QUICK FLOW WORKING CAPITAL LOAN (“QFW”)
TERMS AND CONDITIONS

1. Application

These City Trust Quick Flow Working Capital Loan (“QFW”) Terms and Conditions (“Terms and Conditions”) shall incorporate City Trust’s T&Cs and City Trust’s Privacy Policy, which the Borrower confirms and acknowledges it has read and agreed.

2. Definitions and Interpretations.

Definitions:

Terms defined in the City Trust T&Cs (and not otherwise defined herein) will have the same meaning when used in these Terms and Conditions. In the event there are conflicting definitions, the definition of terms set out in these Terms and Conditions shall prevail to the extent of any such inconsistency for the purposes of any Loan.

“Disbursement Notice” means, for a QFW Facility, the notice City Trust may send that sets out the disbursement and instalment schedule. It supplements and is to be read with the Facility Letter.

“Equal Periodic Payment” means equal monthly instalments comprising principal and interest payable throughout the loan tenure.

“Reducing Balance/Amortization Method” means the method of interest calculation where interest is computed on the outstanding principal amount from time to time during the loan tenure.

3. The Quick Flow Working Capital Loan Facility

3.1 This is a Myanmar Kyat (MMK) Quick Flow Working Capital Loan (“Loan”) offered to eligible SME Borrowers to support operational and short-term funding needs. The Loan amount and tenure shall be determined by City Trust in its sole discretion and shall be specified in the Facility Letter. Notwithstanding any stated tenure or repayment schedule, the Loan may be recalled in accordance with the City Trust T&Cs.

3.2 By submitting the Application Form, the Borrower offers to borrow from City Trust a Loan of such amount and for such duration as City Trust may approve and disburse into the Borrower’s account. The Borrower agrees that such disbursement shall constitute acceptance by City Trust of the Borrower’s offer without any further action from the Borrower or City Trust. Upon disbursement of the Loan, the Borrower will be issued with a Disbursement Notice and/or be issued with a confirmation of disbursement from City Trust.

3.3 Upon approval, the Loan will be disbursed either (a) as a lump-sum disbursement or (b) as a revolving line of credit available for drawdown (for revolving facilities), into the Borrower’s designated operating account as set out in the Disbursement Notice and/or the disbursement confirmation.

4. Interest

4.1 The interest rate for the Loan shall be a fixed rate, determined by City Trust based on its market analysis and risk assessment of the Borrower. The final applicable interest rate per annum shall be clearly stated in the Facility Letter. Nothing herein shall prejudice the right of City Trust to vary the interest rate for the Loan.

4.2 Interest shall be calculated using the Reducing Balance/Amortization Method. Interest shall accrue on the outstanding principal amount from time to time during the loan tenure.

The Borrower agrees to repay the Loan by Equal Periodic Payment throughout the loan tenure on the dates as set out in the Facility Letter. Each instalment shall comprise a portion of principal and interest, as set out in the Repayment Schedule attached to or included in the Facility Letter.

5. Repayment

5.1 A detailed Repayment Schedule, forming an integral part of this Terms and Conditions, will be provided with the Facility Letter.

6. Partial Prepayment / Full Redemption

6.1 Prepayment

Partial prepayment or early repayment of the Loan is allowed. However, if any repayment made is lower than the minimum repayment amount due, penalty fees and/or late financing charges may apply.

6.2 Full Redemption

Full settlement of the loan before the expiry of the loan term is allowed. In such event, the Borrower(s) shall repay all outstanding principal, accrued interest and any other amounts due and payable under the Loan.

7. Conditions

7.1 The Loan is subject to periodic review by City Trust, and it is expressly agreed that City Trust shall be entitled to recall and demand immediate repayment of the Loan from the Borrower.

7.2 Without prejudice to the generality of Clause 7.1 above, if the Borrower fails to satisfy the eligibility criteria at any time, City Trust has the right to terminate the Loan.

7.3 The Borrower shall notify City Trust immediately in the event any representation and/or warranty becomes false or inaccurate (partially or fully). In particular, and without prejudice to City Trust's rights and terms in the T&Cs, the Borrower must inform City Trust in the event there is any proposal or intent to change ownership exceeding 50% in ownership (beneficial or legal) of the Borrower from the time of application of the Loan, and shall not do so without City Trust's prior written consent.

7.4 In the event that QFW is or has been in any way revised, modified or amended or any new or revised guidelines are issued thereunder by the Central Bank of Myanmar, the Borrower shall unconditionally comply with any and all such revisions, modifications and amendments immediately upon becoming aware (or where it ought reasonably to have been aware) of the same.

8. Security

The Borrower shall furnish or procure fresh all monies guarantee to be executed under seal by all the principal(s) and guarantor(s) (if any), as listed in the Borrower's Application Form.

As primary security for the Loan, the Borrower hereby hypothecates and charges in favour of City Trust all current assets, including but not limited to inventory and receivables, whether now owned or hereafter acquired.

City Trust may, at its discretion, require additional or secondary security, including personal guarantees from corporate guarantees, mortgage of immovable property, charge on fixed assets (on a pari-passu or second charge basis).

The Borrower agrees to execute such further documents as may be required to perfect this security.

9. Processing Fee and Stamp Duty

Upon disbursement of the Loan, the Borrower shall pay to City Trust a processing fee of up to 2.50% of the approved Loan amount (or such concessionary rate as approved). This fee shall be debited from the Loan amount prior to or upon disbursement. The processing fee may be imposed for each subsequent year until the Loan is repaid in full. The Borrower shall also bear the cost applicable of stamp duty of the approved Loan amount (subject to change based on Tax regulations), which shall be debited from the Loan amount prior to disbursement. Notwithstanding the above, City Trust reserves its rights and in its sole and absolute discretion to vary the processing fee at any time, and the amount thereof may vary from case to case.

10. Interest for Overdue Instalments

In the event of a default on any instalment payment, the following fees and charges shall apply:

a. A Late Payment Fee of MMK 50,000 shall be charged for each late payment event.

b. Late Financing Charges shall be levied at a rate of 2% per month on the overdue principal amount, calculated on a simple interest basis from the due date until the date of actual payment.

City Trust reserves its rights in its absolute discretion to vary the default fee and the additional interest at any time.

11. Disclosure

Without prejudice to City Trust's rights to disclose information relating to the Borrower whether under applicable law, the Borrower consents to City Trust, its officers and agents disclosing any information (including any personal data) relating to the Borrower and the Borrower's account relationship or dealing relationships with City Trust, including but not limited to details of the Borrower's Loan, any security taken, transactions undertaken and balances and positions with City Trust to: -

11.1 Any of City Trust's agents, insurers, contractors or third-party service providers or professional advisers who are under a duty of confidentiality to City Trust and who provide administrative, telecommunications, computer, payment, collections, security, clearing, credit reference or checking, or other services or facilities to City Trust's business, whether in Myanmar or outside Myanmar;

11.2 City Trust's head office, branches, representative offices, subsidiaries, related corporations or affiliates, in Myanmar or overseas (collectively the "Related Parties" and each a "Related Party") for any database or data processing purposes or any other purposes whatsoever, notwithstanding that a Related Party's principal place of business may be outside of Myanmar or that the Borrower's information following disclosure may be collected, held, processed or used by any Related Party in whole or in part outside of Myanmar;

11.3 Any regulatory, supervisory or other authority, court of law, tribunal or person, in Myanmar or any other jurisdiction, where such disclosure is required by law, regulation, judgment or order of court or order of any tribunal;

11.4 Any actual or potential assignee(s) or transferee(s) of any rights and obligations of City Trust or other participants in any of its rights and/or obligations under or relating to the Loan and any security therefor for any purpose connected with the proposed assignment or transfer;

11.5 Any insurer (whether of City Trust or the Borrower or otherwise), guarantor or provider of security; or

11.6 The Central Bank of Myanmar, and other entity or person to whom disclose is required in relation to QFW.

12. Instructions / Mandate

12.1 Instructions in relation to the Loan shall be in writing and in accordance with the Borrower's mandate. Arrangements for any other mode of instructions shall be at the risk of the Borrower, and City Trust shall not be liable for any loss or liability suffered by the Borrower as a result thereof.

12.2 Notwithstanding paragraph 12.1 above, City Trust is authorised (but not obliged) to accept instructions given by email (or other electronic means) or telephone (collectively "Oral Instructions") from or purporting to be from the Borrower, with or without separate independent verification by City Trust's officers as to the genuineness of such Oral Instructions, as long as City Trust's officer receiving or acting on such Oral Instructions is satisfied as to the genuineness of such Oral Instructions. The Borrower shall be bound by any acts or omissions taken by City Trust in reliance on such Oral Instructions, regardless of whether such Oral Instructions are forged, fraudulent, ambiguous or misunderstood, provided that City Trust officer receiving or acting on such Oral Instructions is satisfied as to their genuineness and has acted in good faith thereon.

13. Amendments of Terms and Conditions / Waivers

13.1 City Trust may amend, add to, or delete any provision of these Terms and Conditions at its sole discretion without notice to the Borrower. Any such amendment shall be binding on the Borrower. No forbearance, negligence or waiver by City Trust in the enforcement of any provisions hereof shall prejudice its rights to enforce such provisions thereafter or any other provisions hereof.

14. Exclusion of Rights of Third Parties

A person who is not a party to these Terms and Conditions has no right under the applicable laws of the Republic of the Union of Myanmar to enforce or enjoy the benefit of any term of these Terms and Conditions.