penalty Interest)**.
- 7.6 All costs and expenses incurred by the Crowdfunder, acting for an on behalf of the Investors, in order to collect payment of any amount due under this Agreement or the enforcement of the Security, irrespective as to whether these costs are judicial or extrajudicial, shall be paid and borne by the Borrower.

## **Article 8 REPRESENTATIONS AND WARRANTIES**

- 8.1 The Borrower makes the following representations and warranties to the Investors':
- a) the Borrower is a legal entity, duly registered and validly existing under the law of its jurisdiction in which it is incorporated and operates;
  - b) the Borrower has the power and the authority to own its assets and carry on its business as it is being conducted;
  - c) the obligations expressed to be assumed by the Borrower under this Agreement are valid, binding and enforceable;
  - d) The signing of this Agreement and performance hereunder by the Borrower does not and will not in any way conflict with any law or official requirement applicable to it, its constitutional documents or any agreement or instrument binding on it or any of its assets;

- e) The Borrower has the power and authority to sign, perform and deliver this Agreement and has taken all necessary action to authorize and perform in accordance with this Agreement;
  - f) The Borrower shall use the loan proceeds exclusively for the Purpose;
  - g) The Borrower shall not use any of the loan proceeds to service the debt of another lender;
  - h) The Security granted by the Borrower to the benefit of the Investors' in relation to any amount due under the Agreement has been perfected, is legal, valid, binding and enforceable under applicable law on all assets intended to be covered thereby;
  - i) No Event of Default is outstanding under this Agreement, or any other facility agreement entered into between the Borrower and any other lender/creditor;
  - j) There are no litigation, arbitration or administrative proceedings before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect, have been started or threatened against the Borrower or any other member of the Borrower's Group. The Borrower will not be entitled to claim for itself or any of its assets' immunity from suit, execution, attachment or other legal process and
  - k) The Borrower's obligations towards the Investors' under this Agreement shall rank senior to any intercompany loan, director loan or shareholder loan and unless secured shall at least rank pari passu with the existing or future claims of all its other unsecured and unsubordinated lender/creditors of the Borrower, except for obligations mandatorily preferred by law applying to companies generally.
- 8.2 The representations set out in this Article 8 shall be deemed to be given and repeated by the Borrower on the Interest Date on each Interest Payment Date by reference to the facts and circumstances then existing.

## **Article 9 PRESCRIPTION**

Claims against the Borrower for payment of principal and interest in respect of the Agreement will be prescribed ('*verjaard*') and become void unless made within a period of 5 (five) years after the date on which such payment first becomes due.

## **Article 10 SECURITY**

10.1 The loan is unsecured.

## **Article 11 MISCELLANEOUS**

### **11.1 Evidence**

The Crowdfunder shall maintain a record of all the Investors who subscribe to the loan including each Investor's subscription amount. Subject to evidence to the contrary or manifest error, the records of the Crowdfunder in respect of the Investors' will constitute conclusive evidence of the existence and amounts of any of the obligations of the Borrower under the Agreement.

### **11.2 Notifications**

11.2.1 All notices and other communications relating to this Agreement shall be sent to the following addresses:

j) For Investors':

Hands-On B.V.  
Eendrachtsplein 3 – unit 2A  
3015LA Rotterdam  
The Netherlands  
Email address: [info@lendahand.com](mailto:info@lendahand.com)

ii) For the Borrower:

Tugende Limited LLC  
Plot 57 Ntinda II Road, Naguru  
Kampala  
Uganda  
Email address: [michael@gotugende.com](mailto:michael@gotugende.com)

or to such other address as specified by the Parties from time to time, by registered mail with acknowledgement of receipt, by courier, or by e-mail.

11.2.2 Notices and other communications sent as outlined below shall be deemed to have been received by the addressee at the following times:

- i) if delivered by a courier service: at the time the communication is delivered to the addressee by the courier;
- ii) if sent by registered post: on the day specified on the receipt report;
- iii) if sent by e-mail: on the day specified on the corresponding receipt report.

11.2.3 The Investors' will not directly approach the Borrower but will approach the Crowdfunder and instruct the Crowdfunder to act on their behalf but only in accordance with the terms of this Agreement and the website access agreement as entered into between Crowdfunder and the Borrower.

### 11.3 **Invalidity of Provisions**

If a provision of this Agreement is or becomes illegal, invalid or enforceable in any jurisdiction, this shall not affect the legality, validity or enforceability in that jurisdiction of any other provisions of this Agreement.

The illegal, invalid or enforceable provision shall be replaced by a new provision reflecting the intention of the Investors and the Borrower.

### 11.4 **Fully Funded Notice and the Execution of the Agreement.**

The signed Fully Funded Notice shall form an integral part of this Agreement.

Once the Crowdfunder receives the fully funded notice it will countersign the Agreement on behalf of the Investors' and the Agreement will come into full effect.

## **Article 12 APPLICABLE LAW AND COMPETENT COURT**

12.1 This Agreement is governed by the laws of the Netherlands.

12.2 Any dispute arising from this Agreement, which cannot be settled amicably, shall be submitted to the competent court in Rotterdam, the Netherlands.

**(Signature page to follow)**

**IN WITNESS WHEREOF**, the Investors and the Borrower have caused this Agreement to be executed by their authorized representatives at the place and on the date stated below.

**THE INVESTORS**

Duly represented by **HANDS-ON B.V.**

\_\_\_\_\_

Name: Tek Koen The, duly representing

Le Theta B.V.

Title: Director

Place:

Date:

\_\_\_\_\_

Name: Daniel van Maanen

Title: Director

Place:

Date:

**TUGENDE LIMITED LLC**

By:

\_\_\_\_\_

Name: Marisa Fee

Title: Director and COO

Place: Kampala

Date:

By:

\_\_\_\_\_

Name: Michael Wilkerson

Title: Director and CEO

Place: Kampala

Date:

## Annex I

- Borrower: Tugende Limited LLC
- Underlying Project Name: Tugende 1
- Depot ID: TBD
- Interest Date: TBD
- Tenor: 24 months
- Currency: EUR
- Loan Amount: EUR 500,000.00
- Total number of subscriptions: TBD
- Interest Rate: 5.5% per annum

### Amortization Schedule

<b>1st Repayment</b>	<b>1st</b>	<b>1st</b>	<b>1st</b>	<b>2nd Repayment</b>	<b>2nd</b>	<b>2nd</b>	<b>2nd</b>
<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
01/05/2022	€ 125.000,00	€ 13.750,00	€ 138.750,00	01/11/2022	€ 125.000,00	€ 10.312,50	€ 135.312,50
<b>3rd Repayment</b>	<b>3rd</b>	<b>3rd</b>	<b>3rd</b>	<b>4th Repayment</b>	<b>4th</b>	<b>4th</b>	<b>4th</b>
<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
01/05/2023	€ 125.000,00	€ 6.875,00	€ 131.875,00	01/11/2023	€ 125.000,00	€ 3.437,50	€ 128.437,50