



"Chances4Cambodia" is the first project of Chances4All in Cambodia which is a nonprofit, nongovernment, nonpolitical organization and registered as an International NGO in the Netherlands. Our mission in Cambodia is to provide education opportunities to disadvantaged students.

Education Loan Contract

___ / ___ / 200

Phnom Penh, Cambodia

THIS CONTRACT IS ENTERED INTO BY AND BETWEEN:

1. **Chances4Cambodia (C4C)** having its address at **#184 Street 63 Phnom Penh** represented by **Mr. Steve Chika, Director Cambodia**, holding Australian Passport No **L1469132** with a permanent address at **#184 Trasak Paem (St. 63) Phnom Penh, Kingdom of Cambodia**.

And

- 2 **Mr. /Ms** _____ Date of birth: _____ Place of birth _____
Holding Cambodian National ID No. _____; having his/her permanent address at _____ hereinafter called the **SR (Student Recipient)**. The SR has his/her father/guarantor named: _____ occupation: _____ and mother/guarantor named: _____ occupation: _____ having the same address as the recipient and holding Family book No. _____

Both parties, Chances4Cambodia (C4C) and the Student Recipient (SR)

hereby agree and accept to be bound by the following terms and conditions:

Article1. The sum type and use of the loan

- 1.1 **C4C** and the **SR** have mutually agreed to provide and receive respectively an education loan for undertaking the _____ Degree at _____ Education Institute which is 4 years long and commences from _____ (mm/yy) through _____ (mm/yy).

1.2 Breakdown of the loan and its use:

- a. A maximum of US\$_____ for 1st years tuition fees and US\$_____ per year thereafter.
- b. A maximum of US\$_____ Per year to cover travel, uniforms, study needs and food
- c. A maximum of US\$_____ Per year to cover Health Insurance fees
- d. A maximum of US\$_____ Per year to cover rent, water, electricity as a monthly allowance
- e. A maximum of US\$_____ Per year to cover inflation and unforeseen costs equaling 10% of the total of sub sections a-d
- f. Thus the maximum total sum of the Education Loan per year equals US\$_____

- 1.3 The loan shall be given for a maximum of _____ years being the regular duration of this program. The loan total therefore shall be a maximum of US\$ _____. If the study should take more time, the SR will need to apply for an additional loan.

- 1.4 If after graduation the actual loan equals less than the maximum loan as shown at Sub Section 1.3 the SR has no rights to the remaining funds and the SR shall only be obliged to repay the actual amount lent/used.

1.5 The SR shall use the loan only to the benefit of the said study program and will commit himself/herself to a supreme effort to accomplish the study successfully to the highest possible standard. The SR shall adhere to the rules and instructions set up by C4C for all students. The SR shall attend all classes, courses and assignments as part of the study program. The SR has to regularly participate and pass periodic tests and exams that are part of the study program, taking into account the possibility that the study program offers to resit tests and exams within the regular time and program of the study course.

1.6 The SR shall actively participate in the SR's study group (i.e. the group of students supported by C4C participating in the same study program) and adhere to the rules set by and for the study group, going under the name of _____

1.7 All payments related to the loan shall be made by C4C directly to the creditor of the services and/or products delivered without interference of the SR and thus added to the amount lent by C4C to the SR. For certain expenses e.g. Rent food drinks transportation etc. and after discussion with the SR C4C will provide a monthly allowance being part of the loan to cover these expenses.

1.8 C4C shall register and otherwise keep a record of all payments and expenses spent on behalf of the SR being part of the loan.

1.9 C4C as advised by the study group shall decide autonomously whether certain expenses are necessary for the education program of the SR and/or whether those expenses fit into the annual budget set for the SR in this contract.

1.10 The SR is not permitted to enter into any legal obligation on behalf of C4C, nor to represent C4C anywhere at any time without the express permission of C4C by written letter of agreement; C4C is not obliged to pay any amount to the SR or to any third party without the explicit prior approval of C4C management.

1.11 If C4C judges that the SR has no further need of the loan, because of SR's financial situation, C4C is entitled to stop further payments as described in article 1 temporarily and/or permanently.

1.12 If the SR discontinues the study program as described in this contract, or if the SR does not comply with any of the conditions in this contract, C4C has the right to stop and suspend all further payments on behalf of or to the SR in relation to this loan.

1.13 The SR shall periodically, at the request of C4C management sign and agree with a list of actual expenses registered by C4C as part of the loan to the SR. If the SR refuses to agree with this list, the SR shall give the reasons of refusal in writing immediately to C4C, who will evaluate these reasons and give a final decision, although the SR may not agree with this list the SR shall be deemed to have agreed to all previous expense lists that have been agreed to beforehand.

1.14 If and when the SR does not agree with the expenditure list of C4C, C4C shall have the right to stop all further payments on behalf of the SR and thus withhold all further loan payments. (In other words payments on the present loan to the SR)

1.15 C4C shall have the right to stop all further payments related to the loan and with that cancel this contract to the SR if and when C4C is no longer able to generate the funds necessary to pay out the loan to the SR as described in this contract. In that case the SR shall not be required to repay any part of the loan already given to the SR.

Article 2 Terms and Conditions for repaying the loan.

2.1 Unless otherwise stipulated in this contract the SR shall not have to repay the loan if he/she does not successfully finish and graduate the study program as described in this contract, without violating any of the obligations under this contract.

2.2 Repayments shall commence immediately upon graduation when the SR starts making an income or whenever the SR has the means to do so.

2.3 Repayments will be calculated in monthly terms at a minimum of 30% of the SR's monthly salary.

2.4 Under special circumstances the SR can ask C4C for an interest free delay or a lowering of the monthly payments, if and when the main income earner becomes temporarily or permanently disabled arising from a reasonable cause.

2.5 The SR shall pay no interest on the loan as long as the SR complies with the obligations under this contract. In the case of a breach of this contract (e.g. default on the obligations concerning the repayments) an interest rate of 1% per month will be added to the loan and other amounts due by the SR to C4C.

2.6 If and when the SR violates one or more of the following obligations under this contract, as meant in articles **1.5, 1.6, 1.10, 1.11, 1.12, 1.14** C4C shall have the right to temporarily or permanently stop all further payments under this contract and has the right to ask the SR to repay the loan already expended immediately, unless the violation consists of not passing the exams, where the SR has done everything in her/his powers to do so.

2.7 Serious violations of the terms and conditions of this contract and the By- laws, Internal Rules and other related agreements of C4C and the group see sub section 4.1 will result in the termination of this contract, in this instance the SR or SR's parent/guarantor will be required to repay the loan balance immediately in full.

2.8 The SR shall have the right to be admitted, after her/his graduation, to the exclusive group of laureate-students, if she/he commits themselves to the rules and aims of the group, part of which shall be the support of a special fund to compensate for price increases in the costs of study

Article 3. Dispute settlement.

In the event of a dispute, both parties shall to the best of their ability try to amicably conciliate between the relevant parties before an independent arbitrator. If an amicable conciliation cannot be reached by mutual agreement, the case shall be brought before a Cambodian Court with competent jurisdiction. using the English version of this contract.

Article 4. Authorities.

4.1 Both parties shall accept, follow and adhere to the By-Laws (Statute) and Internal Rules made by C4C and all agreement(s) related to this contract to be entered into or have been entered into both as (to be) amended and (to be) updated by C4C, which shall be treated and considered as an integral part of this contract.

4.2 This agreement is made in English (6 copies) and Khmer (6 copies) as equal authentic legal documents. Each party will receive 1 copy in each language, C4C, the SR, the SR's parents/guarantor, the attorney-at-law the Village Chief and the Commune Chief.

Article 5 Limitation of Liability.

5.1 C4C is part of an international network of idealistic organizations. All liabilities of C4C to the SR or any third party is limited to the assets of C4C as registered in the name of C4C in Cambodia. This means that assets in the name of any other part of the organization of which C4C is legally and/or practically part of or in which C4C takes part are not part of the assets with which C4C guarantees their obligations.

This agreement shall become effective from the date of Signatures and/or thumbprints hereunder.

Date: mm... dd..., 2008

Signed and Sealed

Date: mm... dd..., 2008

Thumbprint

Mr. Steve Chika

Director

Chances4Cambodia

(Name)

Student Recipient

We, the parents/guardian of the **SR** named **above**, hereby guarantee and stand responsible for this loan; if the SR fails to fulfill the financial obligations as stated in this contract.

Mother's Thumbprint Father's Thumbprint

(Name)

(Name)

Date: mm..... dd....., 2008

Having seen all relevant parties mutually read and well understood with consensus and thumb printed with their right thumb in my presence.

Signed and Sealed

Date: mm..... dd....., 2008

Having seen and certified that the signature and stamp of the village chief is true and correct.

Signed and Sealed

Date: mm..... dd....., 2008

Having seen the parties mutually read and understood the contract and printed with their right thumb in my presence.

Signed and Sealed

(Name)

Attorney-at-law

(Name)

Commune Chief

(Name)

Village Chief