

ANNEXTURE B

SCOPE OF WORK FOR COLLATERAL MANAGEMENT SERVICES

1. The Service Provider shall undertake to provide the Services over stocks (Agricultural or non-Agricultural) that shall be tendered as security to the Bank.
2. That the Service Provider shall before and during the execution of the Services possess valid licenses that have been issued by the Warehouse Receipts Regulatory Board (the "Board") in respect of collateral management Services.
3. The Service Provider, the Bank together with the Borrower shall execute a tripartite collateral management agreement before engaging in any assignment for provision of Services.
4. That the Service Provider shall possess, maintain and ensure to present to the Bank its written proof of a bond that has been executed and acknowledged by the Board in terms of the Warehouse Receipt Act and Regulations made thereunder, including enhancement of the bond from time to time depending on the magnitude of the stock and as assessed and approved by the Board.
5. The Service Provider shall not conduct its Services in a warehouse which is not licensed and bonded.
6. That the Service Provider shall inspect the warehouse to establish if it is conducive for storage of the stocks; and if not to recommend and advise the Bank where necessary in order to protect the Bank against legal, commercial or financial risk.
7. The Service Provider shall notify the Bank immediately to become aware of any events that would/has negatively affect or frustrated conducting of the Services effectively and diligently.
8. The Service Provider is expected to receive instructions from and supervise assignments for the Bank with maximum due diligence and care in accordance with industry's best practice and in terms of the Warehousing Receipt Act CAP 339 (the Act), its regulations and any other, statutory instruments guidelines made under the Act or by the Board and any other relevant laws of the land.
9. That the Service Provider in addition to the Bond that shall be issued to the Board, shall be required to maintain a professional indemnity insurance cover which shall not be less than Tanzanian Shillings One Billion (TZS 1,000,000,000/=).
10. That the Service Provider shall provide fidelity cover for all staff of the collateral Manager organization.
11. The Parties hereby agree that they shall, at all times when discharging their obligations adhere to the Warehouse Receipt Act CAP. 339 (the Act), its regulations and any other, statutory instruments guidelines made under the Act or by the Board from time to time.
12. The Service provider shall maintain professional and enough employees for efficient delivery of the contracted services.

13. The Service provider shall not participate in any assignment that may directly or indirectly conflict with the interests and business of the Client, In the event that happens, the collateral manager must declare such conflict of interest to the Client prior to the commencement of Services and obtain approval to proceed
14. The Service provider should perform vetting of its staff and to have them sign confidentiality declaration, this is important to strengthen data privacy to the clients'/personnel of the Bank.
15. That the service provider shall be paid by the Client for the work done/to be done as shall be agreed on each particular assignment and upon the Collateral Manager presenting an undisputed invoice for payment to the Client.
16. The Service provider should exercise duty of care in the produced reports and prevent obvious errors that can mislead the bank in decision making
17. The Service provider shall respond promptly (within 48 hours) to the Client's request for provision of the required services.
18. The Service provider shall conduct Collateral Verification & Inspection i.e. Physical inspection and verification of goods/assets offered as collateral, Quantity, quality, and conformity checks against documentation (e.g., invoices, warehouse receipts) and Reporting on inspection findings to the financier.
19. The Service provider shall continuously perform monitoring and control of pledged stocks, issue Daily/weekly/monthly stock reports and do Surveillance of warehouse premises (e.g., security checks, sealing, or tagging) while ensuring movement of goods is authorized and well-documented
20. The service provider shall perform Warehouse Management duties i.e. Implementation of dual access control procedures, Supervision of loading/unloading, stacking and proper storage conditions of the stocks including organization on pallets and fumigation is done.
21. The Service provider while releasing stock shall Control the release of goods based on financier instructions, Issuing gate passes or release orders, ensuring that releases match approved limits and client obligations and Maintenance of hygiene, safety, and pest control standards
22. The Service provider at all times shall act as Insurance Coordinator on Ensuring collateral is adequately insured, Assisting with arranging or verifying insurance coverage and Supporting in claims management in case of loss or damage
23. The Service provider at all times shall act as Quality Controller on Ensuring collateral is at best quality at all times, report to the bank any signs of quality deterioration immediately
24. The Service provider at all times shall be able to keep up to date with technological advances on the how and why of storing stock for collateral purposes.
25. The Service provider hereby undertakes to receive instructions and supervise

assignments for the Client with maximum due diligence and care

26. The Service provider at all times shall maintain register for all transactions happening at the warehouse including tracking of the goods on transit
27. The Service Provider shall make sure that NMB is well served and not exposed in any risk.