



CRDB BANK PLC

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FACILITY LETTER

FROM

CRDB BANK PLC

TO

LODHIA STEEL INDUSTRIES LIMITED

Drawn by:

CRDB Bank Plc

Head office

Plot No. 25 & 26 Ally Hassan Mwinyi Road &

Plot No. 21 Barrack Obama Road,

P.O Box 268, 11101

Dar es Salaam.

Dr. Ally H. Laay (Board Chairman), Mr. Abdulmajid M. Nsekela (Managing Director), Mr. Martin Steven Warioba (Member), Mr. Boniface Charles Muhegi (Member), Prof. Faustine K. Bee (Member), Mr. Hosea Ezekiel Kashimba (Member), Prof. Neema Munisi Mori (Member), Mr. Jes Klausby (Member), Dr. Fred Matola Msemwa (Member), Mr. Abdul Ally Mohamed (Member), Ms. Miranda Naiman Mpogolo (Member), Mr. Gerald Paul Kasaato (Member), Mr. John Baptist Rugambo (Secretary)

Date: 27th September, 2021

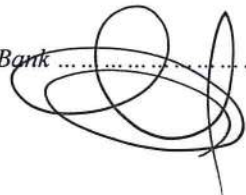
Dear Customer/Borrower,

This is to inform you that, **CRDB Bank Plc** (hereinafter the Bank) has agreed to issue to **Lodhia Steel Industries Limited**, a company incorporated under the laws of Tanzania with registration number **45383** and having its registered office at **Plot No. 19, Block 'T', along Uhuru Road, Arusha** (hereinafter the Borrower), the facility (hereinafter the Facility) on the terms and conditions provided in this facility letter (hereinafter the Facility Letter) together with the Standard Terms and Conditions (collectively referred to as the "Facility Agreement").

1. THE FACILITY

S/No.	Type	Amount in TZS	Amount in USD
a)	Term Loan Facility-I	TZS 19,700,000,000/- (Say Tanzanian Shillings Nineteen Billion Seven Hundred Million Only)	
b)	Term Loan Facility-II		USD 3,275,000/- (Say United States Dollars Three Million Two Hundred Seventy-Five Thousand Only)
c)	Overdraft Facility-I	TZS 13,200,000,000/- (Say Tanzanian Shillings Thirteen Billion Two Hundred Million Only)	
d)	Overdraft Facility-II		USD 6,500,000/- (Say United States Dollars Six Million Five Hundred Thousand Only)
e)	Off Balance Sheet Facility (Bank Guarantee)	TZS 250,000,000/- (Say Tanzanian Shillings Two Hundred Fifty Million Only)	
f)	Letter of Credit/Post Import Loan (LC/PIL)		USD 9,000,000/- (Say United States Dollars Nine Million Only)
Total		TZS 33,150,000,000/- (Say Tanzanian Shillings Thirty-Three Billion One Hundred Fifty Million Only)	USD 18,775,000/- (Say Tanzanian Shillings Eighteen Million Seven Hundred Seventy-Five Thousand Only)

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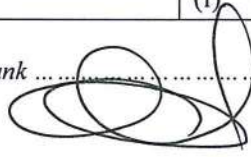
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2. TERMS AND CONDITIONS

2.1. Term Loan Facility-I

a)	Tenor	60 months from the date of first drawdown.
b)	Purpose	The Term Loan Facility shall be used by the Borrower in the following manner: - (i). TZS 5,321,000,000/- (Say Tanzanian Shillings Five Billion Three Hundred Twenty-One Million Only) shall be used to take over the Borrower's outstanding loan from Azania Bank Limited (the "Azania"); (ii). TZS 9,884,000,000/- (Say Tanzanian Shillings Nine Billion Eight Hundred Eighty-Four Million Only) shall be used to take over the Borrower's outstanding loan from Exim Bank Tanzania (the "Exim"); (iii). TZS 265,000,000/- (Say Tanzanian Shillings Two Hundred Sixty-Five Million Only) shall be used to take over the Borrower's outstanding loan from NCBA Bank Tanzania (the "NCBA"); and (iv). TZS 5,846,000,000/- (Say Tanzanian Shillings Five Billion Eight Hundred Forty-Six Million Only) shall be used to take over Steel Centre Limited's outstanding loan from Azania (hereinafter the Purpose/Project).
c)	Interest rate	13% per annum.
d)	Repayment	Without prejudice to the continuous right of the Bank to demand repayment of all amounts due under this Facility Letter [upon an occurrence of an Event of Default as specified under the Facility Agreement], the outstanding Facility and any interest accrued thereon from time to time, shall be repaid in equal monthly installments as per the indicative repayment schedule attached as Annex II.
e)	Drawdown	The Facility shall be disbursed in multiple tranches.
f)	Specific Terms	The funds in connection with the outstanding credit facility of the Borrower with Azania, Exim and NCBA (collectively as the "Existing Lenders" and each to be referred to as the "Existing Lender"), shall be paid directly to Existing Lenders upon fulfillment by the Borrower of the following terms and conditions: - (i) The Borrower has duly executed all security documents

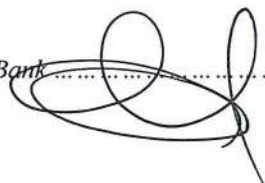
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Borrower

		<p>indicated in Clause 3 of this Facility Letter;</p> <p>(ii). Submission of evidence that the Borrower has updated its company records through the BRELA's (Business Registration and Licensing Agency) online registration system (ORS) and has filed its annual returns with the Registrar of Companies;</p> <p>(iii). Submission of a company's search report, of the Borrower, issued by the Registrar of Companies, indicating among other things, name of Borrower, company registration number, registered place of business, filing of annual returns, name of directors and shareholders and a list of registered charges of the Borrower;</p> <p>(iv). The Bank is in receipt of an outstanding balance of the Borrower together with the written commitment from each Existing Lender to handover original documents of title as listed in Clause 3 of this Facility Letter, together with their respective discharge forms upon receipt of an amount which is not more than TZS 19,700,000,000/- (Say Tanzanian Shillings Nineteen Billion Seven Hundred Million Only) from the Existing Lenders;</p> <p>(v). Submission of land search report of all landed properties ("the "Landed Properties") issued as security herein, indicating that the Landed Properties are free from any charge or encumbrance, other than the charge or encumbrance created by the Existing Lenders which will be discharged by the Existing Lenders upon receipt of the outstanding balance; and</p> <p>(vi). Submission of valuation reports of the Landed Properties, undertaken by the Bank's appointed valuer(s) and approved by the Chief Valuer (as defined in the Valuation and Valuers Registration Act) and of not more than 12 months from the date it was approved by the Chief Valuer, in order to facilitate registration of mortgage(s) in terms of Land Act Cap 114 (as amended).</p>
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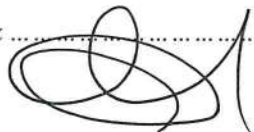


Borrower

2.2. Term Loan Facility-II

a)	Tenor	60 months from the date of first drawdown.
b)	Purpose	<p>The Term Loan Facility shall be used by the Borrower in the following manner: -</p> <p>(i). USD 3,253,021/- (Say United States Dollars Three Million Two Hundred Fifty-Three Thousand Twenty-One Only) shall be used to take over the Borrower's outstanding loan from Azania; and</p> <p>(ii). USD 21,428,000/- (Say United States Dollars Twenty-One Million Four Hundred Twenty-Eight Thousand Only) shall be used to take over the Lodhia Plastic Industries Limited's outstanding loan from Exim.</p> <p>(hereinafter the Purpose/Project)</p>
c)	Interest rate	6.7% per annum.
d)	Repayment	Without prejudice to the continuous right of the Bank to demand repayment of all amounts due under this Facility Letter [upon an occurrence of an Event of Default as specified under the Facility Agreement], the outstanding Facility and any interest accrued thereon from time to time, shall be repaid in equal monthly installments as per the indicative repayment schedule attached as Annex III.
e)	Drawdown	The Facility shall be disbursed in multiple tranches.
f)	Specific Terms	<p>The funds in connection with the outstanding credit facility of the Borrower and Lodhia Plastic Industries Limited with Azania and Exim shall be paid directly to Azania and Exim (collectively as the "Existing Lenders" and each to be referred to as the "Existing Lender") upon fulfillment by the Borrower of the following terms and conditions: -</p> <p>(i). The Borrower has duly executed all security documents indicated in Clause 3 of this Facility Letter;</p> <p>(ii). Submission of evidence that the Borrower has updated its company records through the BRELA's (Business Registration and Licensing Agency) online registration system (ORS) and has filed its annual returns with the Registrar of Companies;</p> <p>(iii). Submission of a company's search report, of the Borrower, issued by the Registrar of Companies, indicating among other</p>

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Borrower

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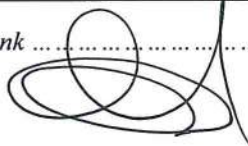
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		<p>things, name of Borrower, company registration number, registered place of business, filing of annual returns, name of directors and shareholders and a list of registered charges of the Borrower;</p> <p>(iv). The Bank is in receipt of an outstanding balance of the Borrower together with the written commitment from each Existing Lender to handover original documents of title as listed in Clause 3 of this Facility Letter, together with their respective discharge forms upon receipt of an amount which is not more than the USD 3,275,000/- (Say United States Dollars Three Million Two Hundred Seventy-Five Thousand Only) from Azania Bank Limited;</p> <p>(v). Submission of land search report of all landed properties (“the “Landed Properties”) issued as security herein, indicating that the Landed Properties are free from any charge or encumbrance, other than the charge or encumbrance created by Azania (the “Existing Lender”), which will be discharged by the Existing Lender upon receipt of the outstanding balance; and</p> <p>(vi). Submission of valuation reports of the Landed Properties, undertaken by the Bank’s appointed valuer(s) and approved by the Chief Valuer (as defined in the Valuation and Valuers Registration Act) and of not more than 12 months from the date it was approved by the Chief Valuer, in order to facilitate registration of mortgage(s) in terms of Land Act Cap 114 (as amended).</p>
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2.3. Overdraft Facility-I

a)	Tenor	12 months from the date of first drawdown.
b)	Purpose	<p>The Overdraft Facility- I shall be used for the following purpose:</p> <p>-</p> <p>(i). TZS 1,500,000,000/- (Say Tanzanian Shillings One Billion Five Hundred Million Only) shall be used to take over the Borrower’s working capital facility from Exim;</p> <p>(ii). TZS 200,000,000/- (Say Tanzanian Shillings Two Hundred Million Only) shall be used to take over the Steel Centre Limited’s working capital facility from Exim;</p>

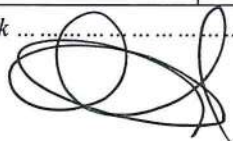
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Borrower

		<p>(iii). TZS 2,000,000,000/- (Say Tanzanian Shillings Two Billion Only) shall be used to take over the Lodhia Plastic Industries Limited's working capital facility from Canara Bank (the "Canara"); and</p> <p>Item (i)- (iii) herein above shall be collectively be referred to as the "Existing Overdraft Facility- I")</p> <p>(iv). TZS 7,500,000,000/- (Say Tanzanian Shillings Seven Billion Five Hundred Million Only) being a new overdraft facility extended to the Borrower by the Bank (the "New Overdraft Facility- I").</p> <p>After takeover, the Existing Overdraft Facility-I and the New Overdraft Facility-I shall be used to finance working capital requirements of the Borrower such as local procurement of raw materials and payment of recurring expenditures, including VAT on the imported raw materials.</p>
c)	Interest rate	13% per annum.
d)	Repayment	The Overdraft Facility I shall be repayable on demand. Without prejudice to the continuous right of the Bank to demand repayment of all amounts due under this Facility Letter at any time, the outstanding Overdraft Facility I and any interest accrued thereon from time to time, shall be repaid by the date falling 12 months from the date of disbursement. The Bank may grant the renewal of the Overdraft Facility I or extension thereof upon submission of a written request by the Borrower 3 months prior to expiry of the Overdraft Facility I.
e)	Specific Terms	<p>The funds in connection with the outstanding credit facility of the Borrower, Steel Centre Limited and Lodhia Plastic Industries Limited wit Exim and Canara (collectively as the "Existing Lenders" and each to be referred to as the "Existing Lender") shall be paid directly to each Existing Lender upon fulfillment by the Borrower of the following terms and conditions: -</p> <p>(i). The Borrower has duly executed all security documents indicated in Clause 3 of this Facility Letter;</p> <p>(ii). Submission of evidence that the Borrower has updated its company records through the BRELA's (Business Registration and Licensing Agency) online registration system (ORS) and has filed its annual returns with the</p>

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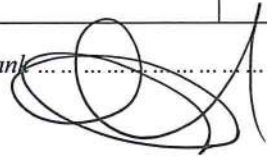
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		<p>Registrar of Companies;</p> <p>(iii). Submission of a company's search report, of the Borrower, issued by the Registrar of Companies, indicating among other things, name of Borrower, company registration number, registered place of business, filing of annual returns, name of directors and shareholders and a list of registered charges of the Borrower;</p> <p>(iv). The Bank is in receipt of an outstanding balance of the Borrower together with the written commitment from the Existing Lenders to handover original documents of title as listed in Clause 3 of this Facility Letter, together with their respective discharge forms upon receipt of an amount which is not more than the amounts indicated in Clause 2.3(b)(i)-(iii) (the "Outstanding Balance");</p> <p>(v). Submission of land search report of all landed properties ("the "Landed Properties") issued as security herein, indicating that the Landed Properties are free from any charge or encumbrance, other than the charge or encumbrance created by Exim and Canara (the "Existing Lenders"), which will be discharged by the Existing Lenders upon receipt of the outstanding balance; and</p> <p>(vi). Submission of valuation reports of the Landed Properties, undertaken by the Bank's appointed valuer(s) and approved by the Chief Valuer (as defined in the Valuation and Valuers Registration Act) and of not more than 12 months from the date it was approved by the Chief Valuer, in order to facilitate registration of mortgage(s) in terms of Land Act Cap 114 (as amended).</p>
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2.4. Overdraft Facility-II

a)	Tenor	12 months from the take-over date.
b)	Purpose	<p>The Overdraft Facility II shall be used by the Borrower in the following manner: -</p> <p>(i). Up to the amount of USD 1,500,000/- (Say United States Dollars One Million Five Hundred Thousand Only) shall be used to take over the Borrower's existing working</p>

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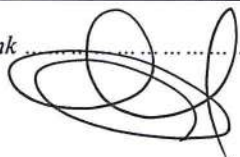
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		<p>capital facility from Exim (the “Existing Overdraft Facility-II”).</p> <p>(v). USD 5,000,000/- (Say United States Dollars Five Million Only) being a new overdraft facility extended to the Borrower by the Bank (the “New Overdraft Facility-II”).</p> <p>After takeover, the Existing Overdraft Facility-II and the New Overdraft Facility-II shall be used to finance working capital requirements of the Borrower, more particularly purchase of raw material from suppliers that are not under a letter of credit arrangement.</p>
c)	Interest rate	6.7% per annum
d)	Repayment	The Overdraft Facility II shall be repayable on demand. Without prejudice to the continuous right of the Bank to demand repayment of all amounts due under this Facility Letter at any time, the outstanding Overdraft Facility I and any interest accrued thereon from time to time, shall be repaid by the date falling 12 months from the date of disbursement. The Bank may grant the renewal of the Overdraft Facility II or extension thereof upon submission of a written request by the Borrower 3 months prior to expiry of the Overdraft Facility II.
e)	Specific Terms	<p>The funds in connection with the outstanding credit facility of the Borrower with Exim (the “Existing Lender”) shall be paid directly to the Existing Lender upon fulfillment by the Borrower of the following terms and conditions: -</p> <p>(i). The Borrower has duly executed all security documents indicated in Clause 3 of this Facility Letter;</p> <p>(ii). Submission of evidence that the Borrower has updated its company records through the BRELA’s (Business Registration and Licensing Agency) online registration system (ORS) and has filed its annual returns with the Registrar of Companies;</p> <p>(iii). Submission of a company’s search report, of the Borrower, issued by the Registrar of Companies, indicating among other things, name of Borrower, company registration number, registered place of</p>

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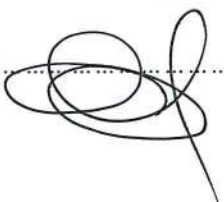
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		<p>business, filing of annual returns, name of directors and shareholders and a list of registered charges of the Borrower;</p> <p>(iv). The Bank is in receipt of an outstanding balance of the Borrower together with the written commitment from the Existing Lender to handover original documents of title as listed in Clause 3 of this Facility Letter, together with their respective discharge forms upon receipt of an amount which is not more than USD 1,500,000/- (the “Outstanding Balance”);</p> <p>(v). Submission of land search report of all landed properties (“the “Landed Properties”) issued as security herein, indicating that the Landed Properties are free from any charge or encumbrance, other than the charge or encumbrance created by the “Existing Lender, which will be discharged by the Existing Lender upon receipt of the outstanding balance; and</p> <p>(vi). Submission of valuation reports of the Landed Properties, undertaken by the Bank’s appointed valuer(s) and approved by the Chief Valuer (as defined in the Valuation and Valuers Registration Act) and of not more than 12 months from the date it was approved by the Chief Valuer, in order to facilitate registration of mortgage(s) in terms of Land Act Cap 114 (as amended).</p>
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2.5. Off Balance Sheet Facility (Bank Guarantee)

a)	Tenor	12 months from the date of first issuance.
b)	Purpose	The Off Balance Sheet Facility (Bank Guarantee) shall be used to support the Borrower issue guarantees to various employers in form of bid bond, advance payments, or performance bond.
c)	Commission	0.3% per quarter [VAT Exclusive].
d)	Interest Charged on Unpaid Commitment	The un- reimbursed amount shall attract interest rate of 13% and shall accrue from day to day on the outstanding balance commencing from and including the date when the Bank made the necessary payments in favor of the beneficiary of the guarantee/letter of credit and charged to the account on a monthly basis.
e)	Specific Terms	N/A

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2.6. Multi-Option Facility [Letter of Credit/Post Import Loan/Bills Availation (LC/PIL)]

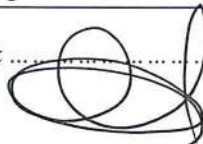
a)	Tenor	12 months from the date of first issuance.
b)	Purpose	The Multi-Option Facility shall be used to support the Borrower import billets from suppliers under letter of credit arrangements.
c)	Commission	0.3% per quarter [VAT Exclusive].
d)	Interest Charged on Unpaid Commitment	The un- reimbursed amount shall attract interest rate of 13% and shall accrue from day to day on the outstanding balance commencing from and including the date when the Bank made the necessary payments in favor of the beneficiary of the guarantee/letter of credit and charged to the account on a monthly basis.
e)	Specific Terms	N/A

3. SECURITY

The Facility shall be secured by the following securities: -

S/No	Type of Charge and Description of Security	Documents of Title	Owner	Location
a)	A first ranking legal mortgage	CT No. 11925 Land Registry-Moshi, LO. No. 150964	Lodhia Steel Industries Limited	Plot No. 27, Them Industrial in Arusha Municipality.
b)	A first ranking legal mortgage	CT No. 5613 Land Registry-Moshi, LO. No. 43856	Lodhia Plastic Industries Limited	Plot No. 26, Them Industrial in Arusha Municipality.
c)	A first ranking legal mortgage	CT No. 186182/41/1/57	Steel Center Limited	Plot No. 294 and 295, Upanga Area in the Municipality of Dar es Salaam.
d)	A first ranking legal mortgage	CT No. 152622 MG, LO. No. 466891	Lodhia Steel Industries Limited	Plot No. 6/1, Block 'B', Kisemvule in Mkuranga District.
e)	A first ranking legal mortgage	CT No. 152560 MG, LO. No. 466892	Lodhia Steel Industries Limited	Plot No. 6/2, Block 'B', Kisemvule in Mkuranga District.
f)	A first ranking legal mortgage	CT No. 152561 MG, LO. No. 466893	Lodhia Steel Industries Limited	Plot No. 6/3, Block 'B', Kisemvule in Mkuranga District.
g)	A first ranking legal mortgage	CT No. 152558 MG, LO. No. 466894	Lodhia Plastic Industries Limited	Plot No. 6/4, Block 'B', Kisemvule in

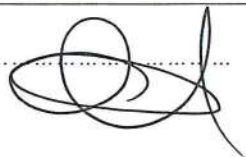
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S/No	Type of Charge and Description of Security	Documents of Title	Owner	Location
				Mkuranga District.
h)	A first ranking legal mortgage	CT No. 152973 MG, LO. No. 729846	Lodhia Steel Industries Limited	Plot No. 6/5, Block 'B', Kisemvule in Mkuranga District.
i)	A first ranking legal mortgage	CT No. 055028/25, LO. No. 19127	Steel Centre Limited	Plot No. 50, Non-Offensive Factory Area in Arusha Township.
j)	A first ranking legal mortgage	CT No. 10514 Land Registry-Moshi, LO. No. 44324	Mahmood Amirali Somji, Sukaina Mahmood Somji, Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 223, Kijenge in Arusha Municipality.
k)	A first ranking legal mortgage	CT No. 15727 Land Registry-Moshi, LO. No. 172406	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 346, Block 'KK', Oloirien in Arusha Municipality
l)	A first ranking legal mortgage	CT No. 15726 Land Registry-Moshi, LO. No. 172403	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 347, Block 'KK', Oloirien in Arusha Municipality
m)	A first ranking legal mortgage	CT No. 15732 Land Registry-Moshi, LO. No. 172409	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 341, Block 'KK', Oloirien in Arusha Municipality
n)	A first ranking legal mortgage	CT No. 15731 Land Registry-Moshi, LO. No. 172405	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 342, Block 'KK', Oloirien in Arusha Municipality
o)	A first ranking legal mortgage	CT No. 15730 Land Registry-Moshi, LO. No. 172408	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 343, Block 'KK', Oloirien in Arusha Municipality
p)	A first ranking legal mortgage	CT No. 15729 Land Registry-Moshi, LO. No. 172407	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 344, Block 'KK', Oloirien in Arusha Municipality
q)	A first ranking legal mortgage	CT No. 15723 Land Registry-Moshi, LO. No. 172404	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 345, Block 'KK', Oloirien in Arusha Municipality
r)	A first ranking debenture over all assets of the Borrower registered to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			
s)	A cross company guarantee executed by Steel Centre Limited and Lodhia Plastic Industries Limited to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion			

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S/No	Type of Charge and Description of Security	Documents of Title	Owner	Location
	Eighty-Four Million Only)			
t)	A Personal guarantee and indemnity executed by Mahmood Amirali Somji, Sukaina Mahmood Somji, Arun Vithaldas Lodhia and Divya Arun Lodhia to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			
u)	Directors guarantee and indemnity Arun Vithaldas Lodhia, Divya Arun Lodhia and Sailesh Nathalal Pandit to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			

4. SPECIFIC TERMS AND CONDITIONS

4.1. Conditions Precedent

In addition to the pre-disbursement conditions indicated in Clause 4 of the Standard Terms and Conditions, the Borrower must fulfil the following conditions prior to disbursement of the the enhanced limit: -

4.1.1. The Borrower, Steel Centre Limited and Lodhia Plastic Industries Limited must submit loan clearance letters from the Existing Lenders.

4.1.2. Submit compliance certificate from National Environment Management Council (NEMC).

4.2. Subsequent Conditions

As long as this Facility is outstanding, the Borrower, Steel Centre Limited and Lodhia Plastic Industries Limited agrees and undertakes to: -

4.2.1. Obtain written consent of the Bank prior acquiring new debt (short term or long term) from other lenders and disposing any significant portion of their assets.

4.2.2. Not pay dividends for at least three years from the date of takeover to allow smooth repayment of the Bank Facility and improvement of cash flows of the Borrower in line with written consent from the Bank.

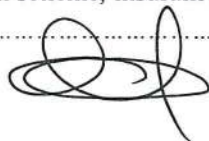
4.2.3. To notify the Bank whenever there is major cash out flow especially for procurement of plant and machinery under the proposed capex plan. Overdraft Facilities shall not be used to cover for such payments.

5. FINANCIAL COVENANTS-N/A

6. NON-FINANCIAL COVENANTS

6.1. The Borrower agrees to use various products and services of the Bank (**the Bank's Products and Services**). These include but are not limited to internet banking platform for online transactions, trade finance products and services, employees benefits such as payroll system and employee loan scheme, insurance products, foreign exchange transactions and minimum account

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turnover with the Bank to be at least 85% of the total turnover of the Borrower based on the current financial statements of the Borrower

6.2. It is hereby agreed that at any point in time the Borrower may choose to exit any of the individual service or product upon issuance of a reasonable notice to the Bank. In that case, the Bank may, at its own discretion revoke and revise the preferential pricing offered to the Borrower, as a result of not using the Bank's Products and Services.

7. FEES AND CHARGES

The Borrower shall pay to the Bank the following fees (which shall be debited to the Borrower's loan account/current account with the Bank:

7.1. Facility Fees (to be collected upon signing of this Facility Letter) Exclusive of VAT;

S/N	Type Of Fee/Charge	Amount in USD	Amount in TZS
1	Arrangement Fees (0.5%)	93,875	165,750,000
2	Legal Documents		6,500,000
	- Facility letter		
	- Personal guarantee		
	- Mortgage Deed x 7		
	- Debenture deed		
	- Directors Guarantee		
	- Cross Company Guarantee x 2		
	Total	93,875	172,250,000

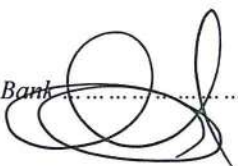
7.2. Third party fees for legal documents, valuation and any other service to this Facility;

7.3. Stamp duty, registration and any government levies charged on loans; and

7.4. Such other fees as may be applicable on the Facility.

8. NOTICES AND COMMUNICATIONS

Save as the Bank may otherwise agree, all communications, notices by the parties, certificates, reports, information and documents given to the Bank in connection with this Facility shall be sent in writing in English or Kiswahili language at the addresses provided by the parties herein and addressed to the designated contact persons:

Initials: Bank 

Borrower

8.1. For the Bank

The Managing Director
CRDB Bank Plc
Plot No. 25 & 26 Ally Hassan Mwinyi Road &
Plot No. 21 Barrack Obama Road
P.O Box 268, 11101
Dar es Salaam.

8.2. For the Borrower


The Managing Director
Lodhia Steel Industries Limited
Plot No. 19, Block 'T', along Uhuru Road
P.O. Box 12167
Arusha

9. ACCEPTANCE TO BE PART OF THIS FACILITY LETTER

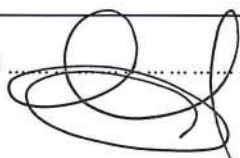
- 9.1. Unless agreed otherwise by the Bank, this Facility Letter may, terminate if not accepted and signed by the Borrower within thirty(30) days of the date hereof.
- 9.2. Upon the Borrower signing the Acceptance Clause provided herein, this Facility Letter together with the Standard Terms and Conditions shall constitute the complete agreement between the Bank and the Borrower and the Borrower shall henceforth be bound by the terms and conditions thereof.
- 9.3. Please signify acceptance of the foregoing by signing and returning to us the duly signed Facility Agreement (3 originals).

Yours Faithfully,

(Signature).....
 (Name) *Abdalmajid Mussa Nsekela*
 (Position)..... *Managing Director*
CRDB BANK PLC.

(Signature).....
 (Name) *MARY MUZARI MAWMI*
 (Position)..... *DIRECTOR OF CREDIT*
CRDB BANK PLC.
P.O. Box 268
DAR-ES-SALAAM

For and on behalf of **CRDB BANK PLC**

Initials: Bank


Borrower

ACCEPTANCE CLAUSE

We, **Lodhia Steel Industries Limited** having reviewed and understood the terms and conditions contained in this Facility Letter, hereby accept the said terms and conditions.

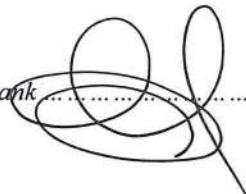
SEALED with the **COMMON SEAL** of the said
LODHIA STEEL INDUSTRIES LIMITED and
DELIVERED in our presence } **SEAL**
this ____ day of _____, 2021

Full Name: _____
Signature: _____
Address: _____

Designation: **DIRECTOR**

Full Name: _____
Signature: _____
Address: _____

Designation: **DIRECTOR/COMPANY SECRETARY**

Initials: Bank 

Borrower

Annex-1

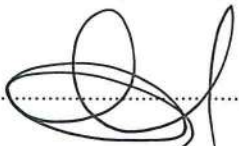
Certificate of Board Resolution to Borrow and Give Security

**To: CRDB BANK PLC
P.O. BOX 268
DAR ES SALAAM**

At a duly convened meeting of the Directors of **Lodhia Steel Industries Limited** held at(venue) on the day of 2021 it was **REPORTED** that CRDB Bank Plc (the Bank) agreed to make available the Facility to **Lodhia Steel Industries Limited** (the Company) the details of which are provided below under terms and conditions contained in the said Facility Agreement:

S/No.	Type	Amount in TZS	Amount in USD
a)	Term Loan Facility-I	TZS 19,700,000,000/- (Say Tanzanian Shillings Nineteen Billion Seven Hundred Million Only)	
b)	Term Loan Facility-II		USD 3,275,000/- (Say United States Dollars Three Million Two Hundred Seventy-Five Thousand Only)
c)	Overdraft Facility-I	TZS 13,200,000,000/- (Say Tanzanian Shillings Thirteen Billion Two Hundred Million Only)	
d)	Overdraft Facility-II		USD 6,500,000/- (Say United States Dollars Six Million Five Hundred Thousand Only)
e)	Off Balance Sheet Facility (Bank Guarantee)	TZS 250,000,000/- (Say Tanzanian Shillings Two Hundred Fifty Million Only)	
f)	Letter of Credit/Post Import Loan (LC/PIL)		USD 9,000,000/- (Say United States Dollars Nine Million Only)
Total		TZS 33,150,000,000/- (Say Tanzanian Shillings Thirty-Three Billion One Hundred Fifty Million Only)	USD 18,775,000/- (Say Tanzanian Shillings Eighteen Million Seven Hundred Seventy-Five Thousand Only)

It was further **REPORTED** that the following securities were to be created by the Company or procured to be created by third party security to secure the Facility:

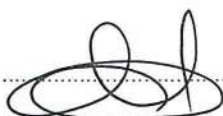
Initials: Bank.....

Borrower..... NGS VK

List of Securities

S/No	Type of Charge and Description of Security	Documents of Title	Owner	Location
a)	A first ranking legal mortgage	CT No. 11925 Land Registry-Moshi, LO. No. 150964	Lodhia Steel Industries Limited	Plot No. 27, Themi Industrial in Arusha Municipality.
b)	A first ranking legal mortgage	CT No. 5613 Land Registry-Moshi, LO. No. 43856	Lodhia Plastic Industries Limited	Plot No. 26, Themi Industrial in Arusha Municipality.
c)	A first ranking legal mortgage	CT No. 186182/41/1/57	Steel Center Limited	Plot No. 294 and 295, Upanga Area in the Municipality of Dar es Salaam.
d)	A first ranking legal mortgage	CT No. 152622 MG, LO. No. 466891	Lodhia Steel Industries Limited	Plot No. 6/1, Block 'B', Kisemvule in Mkuranga District.
e)	A first ranking legal mortgage	CT No. 152560 MG, LO. No. 466892	Lodhia Steel Industries Limited	Plot No. 6/2, Block 'B', Kisemvule in Mkuranga District.
f)	A first ranking legal mortgage	CT No. 152561 MG, LO. No. 466893	Lodhia Steel Industries Limited	Plot No. 6/3, Block 'B', Kisemvule in Mkuranga District.
g)	A first ranking legal mortgage	CT No. 152558 MG, LO. No. 466894	Lodhia Plastic Industries Limited	Plot No. 6/4, Block 'B', Kisemvule in Mkuranga District.
h)	A first ranking legal mortgage	CT No. 152973 MG, LO. No. 729846	Lodhia Steel Industries Limited	Plot No. 6/5, Block 'B', Kisemvule in Mkuranga District.
i)	A first ranking legal mortgage	CT No. 055028/25, LO. No. 19127	Steel Centre Limited	Plot No. 50, Non-Offensive Factory Area in Arusha Township.
j)	A first ranking legal mortgage	CT No. 10514 Land Registry-Moshi, LO. No. 44324	Mahmood Amirali Somji, Mahmood Somji, Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 223, Kijenge in Arusha Municipality.
k)	A first ranking legal mortgage	CT No. 15727 Land Registry-Moshi, LO. No. 172406	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 346, Block 'KK', Oloirien in Arusha Municipality
l)	A first ranking legal mortgage	CT No. 15726 Land Registry-Moshi, LO. No. 172403	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 347, Block 'KK', Oloirien in Arusha Municipality
m)	A first ranking legal mortgage	CT No. 15732 Land Registry-Moshi, LO.	Arun Vithaldas Lodhia and Divya	Plot No. 341, Block 'KK', Oloirien in

Initials: Bank.....



Borrower..... NGS

VK

S/No	Type of Charge and Description of Security	Documents of Title	Owner	Location
		No. 172409	Arun Lodhia	Arusha Municipality
n)	A first ranking legal mortgage	CT No. 15731 Land Registry-Moshi, LO. No. 172405	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 342, Block 'KK', Oloirien in Arusha Municipality
o)	A first ranking legal mortgage	CT No. 15730 Land Registry-Moshi, LO. No. 172408	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 343, Block 'KK', Oloirien in Arusha Municipality
p)	A first ranking legal mortgage	CT No. 15729 Land Registry-Moshi, LO. No. 172407	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 344, Block 'KK', Oloirien in Arusha Municipality
q)	A first ranking legal mortgage	CT No. 15723 Land Registry-Moshi, LO. No. 172404	Arun Vithaldas Lodhia and Divya Arun Lodhia	Plot No. 345, Block 'KK', Oloirien in Arusha Municipality
r)	A first ranking debenture over all assets of the Borrower registered to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			
s)	A cross company guarantee executed by Steel Centre Limited and Lodhia Plastic Industries Limited to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			
t)	A Personal guarantee and indemnity executed by Mahmood Amirali Somji, Sukaina Mahmood Somji, Arun Vithaldas Lodhia and Divya Arun Lodhia to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			
u)	Directors guarantee and indemnity Arun Vithaldas Lodhia, Divya Arun Lodhia and Sailesh Nathalal Pandit to secure TZS 77,084,000,000/- (Say Tanzanian Shillings Seventy-Seven Billion Eighty-Four Million Only)			

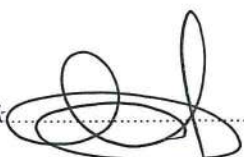
It was further REPORTED that each director will have to sign a personal guarantee for the payment of the Facility

SIGNATORIES

The following directors/ company secretary/officers of the Company were authorized to execute the Facility Letter and related security documents of the Borrower:

S/N	Full Name	Position	Signature
1.			
2.			
3.			

Initials: Bank.....



Borrower..... NGS

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RESOLVED that:

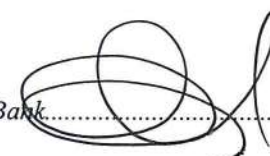
- a) The Company is hereby authorized to borrow from CRDB Bank Plc as proposed and that it was in the best interests of the Company, within its powers and to its direct benefit, to borrow as proposed;
- b) it was in the best interests of the Company, within its powers and to its direct benefit to charge its assets in favor of the Bank and the Company is hereby authorized to charge its assets in favor of the Bank and/or procure the provision of third party securities”) listed above;
- c) the terms of, and the transactions contemplated by, the Facility Agreement be and are hereby approved;
- d) the execution, delivery and performance of each of the Facility Agreement and related security documents by the Company is hereby authorized;
- e) the signatories proposed be and are hereby authorized to sign and/or deliver Facility Agreement and any related security documents; and
- f) a certified copy of these resolutions be furnished to the Bank; and
- g) accepting and becoming party to the Facility Agreement and so borrowing, guaranteeing or securing, as appropriate, the amounts made available thereunder would not cause any borrowing, guarantee or similar limit binding on the Borrower to be exceeded.

IT IS HEREBY CERTIFIED that the above is a true extract from the Minutes of the Meeting of the Board of Directors and that such resolutions will not infringe any restrictions on borrowing of monies and/or the creation and issue of any security or guarantees.

SEALED with the COMMON SEAL of Lodhia Steel Industries Limited and Certified by:

Name:.....
Signature:.....
Designation: Chairman

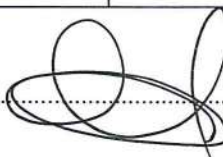
Name:.....
Signature:.....
Designation: Secretary

Initials: Bank.....


Borrower..... NGS VK
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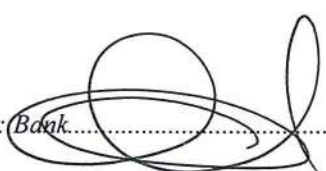
**ANNEX-II
INDICATIVE REPAYMENT SCHEDULE**

S/N	Loan Balance	Principal Due	Interest Due	Equal Instalment	Loan Balance C/F
1	19,700,000,000	234,818,872	213,416,667	448,235,539	19,465,181,128
2	19,465,181,128	237,362,743	210,872,796	448,235,539	19,227,818,384
3	19,227,818,384	239,934,173	208,301,366	448,235,539	18,987,884,211
4	18,987,884,211	242,533,460	205,702,079	448,235,539	18,745,350,751
5	18,745,350,751	245,160,906	203,074,633	448,235,539	18,500,189,845
6	18,500,189,845	247,816,816	200,418,723	448,235,539	18,252,373,030
7	18,252,373,030	250,501,498	197,734,041	448,235,539	18,001,871,532
8	18,001,871,532	253,215,264	195,020,275	448,235,539	17,748,656,268
9	17,748,656,268	255,958,429	192,277,110	448,235,539	17,492,697,838
10	17,492,697,838	258,731,312	189,504,227	448,235,539	17,233,966,526
11	17,233,966,526	261,534,235	186,701,304	448,235,539	16,972,432,291
12	16,972,432,291	264,367,522	183,868,016	448,235,539	16,708,064,769
13	16,708,064,769	267,231,504	181,004,035	448,235,539	16,440,833,265
14	16,440,833,265	270,126,512	178,109,027	448,235,539	16,170,706,753
15	16,170,706,753	273,052,882	175,182,656	448,235,539	15,897,653,870
16	15,897,653,870	276,010,955	172,224,584	448,235,539	15,621,642,915
17	15,621,642,915	279,001,074	169,234,465	448,235,539	15,342,641,841
18	15,342,641,841	282,023,586	166,211,953	448,235,539	15,060,618,255
19	15,060,618,255	285,078,841	163,156,698	448,235,539	14,775,539,414
20	14,775,539,414	288,167,195	160,068,344	448,235,539	14,487,372,218
21	14,487,372,218	291,289,007	156,946,532	448,235,539	14,196,083,212
22	14,196,083,212	294,444,638	153,790,901	448,235,539	13,901,638,574
23	13,901,638,574	297,634,454	150,601,085	448,235,539	13,604,004,120
24	13,604,004,120	300,858,828	147,376,711	448,235,539	13,303,145,292
25	13,303,145,292	304,118,132	144,117,407	448,235,539	12,999,027,161
26	12,999,027,161	307,412,745	140,822,794	448,235,539	12,691,614,416
27	12,691,614,416	310,743,049	137,492,490	448,235,539	12,380,871,366
28	12,380,871,366	314,109,433	134,126,106	448,235,539	12,066,761,934
29	12,066,761,934	317,512,285	130,723,254	448,235,539	11,749,249,649
30	11,749,249,649	320,952,001	127,283,538	448,235,539	11,428,297,648
31	11,428,297,648	324,428,981	123,806,558	448,235,539	11,103,868,667

Initials: Bank.....

Borrower..... NGS Page 21 of 24
VK

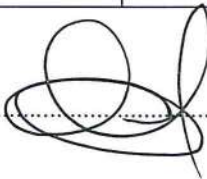
32	11,103,868,667	327,943,628	120,291,911	448,235,539	10,775,925,039
33	10,775,925,039	331,496,351	116,739,188	448,235,539	10,444,428,688
34	10,444,428,688	335,087,562	113,147,977	448,235,539	10,109,341,126
35	10,109,341,126	338,717,677	109,517,862	448,235,539	9,770,623,449
36	9,770,623,449	342,387,118	105,848,421	448,235,539	9,428,236,331
37	9,428,236,331	346,096,312	102,139,227	448,235,539	9,082,140,019
38	9,082,140,019	349,845,689	98,389,850	448,235,539	8,732,294,330
39	8,732,294,330	353,635,684	94,599,855	448,235,539	8,378,658,646
40	8,378,658,646	357,466,737	90,768,802	448,235,539	8,021,191,910
41	8,021,191,910	361,339,293	86,896,246	448,235,539	7,659,852,616
42	7,659,852,616	365,253,802	82,981,737	448,235,539	7,294,598,814
43	7,294,598,814	369,210,718	79,024,820	448,235,539	6,925,388,095
44	6,925,388,095	373,210,501	75,025,038	448,235,539	6,552,177,594
45	6,552,177,594	377,253,615	70,981,924	448,235,539	6,174,923,979
46	6,174,923,979	381,340,529	66,895,010	448,235,539	5,793,583,450
47	5,793,583,450	385,471,718	62,763,821	448,235,539	5,408,111,732
48	5,408,111,732	389,647,662	58,587,877	448,235,539	5,018,464,070
49	5,018,464,070	393,868,845	54,366,694	448,235,539	4,624,595,225
50	4,624,595,225	398,135,757	50,099,782	448,235,539	4,226,459,468
51	4,226,459,468	402,448,895	45,786,644	448,235,539	3,824,010,573
52	3,824,010,573	406,808,758	41,426,781	448,235,539	3,417,201,815
53	3,417,201,815	411,215,853	37,019,686	448,235,539	3,005,985,962
54	3,005,985,962	415,670,691	32,564,848	448,235,539	2,590,315,271
55	2,590,315,271	420,173,790	28,061,749	448,235,539	2,170,141,481
56	2,170,141,481	424,725,673	23,509,866	448,235,539	1,745,415,808
57	1,745,415,808	429,326,868	18,908,671	448,235,539	1,316,088,941
58	1,316,088,941	433,977,909	14,257,630	448,235,539	882,111,032
59	882,111,032	438,679,336	9,556,203	448,235,539	443,431,696
60	443,431,696	443,431,696	4,803,843	448,235,539	0
TOTAL		19,700,000,000	7,194,132,338	26,894,132,338	

Initials: *(Bank)*.....

Borrower..... NGS VK

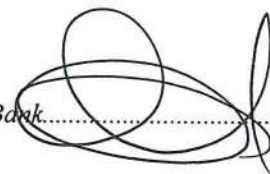
**ANNEX-III
INDICATIVE REPAYMENT SCHEDULE**

S/N	Loan Balance	Principal Due	Interest Due	Equal Instalment	Loan Balance C/F
1	3,275,000	46,101	18,285	64,386	3,228,899
2	3,228,899	46,358	18,028	64,386	3,182,541
3	3,182,541	46,617	17,769	64,386	3,135,923
4	3,135,923	46,877	17,509	64,386	3,089,046
5	3,089,046	47,139	17,247	64,386	3,041,907
6	3,041,907	47,402	16,984	64,386	2,994,504
7	2,994,504	47,667	16,719	64,386	2,946,837
8	2,946,837	47,933	16,453	64,386	2,898,904
9	2,898,904	48,201	16,186	64,386	2,850,703
10	2,850,703	48,470	15,916	64,386	2,802,233
11	2,802,233	48,741	15,646	64,386	2,753,493
12	2,753,493	49,013	15,374	64,386	2,704,480
13	2,704,480	49,286	15,100	64,386	2,655,194
14	2,655,194	49,562	14,825	64,386	2,605,632
15	2,605,632	49,838	14,548	64,386	2,555,794
16	2,555,794	50,117	14,270	64,386	2,505,677
17	2,505,677	50,396	13,990	64,386	2,455,281
18	2,455,281	50,678	13,709	64,386	2,404,603
19	2,404,603	50,961	13,426	64,386	2,353,643
20	2,353,643	51,245	13,141	64,386	2,302,397
21	2,302,397	51,531	12,855	64,386	2,250,866
22	2,250,866	51,819	12,567	64,386	2,199,047
23	2,199,047	52,108	12,278	64,386	2,146,939
24	2,146,939	52,399	11,987	64,386	2,094,539
25	2,094,539	52,692	11,695	64,386	2,041,847
26	2,041,847	52,986	11,400	64,386	1,988,861
27	1,988,861	53,282	11,104	64,386	1,935,579
28	1,935,579	53,579	10,807	64,386	1,882,000
29	1,882,000	53,879	10,508	64,386	1,828,121
30	1,828,121	54,179	10,207	64,386	1,773,942
31	1,773,942	54,482	9,905	64,386	1,719,460
32	1,719,460	54,786	9,600	64,386	1,664,674

Initials: Bank.....

Borrower..... NGS Page 23 of 24
VK

33	1,664,674	55,092	9,294	64,386	1,609,582
34	1,609,582	55,400	8,987	64,386	1,554,183
35	1,554,183	55,709	8,678	64,386	1,498,474
36	1,498,474	56,020	8,366	64,386	1,442,454
37	1,442,454	56,333	8,054	64,386	1,386,121
38	1,386,121	56,647	7,739	64,386	1,329,474
39	1,329,474	56,963	7,423	64,386	1,272,511
40	1,272,511	57,282	7,105	64,386	1,215,229
41	1,215,229	57,601	6,785	64,386	1,157,628
42	1,157,628	57,923	6,463	64,386	1,099,705
43	1,099,705	58,246	6,140	64,386	1,041,458
44	1,041,458	58,572	5,815	64,386	982,887
45	982,887	58,899	5,488	64,386	923,988
46	923,988	59,227	5,159	64,386	864,761
47	864,761	59,558	4,828	64,386	805,203
48	805,203	59,891	4,496	64,386	745,312
49	745,312	60,225	4,161	64,386	685,087
50	685,087	60,561	3,825	64,386	624,526
51	624,526	60,899	3,487	64,386	563,626
52	563,626	61,239	3,147	64,386	502,387
53	502,387	61,581	2,805	64,386	440,805
54	440,805	61,925	2,461	64,386	378,880
55	378,880	62,271	2,115	64,386	316,609
56	316,609	62,619	1,768	64,386	253,990
57	253,990	62,968	1,418	64,386	191,022
58	191,022	63,320	1,067	64,386	127,702
59	127,702	63,673	713	64,386	64,029
60	64,029	64,029	357	64,386	0
TOTAL		3,275,000	588,183	3,863,183	

Initials: Bank.....


Borrower..... NGS VK
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STANDARD TERMS AND CONDITIONS

The following terms and conditions shall apply to the Facility granted by the Bank pursuant to the Facility Letter. Unless otherwise defined, terms used in these Standard Terms and Conditions shall have the same meaning as those defined in the Facility Letter.

1. RATE OF INTEREST/COMMISSION/FEES

- 1.1. The rate of interest/commission or fees agreed in this Facility Agreement may be varied at any time by the Bank provided that the change of such interest shall be agreed in writing by the Bank and the Borrower.
- 1.2. A penalty of **five (5) percent** per annum above the interest rate shall be charged if the Borrower fails to pay any installment (principal and interest) due either in full or part thereof (for the Term Loan Facility), the Borrower exceeds the approved limit (for the Overdraft Facility). The word "penalty" means the amount on which the parties hereby agree as compensation in case of failure by the Borrower to repay any amount(s) due.
- 1.3. For the Term Loan Facility, principal and interest in arrears shall continue to accrue interest on the prevailing interest rate and shall be payable in the next scheduled installment.

2. DISBURSEMENT

- 2.1. Save as the Bank may otherwise agree, the Borrower shall not utilize the Facility until the Bank has confirmed that all the formalities required to secure the Facility have been duly completed and the security documents and other evidence listed herein, each in form and substance, have been received by the Bank and are to the satisfaction of the Bank.
- 2.2. After complying with the Pre-Disbursement Conditions indicated in this Facility Agreement, the Borrower shall request for disbursement of the Facility by submitting a disbursement request in writing to the Bank.
- 2.3. The Bank may on receipt of a disbursement request, disburse part or the whole amount of the Facility, as the case may be.

- 2.4. The Bank reserves the right to deny, suspend or cancel the Facility and demand full repayment of the Facility (with notice to the Borrower) if it comes to the knowledge of the Bank of any new information from a credit reference bureau or any other sources which, in the Bank's opinion, may affect the Facility repayment, operations, or performance of this Facility or any other credit facilities or obligation of the Borrower and/or Related Party. For the purposes of this Facility Agreement, a Related Party means any entity under the same control with the Borrower, or controlled by the Borrower, any person or entity which provides security herein and any guarantor(s) (if any) of the Borrower's obligations to the Bank under this Facility Agreement.

- 2.5. Prior to utilization of the Facility, the Borrower may cancel the Facility (without penalty) by giving not less than 14 days' notice in writing to the Bank, from the date of signing this Facility Agreement (the Cooling Off Period), specifying the amount to be cancelled and the cancellation date. The notice issued by the Borrower under this Clause shall be irrevocable.

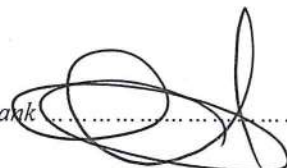
Where relevant, any notice of cancellation of the Facility must be accompanied by evidence, in form and substance satisfactory to the Bank that the Borrower will have sufficient funds to meet the approved purpose of the Facility following such cancellation.

Any cancellation of the Facility after the expiry of the Cooling Off Period shall attract a cancellation fee at the rate specified in the Facility Letter.

- 2.6. The Facility amount disbursed shall not exceed the amount agreed upon in this Facility Agreement, except as provided for in Clause 9.1 of these Standard Terms and Conditions.

3. AVAILABILITY

Notwithstanding any other provision in the Facility Agreement, each Facility is uncommitted and accordingly it is made available to the Borrower at the Bank's sole discretion. The Bank shall have no obligation

Initials: Bank 

Borrower NGS

to make any advance, or to make available any part of the Facility, and shall have the right to reduce or cancel any Facility amount/limit or terminate the Facility at any time upon written notice to the Borrower.

4. PRE-DISBURSMENT CONDITIONS

Unless the Bank otherwise agrees in writing, the obligation of the Bank to make the disbursement is subject to the prior fulfilment, to the Bank's satisfaction in its sole discretion, of the following condition precedents:

- 4.1. Receipt by the Bank of a signed Facility Agreement and board resolution authorizing the Borrower to borrow and issue securities.
- 4.2. Signing and registration of all security documents listed in the Facility Letter.
- 4.3. The Borrower demonstrating to the Bank that adequate provisions have been made to meet its share of the Project costs as well as any costs overruns.
- 4.4. The Borrower operating a business account with the Bank.
- 4.5. Payment of all fees charged by the Bank and to meet all costs in connection with the preparation and execution of this Facility Agreement and related legal documents.
- 4.6. Evidence that all regulatory licenses, approvals and permits necessary for the operation of the business of the Borrower or the Project are valid and in place.
- 4.7. Submission of relevant payment certificates, purchase orders, supplier invoices or such other evidence in form and substance acceptable to the Bank and expressed to be payable directly to the supplier/contractor, where the proceeds of the Facility are used to purchase a machinery, equipment, or construction.
- 4.8. Submission by the Borrower of the following:-
 - 4.8.1. A loan application letter to the Bank;

- 4.8.2. Latest search and clean report from the Registrar of Companies of the Borrower and any of its guarantors thereof;
- 4.8.3. Latest filed annual returns of the Borrower and any of its guarantors thereof;
- 4.8.4. The land search report from the Land Registry of all landed properties issued as security herein;
- 4.8.5. Certified copies of Memorandum and Articles of Association of the Borrower and its guarantor(s) (if any);
- 4.8.6. Evidence of payment of land rent and property tax of all properties issued as security herein;
- 4.8.7. Valuation reports of all properties issued as security, undertaken by the Bank's appointed valuers and approved by the Chief Valuer (as defined in the Valuation and Valuers Registration Act) and of not more than 12 months from the date it was approved by the Chief Valuer;
- 4.8.8. The insurance policies for all properties issued as security in favour of the Bank from an insurance company acceptable to the Bank with the assets insured against all risks and for their replacement value. The Bank shall be named loss payee or additional insured on the policies; and
- 4.8.9. Tax clearance certificate of the Borrower.

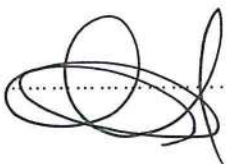
5. THE FACILITY

5.1. Term Loan Facility

The following terms and conditions shall apply to the Term Loan Facility (to the extent such facility is made available to the Borrower).

- 5.1.1. The Borrower agrees that the scope of the Project/Purpose upon which the Term Loan Facility was applied for and approved by the Bank shall not be

Initials: Bank



Borrower NGS

changed without a prior written approval of the Bank.

5.1.2. Upon request by the Bank, the Borrower shall promptly furnish a detailed schedule of implementation of the Project/Purpose to the Bank in a manner required by the Bank.

5.1.3. The Borrower agrees that the cost overruns (if any) in connection with the Project/Purpose shall be borne by the Borrower.

5.1.4. At the end of the credit period indicated in Clause 2 of the Facility Letter, the entire sum outstanding thereunder (if not recalled earlier), together with any interest accrued thereon shall be repaid by the Borrower in full.

5.1.5. Where the Term Loan Facility is disbursed in tranches, subsequent disbursements shall be upon the Bank being satisfied that: (i) previous disbursements were utilized for the approved purpose; (ii) no Event of Default has occurred or likely to occur or is continuing; and (iii) where the Bank is of the opinion that business or Project costs indicate that no more money is needed.

5.1.6. The Term Loan Facility amount drawn shall not exceed the Facility amount indicated in the Facility Letter.

5.2. Overdraft Facility

The following terms and conditions shall apply to the Overdraft Facility (to the extent such facility is made available to the Borrower).

5.2.1. The Borrower shall open or utilize an existing account held with the Bank for the purposes of operating the Overdraft Facility (Overdraft Facility Account) and into which all business proceeds regarding the business of the Borrower shall be made.

5.2.2. The Overdraft Facility Account shall be conducted satisfactorily at all times and within the approved limit. Authorization to overrun an Overdraft Facility Account limit shall be temporary, exceptional and non-renewable and shall be subject to the written approval of the Bank. Failure by the Borrower to operate the Overdraft Facility Account in a manner satisfactory to the Bank and within the approved limit shall amount to an Event of Default.

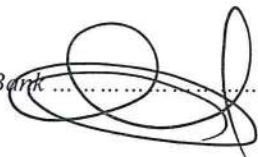
5.2.3. The Bank shall be entitled to debit from the Overdraft Facility Account or any of the Borrower's account, any or all charges incurred by or on behalf of the Borrower, including all costs, charges and expenses such as professional fees incurred by the Bank arising from or in connection with this Facility Agreement or any other facility granted by the Bank to the Borrower.

5.2.4. Interest shall accrue on the drawn portion of the Overdraft Facility at the Interest Rate specified in the Facility Letter.

5.2.5. Interest shall be paid in arrears on the Bank's usual charging dates monthly by debit to the Overdraft Facility Account. Interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed over a 365 day year in respect of amounts denominated in Tanzania Shillings, and a 360 day year in respect of amounts denominated in all other currencies (unless normal market practice for the Currency differs) and, if unpaid, be compounded on the Bank's normal monthly charging dates before as well as after any judgment.

5.2.6. If the Overdraft Facility is not renewed by the Bank, then the Overdraft Facility shall cease to be available and become fully payable

Initials: Bank



Borrower NGS

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on expiry of the duration indicated in the Facility Letter.

5.3. **Off Balance Sheet Facility**

The following terms and conditions shall apply to the Off Balance Sheet Facility (to the extent such facility is made available to the Borrower).

5.3.1. The Bank shall pay the guaranteed beneficiary on demand in conformity with the requirements of the guarantee instrument issued to the beneficiary (the Instrument) in which event the amount so paid shall be booked on the account of the Borrower as a balance sheet credit facility (the Loan) on such terms and conditions provided herein.

5.3.2. The Borrower shall immediately and without any delay pay to the Bank the amount which the Bank shall be demanded to pay as per guarantee/letter of credit requirements.

5.3.3. No Instrument may be issued under the Off Balance Sheet Facility if, as a result, the aggregate utilised amount outstanding would exceed the relevant Facility amount indicated in the Facility Letter.

5.3.4. The Borrower shall provide all information in connection with the relevant Instrument required by the Bank, including a duly completed written application on the Bank's standard form (to be provided to the Borrower upon request) and any other document the Bank may require from time to time.

5.3.5. No Instrument shall be issued by the Bank, unless the Bank is satisfied that such Instrument is:-

5.3.5.1. for a transaction acceptable to the Bank; and

5.3.5.2. is in favor of an acceptable person or entity.

6. **COVENANT TO PAY**

6.1. The Borrower shall pay to the Bank on demand all present and future monies, debts and liabilities due, owing or incurred by the Borrower to the Bank under this Facility Agreement.

6.2. The acceptance of any security by the Bank, shall not relieve, impair, limit or affect the Borrower's obligation to repay the Facility under this Facility Agreement.

6.3. The Borrower agrees that any failure by the Bank to take, perfect or enforce any security shall not discharge the liabilities or obligations of the Borrower under this Facility Agreement.

7. **REPAYMENT CURRENCY**

Unless agreed otherwise by the Bank in writing, the repayment of the Facility shall be in the currency in which the Facility was granted to the Borrower.

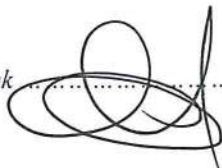
8. **SECURITY**

8.1. All securities charged herein shall be perfected and registered before utilization of the Facility is allowed, unless agreed otherwise by the Bank.

8.2. The properties pledged as security shall from time to time be subjected to valuation at the Borrower's cost to ensure that the value of security adequately covers the total outstanding exposure of the Facility by at least 154 percent. If at any time the value of securities shall fall below 154% of the outstanding exposure of the Facility, then the Borrower shall either prepay the amount of the Facility necessary to restore such ratio or provide additional security which in the reasonable opinion of the Bank is deemed satisfactory for restoring such ratio within 90 days from receipt of a written notice from the Bank.

8.3. In the event where the Borrower fails to comply with the provision of Clause 8.2 above, then the Borrower shall be obliged, compelled and/demanded to reduce the exposure to the required security adequacy level hereinabove within a period of 90 days, short of which the Bank shall be mandated to locate and identify

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Borrower NGS

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any other alternative property or properties belonging to the Borrower and/or related entities and cause for an action to the court of competent jurisdiction for attaching the subject property or properties as security for the Facility or be entitled to recall the Facility and demand full repayment thereof.

8.4. The securities provided hereinabove to secure the indebtedness of the Borrower to the Bank shall be made available on cross collateralization basis to any other indebtedness of the Borrower and/or related entities that the Bank shall consider from time to time and that no discharge shall be allowed unless the entire exposure of Borrower and/or related entities is fully repaid or a prior approval has been sought to that effect.

9. FEES AND CHARGES

9.1. All fees and charges for registration of securities, valuation, insurance and any other fees, charges and expenses incurred in connection with this Facility Agreement shall be on account of the Borrower. If any fees or charges remain unpaid after their due date, the Bank shall have an automatic right to deduct such sum from any of the Borrower's account(s). In the event where the Borrower's account(s) contains insufficient fund to pay any fees and charges when due, the Bank will request the Borrower to pay an amount equal to the difference between the respective fee or charge and the account balance (if any) in full within 14 days after notification. If the Borrower fails to remit the amount requested, the Bank may opt to pay such fee, charge or expense on behalf of the Borrower and such expense(s) so paid shall be part of the Facility Amount under this Facility Agreement.

9.2. The Bank reserves the right to recover any of the above fees, charges and expenses by debiting the same from any of the Borrower's account(s) including the Facility account.

9.3. On each date on which this Facility Agreement requires an amount to be paid by the Borrower, it shall be paid from the Facility account established pursuant to the Facility Agreement or in any account of the Borrower.

10. REPRESENTATION AND WARRANTIES

The Borrower acknowledges that the Bank has entered into the Facility Agreement in reliance on the representations and warranties by the Borrower that:

10.1. It is [a corporation duly incorporated and] validly existing under the laws of Tanzania and has the corporate power to conduct its business as presently conducted and as proposed to be conducted and to enter into the Facility Agreement

10.2. It has the power to enter into, perform and deliver, and has taken all necessary action to obtain authority to enter into, perform and deliver the Facility Agreement and related security documents listed herein.

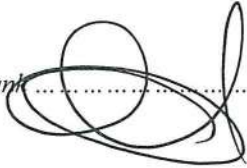
10.3. All financial statements of the Borrower disclosed to the Bank are true and correct at the relevant dates and for the respective period covered and have been prepared in conformity with accounting principles generally accepted in Tanzania; and that since the date the accounts were drawn up, the Borrower has not suffered any material adverse change in its business prospects nor has the Borrower incurred any substantial or unusual loss or liability.

10.4. The Borrower is not in breach of or in default under any agreement to which it is a party.

10.5. The Borrower is not engaged in or threatened by any litigation, the outcome of which might adversely affect its financial position or the implementation of its obligations under the Facility Agreement.

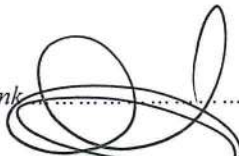
10.6. Its shareholders' capital or any of its assets or business is not of illicit origins in terms of Tanzanian law and, in particular but not exclusive, is not related to drug trafficking, frauds, corruption, bribery, terrorism, organized crime, any other criminal activities.

10.7. The rights and remedies of the Bank in relation to any misrepresentation or breach of warranty to the Bank on the part of the Borrower shall not be prejudiced by any investigation by or on

Initials: Bank 

Borrower NGS

- behalf of the Bank into the affairs of the Borrower.
- 10.8. Neither the acceptance of the Facility Agreement nor the performance of any of the Borrower's obligations thereunder conflict or shall violate the terms and conditions or provisions or constitute a default or require any consent under, any indenture, loan agreement or other agreement to which the Borrower is a party or by which it is bound or violate any of the terms or provisions of any judgment, decree or order or any statute, rule or regulation, if any, applicable to the Borrower.
- 10.9. Every consent, authorization or approval of governmental or public bodies or authorities required in connection with the execution, delivery, validity or enforceability of the Facility Agreement or the performance by the Borrower of its obligations hereunder or required to make the Facility Agreement admissible in evidence has, where applicable, been obtained and is in full force and effect.
- 10.10. The Borrower shall maintain an auditor acceptable to the Bank and shall notify the Bank if there are any changes to such appointment.
- 10.11. All information submitted by the Borrower to the Bank presents accurately its state of affairs and the financial position as at such date. The Borrower shall as part of its continuous obligations provide the Bank with copies of the financial information required as soon as they are available and not later than the relevant financial information delivery date and any other information which the Bank may request from time to time.
- 10.12. There has been no material adverse effect which in the opinion of the Bank shall materially affect the ability of the Borrower or any Related Party to perform its obligation under the Facility Agreement (Material Adverse Effect).
- 10.13. No Event of Default has occurred and is continuing.
- 10.14. Each of the foregoing representations and warranties in this Clause shall be deemed to be made as of the date hereof.
- 11. BORROWER'S COVENANTS**
- The Borrower agrees and undertakes that it shall: -
- 11.1. As long as the Facility is outstanding, provide the Bank with the following: -
- 11.1.1. Copies of its audited accounts as soon as they are available and not later than six months after financial year end.
- 11.1.2. Copies of quarterly management accounts thirty days after every quarter end.
- 11.1.3. A copy of its annual return filed with the Registrar of Companies as soon as it available.
- 11.1.4. A copy of tax clearance certificate issued by Tanzania Revenue Authority.
- 11.1.5. Copies of (quarterly/monthly) ageing analysis of stock and debtors information.
- 11.1.6. Proof of payment for rent due to the Ministry of Lands by not later than 31st July of each year for each property issued as security under the Facility Agreement, failure of which the Bank shall be at liberty to pay such rent on account of the Borrower.
- 11.1.7. Proof of payment for property tax due to the Tanzania Revenue Authority for each property issued as security under the Facility Agreement.
- 11.1.8. At least once in every three (3) years, valuation reports carried out by a valuer approved by the Bank in respect of any properties forming part of the security under the Facility Agreement. Notwithstanding the foregoing, the Bank reserves the right

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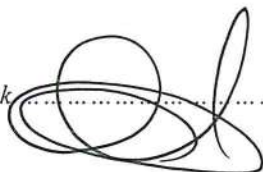
to demand any asset issued as security, to be professionally revalued by the Bank's approved valuer at the Borrower's expense where the Bank is of a reasonable opinion that the value of properties issued as security is below the agreed ratio provided for in Clause 8.2 herein.

- 11.1.9. Provide to the Bank with such other information as the Bank may reasonably request regarding the financial conditions, assets and operations of the Borrower or any Related Party.
- 11.2. Use the Facility only for the purpose specified in this Facility Letter.
- 11.3. Promptly inform the Bank of any circumstance or event which interferes or threatens to interfere with the performance of the Borrower or any Related Party of any of its obligations under this Facility Agreement or under any related security documents listed herein.
- 11.4. Not to issue or permit to subsist any encumbrance or otherwise other than the Bank charges, or part with, or otherwise dispose of or alienate any of the property and assets charged pursuant to this Facility Agreement without the prior written consent of the Bank.
- 11.5. Insure or cause to be insured and keep adequately insured to their full replacement value all the property and other insurable assets charged in favor of the Bank against such insurable risks, as should prudently be insured against or as the Bank may reasonably require, with reputable insurers acceptable to the Bank and to ensure that the Bank is endorsed in such insurance policies as "**FIRST LOSS PAYEE**" and furnishing the Bank with certified copies of such insurance policies: Provided that the Bank reserves the right to make payment of premium payable under insurance policies should the Borrower default and/or neglect to take or cause to be taken insurance policies as agreed herein and the costs incurred by the Bank in paying insurance premiums otherwise payable by the Borrower

or by a third party mortgagor of the Borrower, shall be borne by the Borrower.

- 11.6. Take all steps within its power to obtain, maintain and when necessary renew all rights, powers, privileges, licenses, consents approvals and agreements necessary for the conduct of its business.
- 11.7. Defend any action, claim or other proceedings in any court or tribunal brought against the Borrower and which may affect the business of the Borrower or any property issued as security under this Facility Agreement.
- 11.8. Immediately upon becoming aware of it, notify the Bank of any material litigation, arbitration or administrative proceeding pending or, to the best of its knowledge, information and belief, threatened against the Borrower or any Related Party.
- 11.9. Not to give any guarantees or credit to any third or related parties (other than normal business credit) or make any shareholders' loan repayments or advances or otherwise to shareholders or directors of the Borrower without the prior written consent of the Bank.
- 11.10. Allow the Bank to obtain any information, financial or otherwise, directly from the auditors, valuers, lenders and/or business consultants in the manner the Bank deems fit, without the need for a prior notice or approval of the Borrower.
- 11.11. Not to enter into any agreement with any third party on any matter whatsoever which may have adverse effect to the Bank or may render the Bank liable for anything agreed without the knowledge of the Bank.
- 11.12. Keep business and all its assets in good repair and condition and the Bank shall have the right to make periodic inspections of the such assets and properties.
- 11.13. To the extent applicable to the Borrower's business, to comply with environmental laws of Tanzania.

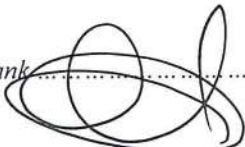
Initials: Bank



Borrower NGS

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- 11.14. To execute and deliver security documents complete in all respects charging any property hereafter acquired by the Borrower as additional collateral when circumstances arise and the Borrower shall be obliged to do so.
- 11.15. Observe and comply with provisions of all applicable laws of Tanzania and warrants that all the necessary consents, resolution and formalities required for proper performance of this Facility Agreement and related security documents have been obtained or observed.
- 11.16. The Borrower shall not conduct any business with or enter into any business transaction involving any shareholder or any of its related company except on an arm's-length basis.
- 11.17. To file all tax returns and reports required by law to be filed and to pay (or provided adequate reserves for) all taxes due or, if respective tax assessments are challenged in good faith and the relevant challenge has suspensive effect, make appropriate provisions for the taxes to the extent required by the accounting standards.
- 11.18. Authorise the Bank to conduct stock/property inspection (including inspection of all securities taken by the Bank and the Borrowers business premises) and shall be carried out in frequencies dictated by the Bank's at mutually convenient times. All costs including travel and accommodation (if any) incurred in this exercise acting reasonable shall be for the account of the Borrower.
- 11.19. Authorise the Bank to appoint an auditor or consultant, for purposes of reviewing the Borrower's conduct, as the Bank shall deem fit, and at the Borrower's cost.
- 11.20. The Borrower shall not, without a prior written consent of the Bank, change its capital structure, memorandum and articles of association, shareholding, directorship or management and procure that its directors shall not without such consent permit any transfer of the shares in the Borrower.
- 11.21. The Borrower shall not restructure any of its other loan facilities with any other bank or financial institution without a prior approval of the Bank of such restructuring.
- 11.22. The Borrower shall have the right at any time and from time to time to prepay the Facility in whole or in part. The Borrower shall notify the Bank in writing, at least 30 business days before the date of any such prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the amount to be prepaid. Each partial prepayment of the Facility shall be in a minimum amount of [*]. Any prepayments shall first be applied to interest, late charges and costs, if any, and then to principal of the Facility. Amounts prepaid pursuant to this clause may not be re-borrowed.
- In the event of a prepayment, the Bank shall have the right to charge the Borrower a prepayment fee at a rate specified in the Facility Letter.
- 11.23. Channel all proceeds and receivables from its business through the Bank or where it has multi bank facilities, a pro rata share of its proceeds through the Bank. It shall engage the Bank for a fair share of any treasury, employee benefits and other banking business whenever feasible.
- 11.24. It shall not without the prior consent of the Bank, incur any capital expenditure.
- 11.25. It shall not pay its shareholders any dividend without the consent of the Bank which consent shall not be unreasonably withheld.
- 11.26. The Borrower shall not obtain any other credit facility from another bank or financial institution without giving notice to the Bank and obtaining the consent of the Bank. Any credit facility existing prior to the signing of the Facility Agreement should be communicated to the Bank in the loan application and such information should contain details of size, tenor, currency, repayment schedule, financial covenants and other relevant terms and securities encumbered. Failure to disclose such information constitutes an Event of Default.

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11.27. Ensure that its obligations and liabilities under this Facility Agreement shall at all times rank (except in respect of statutory preferential debts) at least parri passu with all its present and future unsecured indebtedness.

11.28. Not dispose all or any part of their assets except where such disposal is made in the ordinary course of business

12. ENVIRONMENTAL COMPLIANCE

To the extent applicable to the Project/Purpose for which the Facility is sought, the Borrower shall:

12.1. At all times comply and observe all Tanzanian laws and international standards pertaining to environmental and social regulations.

12.2. At all times obtain, maintain and ensure compliance with all requisite environmental and social licences, certifications or permits and implement procedures to monitor compliance with and to prevent liability under the environmental, social laws and regulations of Tanzania or any other applicable international environmental laws in all material respects and design, build, operate and/or expand all of its current and future projects/businesses.

12.3. At all times be required to inform the Bank in writing should a relevant licence or permits or certification impacting social or environmental concerns expire or be revoked or in the event that the Borrower incurs a fine or disciplinary action for violation of such concerns or any Environmental Claim against the Borrower which is current, pending or threatened; and any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against the Borrower, and where the Environmental Claim ,if determined against the Borrower, has or is reasonably likely to have a Material Adverse Effect.

12.4. Provide a periodic report on environmental and social performance as may be required by the Bank.

12.5. Inform the Bank in the event of significant accidents and incidents, with potentially adverse environmental and social effects such as spills or workplace accidents resulting in death, serious or multiple injuries.

13. ENVIRONMENTAL CLAIMS

13.1. The Borrower shall promptly upon becoming aware of any Environmental Claim, inform the Bank in writing of:

13.1.1. Any Environmental Claim against the Borrower which is current, pending or threatened; and

13.1.2. Any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against the Borrower, and where the claim, if determined against the Borrower, has or is reasonably likely to have a Material Adverse Effect.

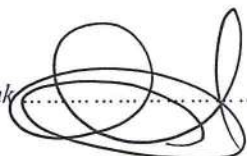
13.2. For the purpose of this Facility Agreement, Environmental Claim shall mean any and all actions, suits, orders, demand letters, claims, notices of non-compliance or violation or proceeding pursuant to any applicable environmental law.

14. EVENTS OF DEFAULT

14.1. Without prejudice to the generality of the foregoing, the balance of the Facility together with interest thereon and other charges payable under this Facility Agreement shall immediately become payable and fall due if:

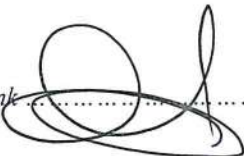
14.1.1. Failure by the Borrower to pay any instalment and such instalment continues to be outstanding for a period of more than thirty (30) days (for the Term Loan Facility).

14.1.2. There are no sufficient deposits in Overdraft Facility account for thirty (30) days consecutively or the deposit(s) made do not cover the charged interest (for an Overdraft Facility).

Initials: Bank 

Borrower NGS

- 14.1.3. Failure by the Borrower to conduct the Overdraft Facility account in a manner satisfactory to the Bank and within the approved limit.
- 14.1.4. The Borrower defaults in observing or fulfilling any obligation to be observed or fulfilled by the Borrower under this Facility Agreement which, in the case of a default capable of remedy, shall continue for a period beyond thirty (30) days.
- 14.1.5. Any representation or warranty given or deemed to have been given or repeated by the Borrower in or in accordance with this Facility Agreement being found to have been incorrect in any material particular on the date it was given or deemed to have been given or repeated and has not, beyond thirty (30) days, been remedied, if capable of being remedied.
- 14.1.6. A resolution is passed or an order is made for the winding up of the business of the Borrower or Related Party, for administrative procedures, for the suspension or termination of its operations or for the distribution of any of its assets among all or any of its creditors.
- 14.1.7. The Borrower or Related Party is unable or deemed to be unable to pay debts as they fall due or admits in writing, the inability to pay debts as they fall due or any insolvency proceedings being taken in respect of the Borrower or Related Party.
- 14.1.8. A distress or execution either by court order, decree or process or otherwise is levied upon any part of the property and assets of the Borrower or Related Party or if the Borrower commits any act or default by reason of which any such distress or execution might be levied.
- 14.1.9. A receiver of the assets of (movable and immovable assets) of the Borrower, Related Party or of any part of property, or assets is appointed or any other step to enforce any security at any time granted by the Borrower are taken.
- 14.1.10. The amount or balance of any debt of the Borrower or Related Party including, without limitation, to any facility arrangement made by the Bank or other indebtedness of the Borrower or Related Party not being paid when due, becomes payable prior to its stated maturity by reason of default or by reason of any demand for immediate payment by any person entitled to the benefit thereof or any creditor of the Borrower or Related Party becomes entitled to declare any such debt or indebtedness due and payable prior to its stated maturity for any reason.
- 14.1.11. Any permission, license, consent, registration or authorization is withdrawn or cancelled, if such withdrawal or cancellation would, in the opinion of the Bank, have an adverse effect on the ability of the Borrower or Related to perform its obligations under this Facility Agreement.
- 14.1.12. The whole or any part of the assets of the Borrower or Related Party is nationalized, seized, expropriated, by the Government (or any agency, local government or any other authority) or is under the custody or control of thereof.
- 14.1.13. The Borrower moves or decides to move the business from the registered place in a manner which, in the opinion of the Bank, would adversely affect the business and the ability of the Borrower to perform obligations under this Facility Agreement.

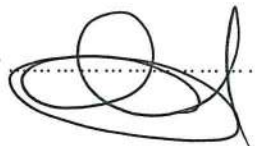
Initials: Bank 

Borrower NGS

- 14.1.14. The Borrower utilizing the whole or any part of the Facility for purpose other than the agreed purpose.
- 14.1.15. There is a material change of ownership and or management of the Borrower without a prior written approval of the Bank.
- 14.1.16. Any circumstance arises which, in the opinion of the Bank, has or may have a Material Adverse Effect on the ability of the Borrower to perform its obligations under this Facility Agreement.
- 14.1.17. The Borrower has failed or refused to submit to the Bank any required information under this Facility Agreement as and when required to do so.
- 14.1.18. The Borrower submitting false information to the Bank.
- 14.1.19. The security for which the Facility is given is in danger or impaired or the owner of the security is using the same in a manner that is inconsistent with the terms and conditions of this Facility Agreement or security documents.
- 14.1.20. The Borrower or a Related Party refuses access to the Bank or its agent to the business premises or property or asset forming security for the Facility.
- 14.1.21. Any default by the Borrower or a Related Party in observing or fulfilling any material obligation to be observed or fulfilled under this Facility Agreement which the Bank may, in its opinion, deem a default.
- 14.1.22. The Borrower fails, neglects or refuses to pledge additional security when demanded by the Bank or to provide additional security after the value of the security pledged is found to be inadequate to cover the Facility

following revaluation of the existing security.

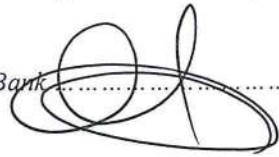
- 14.1.23. The death of any guarantor or guarantors whose property and/or other assets constitute the security unless the Borrower promptly provides alternative acceptable property and/or other assets which are sufficient to cover and replace the guarantor's property.
- 14.1.24. The Borrower makes significant change to the scope of the Project/Purpose or business without the consent of the Bank and such change (in the Bank's sole opinion) threatens the sustainable performance of the Borrower's business.
- 14.1.25. For the purposes of this Facility Agreement, an "Event of Default" means any event which, with the giving of notice, the lapse of time, the making of any determination (or any combination thereof) becomes an event of default or occurrence of which automatically accelerates the Facility repayment in the circumstances described as such in the Events of Default clause.
- 14.1.26. Upon the happening of an Event of Default and at any time thereafter (if such event is continuing) the Bank may, by written notice to the Borrower, have the right at any time to refuse to make any amount on the Facility available to the Borrower for any utilization and demand payment of the Facility already drawn by the Borrower together with interest charged thereon and other charges payable.
- 14.1.27. Should the Bank discover any damage to the properties or assets charged in its favor, it may in its discretion, demand full payment of the balance then outstanding and accrued interest thereon and other charges.

Initials: Bank 

Borrower NGS

- 14.1.28. In the event of a default by the Borrower, and where the Bank is compelled to incur costs in taking loan recovery measures, all such costs incurred thereto by the Bank shall be borne by the Borrower.
- 14.2. In event of default and the Bank having issued demand for payment of the Facility, all contingent liabilities together with other indebtedness or liabilities shall immediately be due and payable whereupon the Bank may in addition to other rights herein call for cash cover and/or debit any of the Borrowers' account(s) for all such contingent liabilities.
- 14.3. In the event of default and the Borrower refuses, neglects or fails to cooperate with the Bank and to comply with the terms and conditions provided herein, the Bank reserves the right to publish in any newspaper the name of the Borrower and the amount due to the Bank with demand for the outstanding balance of the Facility together with interest charged thereon and other charges to be paid at a specified date if the Bank feels it is necessary to do so.
- 15. COSTS, EXPENSES AND FEES**
- 15.1. The Borrower agrees to pay:
 - 15.1.1. All costs and expenses whatsoever including legal and auctioneers costs connected with the recovery or attempted recovery of moneys owing under this Facility Agreement.
 - 15.1.2. All costs and expenses for the protection of or in connection with any account(s) or assets of the Borrower, payable on demand, on a full indemnity basis, together with interest from the date those costs and expenses are incurred to the date of full payment at such rate as the Bank may prescribe (both before and after judgment).
- 15.2. The Bank shall have the right at any time to debit the Borrower's account with interest, commission, charges, fees and all monies arising from this Facility Agreement as well as

- all amounts and sums of money mentioned in this Clause, payable by the Borrower. No such debiting shall be deemed to be a payment of the amount due (except to the extent of any amount in credit in the Borrower's current account(s) or a waiver of any event of default under any agreement relating to the facilities). If such debiting causes the Borrower's account to be overdrawn beyond the permitted amount on the Facility, interest and any other applicable charges shall be payable accordingly.
- 15.3. The Bank reserves the right to recover any of the above fees, charges and expenses by debiting the same from any of the Borrower's account(s) including the Facility.
- 15.4. On each date on which this Facility Agreement requires an amount to be paid by the Borrower it shall be paid into the credit account established pursuant to this Facility Agreement or any of the Borrower's account.
- 15.5. All payments by the Borrower under this Facility, whether of principal, interest, fees, costs or otherwise, shall be made in full in immediately available funds, without set-off or counterclaim and free and clear of any deduction or withholding on account of tax or otherwise. If the Borrower is required by law to make any deduction or withholding from any payment due to the Bank, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Bank receives a net sum equal to the sum which it would have received had no such deduction or withholding been required.
- 15.6. In the event of any change in applicable law or regulation or the existing requirements of, or new requirements being imposed by, any regulatory authority (whether or not having the force of law) which results in an increase to the Bank in the cost of funding, maintaining or making available the Facility or reduces the effective return to the Bank from the Facility, then the Borrower shall pay on demand such sum as may be certified by the Bank as being

Initials: Bank 

Borrower NGS

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necessary to compensate for such increased cost or such reduction.

16. RIGHT OF SET-OFF

16.1. The Bank shall be entitled (but shall not be obliged) at any time and without notice to the Borrower to combine, consolidate or merge all or any of the Borrowers' accounts and liabilities with and to the Bank anywhere and may transfer or set off any sums in credit in such accounts in or towards satisfaction of any of the Borrower's liabilities whether actual or contingent, primary or collateral notwithstanding that the credit balances on such accounts and the liabilities on any other accounts may not be expressed in the same currency and the Bank is hereby authorized to effect any necessary conversions at the Banks' own rate of exchange then prevailing.

16.2. All payments required to be made by the Borrower shall be calculated without reference to any set-off or counter-claim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim.

17. ASSIGNMENT AND TRANSFER

17.1. This Facility Agreement shall be binding upon the parties and their respective subsequent successors.

17.2. The Borrower shall not assign or transfer all or any of its rights, benefits and obligations herein without a prior written consent of the Bank.

17.3. The Bank may, at any time, assign or transfer all or any of its rights and benefits herein to another bank or financial institution and may, as a result, disclose to any person to (or through) whom the Bank assigns (or may potentially assign) all or any of its rights, benefits and obligations herein; or with (or through) whom the Bank enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to this Facility Agreement or the Borrower; or to whom information may be required to be disclosed by any applicable law, such

information about the Borrower and the Facility with a prior written consent of the Borrower provided that such consent shall not be unreasonable withheld, delayed or conditioned.

18. INFORMATION DISCLOSURE

The Borrower agrees and authorizes the Bank to:

18.1. Inquire from any bank, financial institution or a licensed credit reference bureau to confirm any information provided by the Borrower.

18.2. Request information from any bank, financial institution or a licensed credit reference bureau when assessing and monitoring the performance of the Borrower at any time within the credit period.

18.3. Disclose information on the Borrower, the Facility and the performance of the Borrower under the Facility to any bank or financial institution or a credit reference bureau upon request without any further need to obtain consent from the Borrower.

19. DISPUTE RESOLUTION

The Borrower irrevocably submits to the exclusive jurisdiction of the Tanzanian courts with competent jurisdiction, to hear and determine any suit action or proceeding and to settle any dispute which may arise out of or in connection with this Agreement or any other document relating to or incidental hereto.

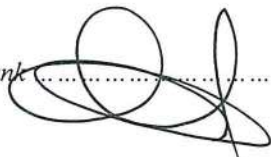
20. APPLICABLE LAW

This Facility Agreement shall be governed by and construed in accordance with laws of Tanzania.

21. MISCELLANEOUS

21.1. This Facility Agreement cannot be modified or amended except by written addendum document duly approved and signed by duly authorized persons of each of the parties.

21.2. The obligations of the Borrower (which expression shall include its successors and assignees) under this Facility Agreement shall remain so long as any money remains owing to

Initials: Bank 

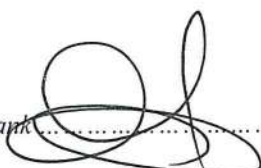
Borrower NGS

the Bank (or any successor or assignee or transferee of the Bank).

21.3. This Facility Agreement may be executed in several counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument: Provided that the effective date in this event shall be the date upon which the document is last signed.

22. Acceptance Form

We, the undersigned having been duly authorized by the Borrower, hereby confirm that we have read and fully understood the terms and conditions stipulated above

Initials: Bank  *Borrower* NGS

SEALED with the COMMON SEAL of the said Lodhia
Steel Industries Limited and DELIVERED in our presence
this day of 2021

} SEAL

Full Name: _____

Signature: _____

Address: _____

Designation: DIRECTOR

Full Name: _____

Signature: _____

Address: _____

Designation: DIRECTOR/COMPANY SECRETARY

