



Business Growth Loan Terms	
Bank	[Bank name]
Borrower	[Borrower name]
Guarantor(s) (if any)	[List of Guarantors]
Crown Guarantee	The Government of Cook Islands has agreed to guarantee the Bank up to 80% of any provision for losses created by the bank (up to a Cap of 80% of the Loan Amount) on this loan under a Deed of Guarantee.
Loan Amount	Any amount that is at least \$100,000 and up to \$1 million.
Draw down Period	Any time from the Loan Agreement date until 30 June 2021.
Loan Term	Up to 8 years from the Loan Agreement date.
Guarantee Period	From date of signing to 30 June 2025. The loan facility may continue for a period after this date until the end of the Loan Term, but the interest rate is likely to increase to reflect the end of the Crown risk share.
Purpose	Investing, expanding or upgrading the Borrower's business.
Repayment	Interest to be paid on a monthly in arrears basis. Principal will be repaid by loan maturity.
Voluntary prepayment	The Borrower may, by 2 business days' written notice, repay all or any part of the balance of the loan. This will be subject to any applicable break costs associated with interest periods or interest rate swaps calculated in accordance with the Bank's ordinary business lending policies.
Interest Rate	The Interest Rate will be set by the Bank and will reflect the cost of funding the Loan Amount incurred by the Bank and will reflect the Crown risk share for the Guarantee Period. The maximum rate for loans which attract a government guarantee is 6 per cent per annum.
Default Interest Rate	To be determined in accordance with the Bank's ordinary business lending policies. However, Default Interest will be waived by the Bank except in circumstances involving fraud, bad faith, recklessness or similar behaviour.

Specific Terms		
1.	Security	Such security as the Bank may require in accordance with its ordinary business lending policies.
2.	Conditions Precedent	<ol style="list-style-type: none"> 1. The Borrower certifying to the Bank that: <ol style="list-style-type: none"> (a) its business was active as at 1 March 2020; (b) if the Borrower is a company, it is registered on the online Companies Registry or commits to registering by 9 December 2020; (c) it was a profitable and viable business prior to 1 March 2020; (d) it has a plan to ensure its business remains viable and ongoing; (e) its primary place of business is in the Cook Islands; (f) the loan will be used solely for the purpose of investing, expanding or upgrading its business; and (g) it has not received a Business Growth Loan from any other bank. 2. The Borrower providing evidence of its viability if required by the Bank including by providing: <ol style="list-style-type: none"> (a) cashflow statements for its 2020/2021 financial year; (b) balance sheet for its 2020/2021 financial year; (c) projected financial statements showing that the business has sufficient financial resources to sustain itself when including its obligations under the Business Growth Loan; (d) short term cashflow forecasts; (e) a plan which includes forecasted expected revenue based on future market conditions; and/or (f) an accountant's assessment that the business or organisation is viable and ongoing. 3. The Borrower must have made up to date lodgements with the Cook Islands Revenue Management Division or provide such evidence the Bank may reasonably require to show it has made arrangements to bring the business lodgements up to date. 4. Such other conditions as the Bank may require in accordance with its ordinary business lending policies.
3.	Post-Lending Covenants	The following information is to be provided to Bank prior to any drawdown being made:

		<p>Reporting Covenants</p> <p>Such reporting as the Bank may require in accordance with its ordinary business lending policies.</p> <p>Financial Covenants</p> <p>Such financial covenants as the Bank may require in accordance with its ordinary business lending policies.</p> <p>Operational Covenants</p> <p>Such operational covenants as the Bank may require in accordance with its ordinary business lending policies.</p>
General Terms		
(a)	Representations	<p>Such representations as the Bank may require in accordance with its ordinary business lending policies, including on:</p> <ul style="list-style-type: none"> • status; • authorisations and consents; • non-conflict with other obligations; • power and authority; • no default; • solvency; and • all material information disclosed.
(b)	Undertakings	<p>The Borrower will not use any funds under the Loan Amount for the following purposes:</p> <ul style="list-style-type: none"> • refinancing existing indebtedness, on-lending; • shareholder distributions, redeeming or repurchasing any capital or other related transactions; or • any residential property development. <p>Such other undertakings as the Bank may require in accordance with its ordinary business lending policies, including:</p> <ul style="list-style-type: none"> • notifying default events; • no change in core business; • insurance; • compliance with laws; • delivery of financial information; • negative pledge; • restriction on disposals; • restriction on related party transactions; and • no additional indebtedness.
(c)	Events of default	<p>The Borrower is in default when their loan repayments are more than 90 days in arrears, and otherwise any other events of default as the Bank</p>

		<p>may determine in accordance with its ordinary business lending policies, including:</p> <ul style="list-style-type: none"> • payment default; • misrepresentation; • breach of undertaking; • breach of financial covenant; • cross default; • insolvency or insolvency proceedings; • material adverse change; • change of control; and • invalidity of facility documents.
(d)	Miscellaneous	<p>Such miscellaneous covenants as the Bank may require in accordance with its ordinary business lending policies, including:</p> <ul style="list-style-type: none"> • increased costs; • illegality; • market disruption; • break costs; • tax gross up; and • set-off.
(e)	Costs	<p>The Borrower agrees to reimburse the Bank for all reasonable legal costs incurred in connection with the preparation of the loan documentation and any opinions or reviews required.</p>
(f)	Confidentiality	<p>The terms and conditions set out in the Loan Agreement and as otherwise agreed are confidential and shall not be disclosed by the Borrower to any person other than its legal and financial advisers for the purposes of the proposed transaction without the Bank's prior written consent.</p>
(g)	Governing law	<p>Cook Islands.</p>