



Ref. No. NIB/CAD/012/19

Date: January 9, 2019

International Livestock Research Institute  
Addis Ababa

**Re: Service Agreement Revision**

Dear Sir/madam,

Nib Bank strives to establish a lasting and mutually beneficial relationship with its valued partners by coping with the dynamism of the business environment, gauging influencing factors and anticipating expectations. In doing so, we have noted that the level of business transaction involved, the strength of the multidimensional relationship we have and new developments in the industry, are strong enough reasons for us to take the initiative and re-examine the terms of our service to your esteemed office.

After deliberating on the matter, the management has decided to make the following revisions on the credit terms of the service agreement signed between your good selves and the Bank on November 11, 2015 and subsequent amendments;

1. With regards to Loans for Construction/Purchase of residential buildings
  - a. The maximum tenure of such loans is to be 25 years, instead of 15 years,
  - b. The minimum equity requirement for such loans to be 5%, instead of 10%,
  - c. The interest rate for such loans to be the prevailing NIB ordinary saving deposit interest rate per annum plus 1%, instead of 2%,
2. With regards to Loan for Purchase of Automobiles
  - a. The maximum tenure of loan for purchase of automobile, whose manufacturing date is below 10 years, to be for 10 years (instead of 7-10 years),
  - b. The minimum own contribution for purchase of automobile with manufacturing date below 5 years to be 10% of its cost/purchase price or estimated value, instead of 40%.
  - c. The minimum own contribution for purchase of automobile with manufacturing date between 5 to 10 years to be 20% of its cost/purchase price or estimated value, instead of 50%.
    - On both cases, however, if the borrower offers another additional tangible collateral that fully covers the loan, the Bank may finance up to 100% of the cost/purchase price or estimated value of the automobile, whichever is lower,
  - d. The interest rate for automobile loans to be the prevailing minimum saving deposit interest rate per annum plus 1.5%, instead of 2%,



3. With regards to Consumer Loans

- a. The tenure of such loans to be changed to 4 years instead of 3 years.
- b. The interest rate to be the prevailing minimum saving deposit interest rate per annum plus 1%, instead of 2%,

Yet all other terms and conditions on the original agreement, subsequent amendments, and the Bank's credit policy and procedure shall apply.

The management is pleased to announce the aforementioned amendments and hopes for even stronger partnership in the years to come.

Regards,

  
Seifu Agenda

Director – Credit Appraisal Department

No. 3

C.C.

- V/P – Operations,
- Director – Trade Finance Dep't,
- Director – Domestic Banking Dep't,
- Director – Internal Audit Dep't,
- Manager – ILRI Branch,  
Nib International Bank S.C.  
Addis Ababa