



12nd SEP. 2024.
MANAGING DIRECTOR
TONNY QUALITY BAKERS CO. LIMITED,
P.O. Box 91,
MWANZA

ABPLC/CR-ROCKCITY-TBCL/VOL2/2024 /BM

Dear Sir/Madam,
RE: LETTER OF OFFER

We refer to your application for additional credit facility under viwanda scheme (SANVN) applied and we write to confirm that the Bank has approved the facilities mentioned hereunder subject to the following terms and conditions:-

Borrower: TONNY QUALITY BAKERS CO. LIMITED
(Hereinafter called "the Borrower").

Lender: Azania Bank PLC
(Hereinafter called "the Bank").

Facility: STL Loan Facility

Facility i: i) Asset Financing Tshs. 230,000,000 Million (say Tshs. Two Hundred Thirty Million Only).

Tenor: 48 months from the date of disbursement of funds

Facility ii: ii) Working capital Tshs 70,000,000 Million (say Tshs Seventy Million Only)

Tenor: 12 months from the date of disbursement of funds

Existing Loan: Overdraft Facility renewal TZS 90,000,000.00(Tanzania Shillings Ninety Million Only)

Purpose: To be utilised as working capital

Tenor: 12 months from the date of disbursement of funds

Azania Bank
Mawasiliano Towers, Head Office
P.O. Box 37189-Dar Es Salaam
Tanzania
Phone +255 22 2412025/G7
Toll Free 0800 110210

Directors: Eng. Julius B. Ndyamukama (Chairman), Felix M. Maagi (Vice Chairman), Arnold B. Kilewo, Patrick J. Ngwila, Lushelo E. Njeje, Rashid K. Mchatta, Vope U. Ligata, Hualim M. Kihwelo, Happiness J. Sima, Yalya M. Ally, Beatrice M. Lupi, Esther G. Mang'anya (Managing Director)

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AZANIA BANK

Banking Beyond Ordinary

12nd SEP, 2024.

MANAGING DIRECTOR

ABPLC/CR-ROCKCITY-TBCL/VOL2/2024/BM

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Ally. Beatrice M. Lupi, Esther G. Mang'anya (Managing Director)

Drawdown schedule**Rate of Interest:**

Interest shall be charged at the rate of **13% p.a.** and calculated on the outstanding balances and to be debited to the **Borrower's** account at the end of each calendar month. The **Bank** however, may vary the rate of interest by giving a one month notice to the **Borrower** and such varied rate shall become effective upon expiry of that one month notice. In addition to the interest rate of **13% p.a.** and a penal interest at **6% p.a.** will be charged on entire outstanding balance, if there is any overdue in any of the accounts of the **Borrower** or there is non-compliance of any of the terms and conditions.

Conduct**of the Account:**

The Account shall be conducted in a satisfactory manner and in accordance with the **Income Stream** submitted when applying for the facilities.

Repayments:

The borrower shall ensure that there is sufficient balance to cover for the repayments before they fall due. The **Bank** however has the right to call off for the full outstanding amount and interest therein at any time during the term of the facility.

Fees:

The following non-refundable fees are payable by the **Borrower** upon signing this Offer Letter:

- (i) Arrangement fee 1.5%
- (ii) Collateral insurance 0.2065(VAT exclusive) to be deducted on Jan 2024
- (iii) Life insurance 0.4% to be paid up front
- (iv) All applicable insurance premiums as determined by the **Bank** are payable as a condition of acceptance of this offer.
- (v) All costs associated with this loan (including Advocates/Legal fees, enforcement of security held by the **Bank**) are payable by the **Borrower** and the **Bank** shall have the right to debit the **Borrower's Savings Account** accordingly and the **Borrower** hereby so confirms.

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Drawdown schedule Rate of Interest:

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Fees:

Verified

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All costs associated with this loan (including Advocates/Legal fees, enforcement of security held by the Bank) are payable by the Borrower and the Bank shall have the right to debit the Borrower's Savings Account accordingly and the Borrower hereby so confirms.

- Security:** The **Term Loan Facilities** shall be secured by the following securities:
- (i) Existing Legal Mortgage over a residential property with CT No. 58625 LR MWANZA Plot No. 16, Block 'A' Located at Tabaruka area, Sengerema urban area in the name of SETH EZEKIEL LYANGA
Legal Mortgage over house on Plot no. 366 Block 'W' at Bukala, Sengerema urban area, With CT NO 55253 Sengerema District in the name of TONNY QUALITY BAKERS COMPANY LIMITED
 - (ii) Plot no. 365 Block 'W' at Bukala, Sengerema urban area, With CT No 107659 Sengerema District with name TONNY QUALITY BAKERS COMPANY LIMITED
 - (iii) Personal Guarantee of the Directors of the Company
 - (iv) Spouse consent to mortgage matrimonial property.
 - (v) Letters of Lien and Set Off.

Dispute Clause: In case of any dispute arising out of interpretation, performance or non-performance of the terms and conditions contained herein, the Borrower and the Bank may attempt to resolve the dispute amicably failure of which may refer to the court of law competent to determine it.

Default: In the event of non-repayment and/or any other non-compliance with any of the terms and conditions or documentation detailed herein or in other borrowing from this **Bank** or other parties for any reason whatsoever, the **Bank** shall have the right to demand the payment of the outstanding amounts without further notice to the **Borrower** and any costs, charges, disbursements, and other outgoings incurred by the **Bank** and or its agents towards the recovery of the amount outstanding, including legal fees, stamp duty, and any other charges shall be for the **Borrower's** account. Events of non - compliance shall include but not limited to the following:

- (i) There is breach of any of the terms and conditions contained herein or if the same has not been fulfilled to the satisfaction of the Bank.
- (ii) There is default in payment of any installment and the default has persisted for fourteen (14) days. The bank will issue a first reminder with 14 days' notice and if the arrears not cleared then the bank will issue a second reminder notice of 7 days. The first and second reminders will be accompanied by verbal communications.
- (iii) The financial position of the Borrower has worsened for whatever reason thereby jeopardizing the position of the Bank with regard to the outstanding balance on the loan.

Security:

Dispute Clause:

Default:

(ii)

(iv)

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- (iv) Any security offered as collateral has deteriorated in value by reason of depreciation in the market value.

Right of Set – off:

In the event of default, the Bank will have unfettered right of Set – Off against any credit balances maintained in other Accounts of the **Borrower** and to realize the properties pledged as security without reference to the Borrower.

Specific Conditions:

The Borrower will transact and route at least 80% of business proceeds into ABL account and ensure that the account has sufficient balance to cover for repayments before they fall due, failure to do so the customer will attract 2% interest rate increase

Other Conditions:

- (i) The **Borrower** shall be responsible for all charges, taxes, And outgoing necessary to perfect securities and in other ways to give effect to this facility.
- (ii) The **Borrower** shall submit insurance cover to the Bank from a reputable and reliable and insurance company, comprehensive insurance in respect of all assets constituting the security. Such insurance shall include the Bank as the first Loss Payee.
- (iii) The **Borrower** shall continue to maintain banking account(s) in the books of the Bank in which all its regular business receipts and payments financed by the credit facilities under this Offer Letter shall be made.
- (iv) All charges and interest facility shall be debited to the **Borrower's** account(s) in the books of the **Bank**.
- (v) The **Borrower** shall notify the **Bank** of any material changes in the business, management, its legal status or any other changes affecting the **Borrower** and/or this facility.

Drawdown:

Drawdown shall be upon acceptance of this Offer and compliance with the conditions precedent and perfection of security and documentation as herein provided.

Cost of Discharge Security when the facility is Cancelled:

In case the **Borrower** requests for withdrawal, call off or cancel the facility after the Borrower has accepted it and demand release of security documents, charges for processing the discharge of such documents fixed at **T.Shs. 500,000/=** shall be paid by the **Borrower**.

Right of Set-off:

Specific Conditions:

Other Conditions:

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(ii)

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Acceptance: The Borrower should signify acceptance to the terms and conditions of this facility by counter-signing the copy of this offer letter not later than **14 days**. It is important to note that counter signed offer letter constitutes the **Loan Agreement** that will regulate the relationship between the Bank and the Borrower.

Withdrawal Of Offer: The **Bank** reserves the right to withdraw this offer at any time before its acceptance without having to give any reasons whatsoever for doing so.

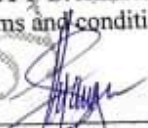
We look forward to receiving your acceptance hereof.

Yours faithfully,



B. Makigo
Branch Manager-Rock City Branch

ACCEPTANCE

We, Directors of **TONNY QUALITY BAKERS CO. LIMITED**, the **Borrower**, confirm that I understand and accept the terms and conditions of the facility as detailed above.

Signature: 
Name: ESTHER LYANGA
Title: DIRECTOR
Date: 12/09/2024



&
Signature: 
Name: ROSELINE THOMAS NANGAWES
Title: DIRECTOR
Date: 12/09/2024



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Acceptance:

Withdrawal

Of Offer:

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We look forward to receiving your acceptance hereof.

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We, Directors of TONNY QUALITY BAKERS CO. LIMITED, the Borrower, confirm that I understand and accept the terms and conditions of the facility as detailed above.

Signature: Name:

Title:

Date:

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Name:

Title:

Date:

EDORIA LYANKA DIRECTOR

10/01/2024

ROSELINE THUMAS. DIRELTOR

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12/09/2024.

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STAMP DUTY 2200

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