

Loan agreement

Between the undersigned

Mister/Mrs [user_name]
[user_address]

acting for him/herself or on behalf of someone else,

hereinafter referred to as the 'lender',
on the one side,

and

[mfi_name]
[mfi_address]

represented by [mfi_legal_representative_name] acting in quality of [mfi_legal_representative_title],
duly empowered to the ends of the presents,

hereinafter referred to as the 'borrower',
on the other side,

together the 'parties' and individually the 'party'.

Preamble

It is previously stated:

The lender is a natural person or legal entity.

The borrower is a licensed microfinance organization holder as such of the agreements and authorizations required by his country's internal legislation for its practice, and if necessary, by the applicable international laws.

The borrower offers microfinance services and instruments to people whose resources do not allow them to have access to the services and instruments marketed by the traditional banking establishments.

In this context the lender has been made aware that the borrower, through the website www.microworld.org, was looking for a funding to support the personal project (hereinafter the 'project') of a micro-entrepreneur (hereinafter the 'final beneficiary') living in the borrower's country and known by the latter.

The website www.microworld.org is managed by the intermediary in crowdfunding ABC MICROFINANCE, which is registered with ORIAS under the number 17005376 and has its headquarters located at the following address: 24, rue de l'Est, 75020 Paris, France.

The present agreement (hereinafter the 'agreement') lists the terms and conditions of such funding that will be organized as a loan made by the lender to the borrower.

Consequently it has been agreed as follows.

Article 1: amount and duration of the loan

The lender grants the borrower a loan of [loan_amount] ([loan_amount_words]).

The lender can withdraw his loan commitment made on the website www.microworld.org within 7 calendar days starting from the day of his loan commitment. To withdraw his loan commitment the lender must contact ABC MICROFINANCE by email at: 'contact@microworld.org'.

Said loan has a [project_duration] months duration.

Article 2: object of the loan

The loan will exclusively be used to fund the project '[project_title]' of [entrepreneur_name], published on www.microworld.org under the id number [project_id]. The lender acknowledges to having been informed of the terms and conditions of such loan through the website www.microworld.org.

The borrower commits himself to strictly respect the planned loan allocation and use.

Article 3: loan starting date and disbursement of the funds

The loan starting date is [project_disbursement_date].

The funds might take a few extra days to be made available to the borrower to take into account the time needed for the transfer of the funds.

By agreement between the lender and the borrower, this delay will not affect the starting date of the loan.

ABC MICROFINANCE will organize the transfer of the funds through a payment partner duly authorized (see Article 14 below).

Article 4: loan repayment

4.1 Repayment terms

The borrower shall repay the total loan amount of [loan_amount], in one single installment at the term date on [project_refund_date].

The loan shall be repaid by the borrower even in case of default by the final beneficiary.

The funds might take a few extra days to be made available to the lender to take into account the time needed for the transfer of the funds.

By agreement between the lender and the borrower, this delay will not affect the end date of the loan.

The loan reimbursement schedule is made available as an appendix of this agreement.

4.2 Interest rates

The lender shall receive for the loan a remuneration of [remuneration_rate] *per annum* on the outstanding capital. Interests are calculated in arrears once a month on the 1st day of the month, based on the outstanding capital at the end the previous month. For the interest calculation it is considered that all months are of equal duration.

The payment of accrued interest will take place in one single installment when the loan capital is repaid at the due term. Interest payment will be netted of any social charges and other advance tax deposit required by the legislation.

4.3 Remuneration of the intermediary in crowdfunding

As intermediary in crowdfunding, ABC MICROFINANCE is remunerated by the borrower [mfi_rate - remuneration_rate] *per annum* on the outstanding capital. Interests are calculated in arrears once a month on the 1st day of the month, based on the outstanding capital at the end the previous month. For the interest calculation it is considered that all months are of equal duration.

Article 5: the borrower statements and commitments

The borrower acknowledges and warrants that:

- since the date when the project, was published, no event of any kind occurred, either legal, financial, economic, or social, likely to have substantial consequences on its status, with respect, in particular, to its activity and the resulting licenses or authorizations required;
- the project description (see article 2 above) fully complies with the objectives pursued by the final beneficiary;
- it knows the final beneficiary; has performed an identity check and confirmed his place of residence;
- it has audited the project, checked its viability and rationale, with a goal to act in the final beneficiary's best interests;
- it has been authorized by the final beneficiary to communicate on said project out of its national territory and, at least, to third nationality individuals;
- it has advised and informed the final beneficiary about the financial consequences and liabilities linked to the loan and warned him about his obligation to reimburse and the impact these reimbursements will have on his personal income, including that of his dependants, if he is the head of a family;
- he concluded an interests bearing loan agreement with the final beneficiary;
- no proceedings, legal action, lawsuit, or administrative procedure likely to prevent it, or even prohibit it from presenting the project and organizing its financing for the benefit of the final beneficiary, is underway or about to be introduced;
- no proceedings, legal action, lawsuit or administrative procedure likely to prevent it or even prohibit it from entering into the agreement and signing it is underway or about to be introduced;
- no proceedings, legal action, lawsuit or administrative procedure likely to prevent it or even prohibit it from exercising its activity is underway or about to be introduced;
- there exists no material information which could constitute a case for early repayment, as meant by this agreement.

The borrower acknowledges and commits to:

- allocate the full amount of the loan to fund the project (see Article 2 above) or, if funds have already been disbursed for the project, to allocate said amount to the project and then reroute the initial funding to other projects;
- pay back the full loan at the term date according to the agreed schedule (see article 4 above);
- inform the lender through the www.microworld.org site, of any information or incident that could affect its activity;
- inform the lender through the www.microworld.org site, of any information or incident that could prevent the loan from being totally or partially repaid;
- more generally speaking, inform the lender through the www.microworld.org, of any information or incident likely to have consequences on the agreement;
- not transfer to a third party the obligations resulting from this agreement without first informing the lender and making sure that these obligations, and in particular, the full loan repayment and interest payment, will be fulfilled;

Article 6: the lender's statements and commitments

The lender acknowledges and warrants that:

- he is of age and has full capacity to enter this agreement;
- he has understood the terms and conditions of this agreement and the consequences of the implied commitment;
- nothing forced him to commit to this agreement nor prevented him from doing so;
- he freely chose the project to fund (see article 2 above), understood its objective and wishes to carry out the loan to support said project;
- he is aware of and knows that this loan will provide him with no particular tax benefit and, in particular, no tax credit;
- he is fully aware that, as with any loan, there is a risk of non repayment and that as a consequence he must adapt the size of his investment with regards to his personal financial situation; he agrees that ABC MICROFINANCE will not be made responsible in case the borrower defaults on its obligations;
- he will not interfere in the borrower's activity or organization;
- the funds lent have been duly perceived by the lender and are free and clear of any encumbrances.

Article 7: early repayment – cancellation of the agreement

7.1 Early repayment

The outstanding loan amount and potential interest to be paid will be payable in advance, immediately in one instalment, in case of:

- borrower's business termination, for any reason;
- borrower's legal structure winding-up;
- borrower's economic and financial difficulties resulting, for the borrower, in a significantly jeopardized situation;
- failure, by the borrower to respect any of its commitments linked to the agreement.

If enacted, the borrower will be informed by ABC MICROFINANCE, through any mean, of the anticipated repayment notice.

7.2 Termination of the agreement resulting from early repayment

In the event of an early repayment, the agreement will be automatically terminated.

Article 8: taxes

All payments made by the borrower in pursuance of the agreement should be made net of any taxes, duties and / or fees that will be borne exclusively by the borrower.

Similarly the borrower commits to support all risks and costs associated with exchange rates movements, if the currency of reception of the funds is different than the currency used by the lender to make this loan.

Article 9: non waiver

Any lender's rights, resulting from the agreement or from the law, that the lender does not fully exercise or that the lender takes a long time to exercise, should in no case be considered as a waiver of said right.

Article 10: guarantees

This agreement is not secured by any guarantee of any kind. This information is acknowledged and agreed once and for all by the lender, without right to reserve consent.

Article 11: personal data

In the following section, the terms below have the following meaning:

- ‘personal data’, information regarding the lender;
- ‘data protection rights’, the directive 95/46/CE regarding the protection of individuals with regards to personal data processing, as well as the directive 2002/58/CE ‘privacy and electronic communications’, as applied to national law and applicable to the parties in accordance with this agreement.

The personal data transmitted by the lender is securely and confidentially hosted by ABC MICROFINANCE in France and is not transmitted to the borrower. However, the lender is informed that, on an exceptional basis, the loan agreement can be transferred to the borrower or his counsel (officer of the court) subject to confidentiality, in order to ensure the notice, the exercise or defense of a right in court. The borrower is, in any case, subject to an obligation of confidentiality, as far as the lender's identity and everything that could participate to his identification is concerned.

Any request from the lender related to his rights shall be sent to ABC MICROFINANCE with a copy of a proof of identity, to the following address: 24, rue de l'Est, 75020, Paris, or to the e-mail address: ‘contact@microworld.org’.

The parties hereby acknowledge that the fulfilment of this agreement may require personal data processing and that the borrower is responsible for complying with its obligations in accordance with the data protection laws that govern personal data processing.

The borrower is only authorized to store, use and process personal data in the following conditions: (i) such processing is necessary for the fulfilment of this agreement, and (ii) it complies with the applicable legislation.

Article 12: force majeure

A force majeure consists of any event characterized as such by the french law and french case law, that would make the agreement impossible to be executed.

In particular, bad weather, epidemics, earthquakes, fires, storms, floods, government, legal or even financial restrictions (including, in particular, impossibility for money to be transferred between the two parties’ countries or local regulations modifications), acts of war, and any other circumstances beyond the borrower's express control can be considered force majeure.

Any event of force majeure will suspend the agreement from being executed, provided, however, that the party that wants to raise it notices the other party by any means, through ABC MICROFINANCE.

Should the event of force majeure prevent the agreement from being executed for more than six (6) months, the said agreement will automatically be terminated.

Article 13: language - applicable law

The law applicable for the agreement understanding and execution is the french law.

Therefore, any dispute arising from the agreement will be submitted to a french court of law.

In case of a dispute, the parties commit to first look for an amicable solution through ABC MICROFINANCE acting as a facilitator.

Article 14: intermediation

All transfers and hostings of funds mentioned in this agreement are insured through MANGOPAY, a payment services provider, subsidiary of Leetchi Corp SA. MANGOPAY is a limited liability company under Luxembourg law, whose registered office is domiciled at 59 boulevard Royal, L-2449, Luxembourg, registered under number B173459 at the register of commerce and companies of Luxembourg, and authorized as an issuer of electronic money authorized by the 'Commission de Surveillance du Secteur Financier (CSSF)'.

For any contact and/or complaints:

ABC MICROFINANCE
24, rue de l'Est
75020 Paris
France
+33 9 81 09 87 85
contact@microworld.org

The lender is free to call upon a mediator which may be the judicial conciliator established by the decree No. 78-381 of the 20th of March 1978 concerning justice conciliators.

Edited in Paris.
On [date].

The lender
[user_name]

The borrower
[mfi_legal_representative_name]

ANNEX

Reimbursement schedule

Date Principal to repay * Interests Total to repay Outstanding amount

** The interests shown on the repayment schedule represent gross amounts without social contributions and the withholding tax in regard to the income tax.*