



CHAPTER 58 TRUST

Memorandum of Agreement

This Memorandum of Agreement made on 14/04/2009.....

Between **The Chapter 58 Trust**, a company limited by guarantee and registered under the laws of the Republic of Ghana with its registered office at No. 26 Akosombo Road, Airport Residential Area, Accra and represented herein by its Executive Director, Frances K. Mensah (hereinafter refer to as Chapter 58) OF THE FIRST PART

And

Human Cooperations, an Austrian based Non-Governmental Organisation whose address is; **IM HVEHNERSTEIG 7, 4020 LINZ, AUSTRIA** and represented herein by its Project Coordinator and Co-founder, Reinhard Wagner (hereinafter refer to as Human Cooperation's) OF THE SECOND PART

WHEREAS Chapter 58 is committed to providing innovative solutions to poverty alleviation in Ghana and as such aims at becoming a leading provider of small loans and micro-credit which are responsive to the needs of the micro entrepreneur in urban settlements;

WHEREAS the Donor has some funds which it is able to lend or grant to various institutions to enable them to pursue such objectives as are in line with its commitments on such terms as to it shall seem fit;

WHEREAS the Donor is willing to provide Chapter 58 with a loan to implement a primary loan cycle with one of its groups in Bawaleshie, East Legon in the Greater Accra Region of the Republic of Ghana.

THEREFORE this Agreement witnesses as follows:

TITLE 1 - GENERAL PROVISIONS

Article 1: The object of this Agreement is to govern relations between the above mentioned parties in order to provide financial support to the Chapter 58 within the objectives mentioned herein.

Article 2: This Agreement shall commence on the date of execution and shall remain valid and in effect until the full repayment of the facility as hereinafter provided.

TITLE II: LOAN

Article 3: The Donor undertakes to provide Chapter 58 with an interest free loan in the amount of Four Thousand Ghana Cedis (Ghc4000), which total amount, will be made by cash for the benefit of The Chapter 58 Trust on or before the 14th of April 2009.

Article 4: Chapter 58 agrees that this amount is to be applied towards the funding of Chapter 58 loan activities in the Bawaleshie area.

Article 5: The loan amount, albeit interest free, shall be adjusted every month to the current rate of inflation which adjustment shall be made on the last business day of each month commencing from the third month of the term of this Agreement.

Article 6: The term of this loan shall be twelve (12) months, which period will begin to run from the third month after the date of disbursement of the loan amount by the Donor to Chapter 58.

TITLE III REPAYMENT

Article 7: Chapter 58 agrees and undertakes to repay the loan amount faithfully and in accordance with the terms of this Agreement.

Article 8: The Loan amount shall be repaid in equal quarterly instalments on or before the 28th day of each calendar month beginning from the Third month after disbursement of the loan amount to Chapter 58.

Article 9: All payments by Chapter 58 to the Donor due under this Agreement will be made by cash/bank transfers in Ghana Cedis/Euros for value on the due date. If a payment hereunder is due on a day, which is not a Business day, the due date for that payment shall instead be made by the next business day in the same calendar month (if there is one) or the preceding business day (if there is not).

TITLE IV: REPRESENTATIONS AND WARRANTIES

The Donor has agreed to enter into this Agreement on the basis of and in reliance on the following representation and warranties as of the date of execution of this Agreement. Chapter 58 confirms that all the representations and warranties made by it hereof are true complete and correct in all respects at the time as of which such representations and warranties were made or deemed made:

Article 10: Chapter 58 is duly organised, validly existing and in good standing under the laws of the Republic of Ghana and has all the requisite power and authority to execute and perform its obligations hereunder and to consummate the transactions contemplated hereby.

Article 11: neither the execution and delivery by Chapter 58 of this Agreement nor its compliance with or performance under this Agreement nor the use of the proceeds (a) will contravene any provision of any applicable law or any order, writ, injunction or decree of any court or governmental authority binding on Chapter 58; (b) will conflict or be inconsistent with or result in any breach of any of the terms or constitute an Event of

Default under any credit or other agreement contract or instrument to which Chapter 58 is a party.

Article 12: No consent, clearance or validation of any Governmental authority is required in connection with (i) the execution, delivery and performance of this Agreement (ii) the legality, validity, binding effect or enforceability hereof

Article 13 The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof.

Article 14: Any notice or other communications required or permitted hereunder shall be in the English language and shall be sufficiently served if (i) delivered in person (ii) sent by facsimile when transmission thereof is confirmed by an activity report stating the correct number of pages sent and that such transmission transmitted without error; or (iii) sent by registered mail, in each case addressed as follows:

If to Chapter 58 to:
26 Akosombo Road
Airport Residential Area
PMB KD27, Kanda Accra
Ghana
Fax: +23321761115
Tel: +23321761115/765793/+233244389088
For the Attention of: Frances Kizzita Mensah

If to the Donor to: HUMAN COOPERATIONS
IM HVEHNERSTEIG 7
4020 LINZ, AUSTRIA

Fax:
Tel: +43(0)732677268
For the Attention of: Reinhard Wagner

Article 15: This Agreement will become binding on both parties on and from the date of execution of this Agreement and shall remain in full force and effect till all monies due and payable hereunder are fully paid off.

Article 16: This Agreement shall be governed by the laws of the Republic of Ghana and the courts of the Republic of Ghana shall have jurisdiction over any disputes.

IN WITNESS WHEREOF the parties agree to the terms of this Memorandum of Agreement and commit themselves thereto.

THE CHAPTER 58 TRUST

By



Date

6/04/09

By



Date 14/4/2009.

DONOR

By

A handwritten signature in cursive, appearing to be "W. J. ...".

Date 14/04/2009

By

Date



CHAPTER 58 TRUST

DATE	REPAYMENT PERIOD
JUNE 28, 2009	FIRST QUARTER
28 SEPTEMBER, 2009	SECOND QUARTER
DECEMBER 28, 2010	THIRD QUARTER
MARCH 28, 2010	FOURTH QUARTER