

## **CREDIT AGREEMENT**

**Number: 114/VI.PKMK/A13-0233/11/11/2016**

On this day, Monday, November 11, 2016, there has been a credit agreement between,

1. Kawit Witorejo, born Sleman on 20 August 1963, worked as a branch manager of Limited Liability Company which will be mentioned below, the holder of KTP number 132456980760003, residing on Jl. Prambanan-Piyungan No. 15, Sleman.
  - in this case acting in the above mentioned positions and as such for and on behalf of the Limited Liability Company of PT. Bank Rakyat Indonesia (Persero Prambanan branch), in accordance with the Power of Attorney of the Board of Directors dated June 5, 1999 Number 7, made in the presence of Nimas Fatimah, SH, MH, Notary in Sleman and Articles of Association contained in deed dated May 28, 2008 number 51 made in the presence of Fatin Shidqia, SH, Notary in Sleman and has been published in the State Gazette of the Republic of Indonesia dated 25 August 2009 Number 68 additional number 23079, and hereinafter referred to as **FIRST PARTY**,
2. Sugeng Setiawan, born in Sleman on October 19, 1978, works as a farmer and is also the chairman of a cooperative to be mentioned below, holders of ID number 3277021910780002, residing in Sleman, Gunungsari Hamlet, RT 2 RW 4 Sambirejo Village, Sub district of Prambanan Sleman.
  - in this case acting in the above mentioned positions and as such for and on behalf of the Joint Business Enterprise Cooperation Agency Tani Makmur, domiciled in Sleman Regency established by deed dated May 14, 2008 number 7 made before Ina Boediarti, SH, MKn, Notary in Kabupaten Sleman, whose articles of association have been approved by the State Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia dated July 25, 2008 no 15 / BH / XIII.8 / 20, hereinafter referred to as **SECOND PARTY**,

both parties first explain as follows:

- That the **SECOND PARTY** requires funds to seek additional working capital funds for the purchase of fertilizers and labor costs to plow the land in preparation for planting later,
- That the **SECOND PARTY** has become a partner of the **FIRST PARTY** and has an account at the bank to accommodate the financial activities,

- That the SECOND PARTY borrowed because of the financial condition of the cooperative in a state of illiquidity in relation to the amount of current expenditures,
- Whereas FIRST PARTY has agreed to provide loan or credit in the form of working capital credit as stated in Letter of Credit Offer (SPPK) dated October 11, 2016 number 11/SPPK/PKM/10/2016,

Based on the foregoing matters, both parties agree to enter into Credit Agreement based on the following terms and conditions;

#### Article I

##### NUMBER OF MAXIMUM CREDITS

The maximum amount of credit subject to this agreement is money worth Rp 600,000,000.

#### Section 2

##### DURATION OF CREDIT TIME

The loan period in this agreement is 1 year which can be extended upon mutual agreement.

#### Article 3

##### HOW TO GIVE CREDIT

The grant of credit by the FIRST PARTY shall be made by way of transfer to the SECOND PARTY account held on the same day the agreement is signed.

#### Article 4

##### CREDIT LIABILITY

Credit is paid by SECOND PARTY with quarterly installments agreed upon by both parties during the credit period under article 2 of this agreement.

#### Article 5

##### RIGHTS AND OBLIGATIONS OF THE PARTIES

FIRST PARTY is obliged to give credit to SECOND PARTY according to the amount agreed, and shall be entitled to repayment.

SECOND PARTY is entitled to credit from the FIRST PARTY according to the agreed amount, and must pay off the loan borrowed with interest.

## Article 6

### INTEREST

The amount of interest agreed by both parties is 11% calculated from the amount of withdrawal made by SECOND PARTY.

## Article 7

### PROVISION

The amount of provision agreed upon by both parties is 0.25% calculated from the maximum credit granted by the FIRST PARTY to the SECOND PARTY.

## Article 8

### GUARANTEE

The objects guaranteed by the SECOND PARTY in this agreement are the stock of rice in the warehouse of cooperatives and trade receivables of Rp 750,000,000, -

## Article 9

### WARRANTY BANKING

The guarantee referred to in article 8 is bound by this agreement so that it can not be transferred by the SECOND PARTY without the knowledge of the FIRST PARTY.

## Article 10

### INSURANCE

This credit agreement is secured by the Insurance of LIFE Insurance. if the SECOND PARTY can not afford to pay the loan and the guarantee is destroyed then the insurance will reimburse the loan payment.

## Article 11

### DISPUTE RESOLUTION

In the event of a dispute it must be endeavored by deliberation and mediation. If not successful then the problem is solved through Arbitration at Indonesian Banking Dispute Settlement Alternative Institution.

Article 12

COVER

Thus this agreement is made and signed by both parties in Sleman, Special Region of Yogyakarta, on the day and date mentioned above, is made in duplicate 2 and has sufficient stamp duty having the same legal force for each party.

FIRST PARTY

SECOND PARTY

Kawit Witorejo

Sugeng Setiawan

Witness I

Farah Fitriani

Witness II

Tresna Oktaviani