

# LOAN AGREEMENT

This Loan Agreement is executed on Month.. Day.., Year..; by and between:

.....(PAN:.....), S/o or D/o or W/o ..... aged ... years, residing at  
....., hereinafter referred to as the '**Lender**', which expression unless repugnant to the context shall mean and includes his/her legal representatives, assignee and administrator; and

.....(PAN:.....), S/o or D/o or W/o, .....aged .....years, residing at  
....., hereinafter, referred to as the '**Borrower**', which expression unless repugnant to the context shall mean and includes his/her legal representatives, assignee and administrator;

The lender and the borrower may individually referred as 'party' and collectively as 'parties'.

Whereas in response to the request of the Borrower for a loan on the website, www.peerlend.in ("Website"), owned and operated by FincSquare Fintech Private Limited, an RBI registered NBFC-P2P ("Company"), the Lender has agreed to grant a loan not exceeding a sum of INR...../- (INR ..... ) to the Borrower for a period of Months, subject to the terms of the Website and the terms and conditions hereinafter contained.

1. The Lender hereby lends to the Borrower a sum not exceeding INR ...../- (INR..... ) ("Loan Amount") for a period of ..... Months and the Borrower accepts the loan and agrees to repay the Loan Amount in accordance with the terms and conditions set out in this agreement.
2. Both parties acknowledge, represent, covenant, and warrant to each other that: (a) he / she has read and understood all the terms and conditions, lending policy, website policies, privacy policy, and other material available on the Website of the Company, (b) they unconditionally agree to abide by the terms and conditions, privacy policy and other binding material contained on the Website, (c) the information and financial details submitted by him / her on the Website are true and correct, (d) Lender has understood the risks associated with the proposed transaction and that there is no guarantee of return and that there exists a likelihood of loss of entire principal in case of default by a borrower, (e) the Company is only facilitating the meeting of Lenders and Borrowers and is not engaged or is responsible for either lending or ensuring that the Borrower shall repay the borrowed amount on time, (f) Company is in no manner responsible towards either loss of money or breach of privacy or leakage of any confidential information, (g) they have not provided any information which is incorrect or materially impairs the decision of the Company to either register him / her or permits to lend or borrow through the Website.
3. The Borrower undertakes to pay interest and additional interest payable on the Loan Amount as follows: (a) The Loan will carry interest at such rate as may be agreed in terms of Schedule I to this Loan Agreement; (b) The Borrower shall repay the Loan Amount along with the interest by way of paying the calculated Equated Monthly Installment ("EMI") monthly as mentioned in Schedule I; (c) the Borrower shall handover two(2) duly signed post- dated cheques (PDC) of a nationally recognized bank for an amount equal to the Loan Amount and interest, to the Company on the day of disbursing the Loan Amount to the Borrower's account; (d) Any default by the Borrower in payment for dues would entail an additional interest charge of 24% per

annum on the entire Loan, payable from the date of the default without prejudice to Lender's other rights available as per this agreement and on default / failure of the Borrower to pay the same; and (e) Provided also that the obligation to pay additional interest shall not entitle the Borrower to set up a defence that no event of default as mentioned hereunder has occurred.

4. Both parties agree to the following related to loan disbursement and repayments: (a) The borrower will receive disbursement from the lender through an escrow account named 'Fincsquare Fintech Private Limited - Lenders funding escrow account' as mentioned in Schedule II which is solely used to facilitate the disbursement process to the Borrower. This account is managed by a third party custodian and the company doesn't have any transaction rights for the account, or earn any interest on balances held in this account. The company is not obliged to pay interest to the lender on any unused amount in the account; (b) The borrower repayments to the lenders will be routed through an escrow account named 'Fincsquare Fintech Private Limited - Borrowers repayment escrow account' as mentioned in Schedule II which is solely used to receive repayments from the borrower. This account is managed by a third party custodian and the company doesn't have any transaction rights for the account, or earn any interest on balances held in this account. The company is not responsible for any delay in receiving payments from the borrowers or for any delay in distributing these repayments to the lenders. (c) The lender and the borrower authorizes the company to use these accounts for disbursement and repayments on behalf of the lender and the borrower; (d) The lender and the borrower shall not close their bank accounts as mentioned in Schedule II without prior intimation to the company. (e) The lender shall transfer loan amount within 3 (three) days of execution of this agreement to the 'Fincsquare Fintech Private Limited - Lenders funding escrow account'.
5. The borrower and lender agree to pay such amount as a registration and service fee to the company as stated in Schedule - III of this agreement as may be determined by the company from time to time and the same shall be due from the borrower and the lender once loan agreement is signed by both parties. In the event of cancellation/non-execution of loan agreement by either lender or borrower or both, the party who cancelled the loan agreement is still liable to pay registration and service fee to the company.

The delay in payment of EMI shall render the borrower liable to delayed payment charges to the company as mentioned in Schedule - III of this agreement without prejudice to the other rights of the lender and the company. The aforementioned charges would not affect borrower's obligation of strict compliance with the repayment which the borrower hereby acknowledge and agree to be an essential condition for the grant of the loan.

6. The Borrower shall not close his/her bank account without prior intimation to Lender and the company and in case such an account is closed, the Borrower shall substitute all PDCs with fresh PDCs.
7. The Borrower shall utilize the said Loan only for the purpose as stated in the registration and the loan shall not be utilized for any other purpose. The Borrower shall intimate the purpose for which it is desirous of utilizing this loan amount.
8. The Borrower agrees that the Lender, without necessity of any demand upon or notice to the Borrower can present the PDCs to the bank on the due date and also upon the happening of any of the following events: (a) If any representations or statements or particulars made in the Borrower's proposal / application are found to be incorrect or (b) the Borrower commits any breach of any term set out in this Agreement; (c) If any attachment, distress execution or any other such process is initiated against the Borrower; and (d) in case of a legal entity, if the

Borrower ceases or threatens to cease or carry on its business or profession;

9. The rights, powers and remedies given to the Lender by this agreement shall be in addition to all rights, powers and remedies given to the Lender by virtue of any other security, statute or rule of law. The Lender may exercise a lien or right to set – off with respect to any obligation of the Borrower on the Lender in the same manner as if the obligations were unsecured and shall have a lien on all property /credit balance in any other account of the Borrower or securities of the Borrower in the Lender's possession or custody whether for safe-keeping or otherwise.

If upon demand by the Lender, the balance outstanding in the Loan account is not repaid within the prescribed time, such credit balance in any account may be adjusted towards dues under the Loan account. In case of any deficit, the deficit amount may be recovered by the Lender from the Borrower. Any forbearance of failure or delay by the Lender in exercising any right, power or remedy hereunder shall not be deemed to be waiver of such right, power or remedy and any single or partial exercise of any right, power or remedy hereunder shall not preclude the further exercise thereof and every right and remedy of the Lender shall continue in full force and effect until such right, power or remedy is specifically waived by an instrument in writing executed by the Lender.

10. Disclosure of information to Credit information companies (CICs): Notwithstanding the foregoing, the borrower and lender understand that as a pre-condition relating to the grant of the loan to the borrower, The company requires the borrower's and lender's consent for the disclosure by the company of information and data relating to the borrower and the lender, of the credit availed of/to be availed by the borrower, credit facility granted/to be granted by the lender, obligations assured/to be assured by the borrower and the lender in relation thereto and default, if any committed by the borrower in discharge thereof.

Accordingly, the borrower and the lender hereby agree and give consent for the disclosure by the company of all or any such-

- a. Information and data relating to the borrower and the lender.
- b. The information or data relating to any credit facility availed of/to be availed by the borrower.
- c. The information or data relating to any credit facility granted/to be granted by the lender.
- d. Default, if any committed by the borrower in discharge of such obligation as company may deem appropriate and necessary to disclose and furnish to CICs and any other agency authorized in this behalf by the Reserve Bank of India.

The borrower and the lender also understand that:

- a. CICs and any other agency so authorized may use, process the said information and data disclosed by the company in the manner as deemed fit by them; and
- b. CICs and any other agency so authorized may furnish for consideration the processed information and data prepared by them to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve bank in this behalf.

Additionally, the borrower and the lender hereby also agree and give their consent for the disclosure by the company of all or any information/documents or the data as above for protecting its interests to:

- a. Income tax authorities, credit rating agencies (for the purpose of credit reference checks) or any other Government or any other regulatory authorities/Bodies/Departments as and when so demanded; and
- b. To any court or judicial, statutory or regulating authority/Tribunal/Arbitrary pursuant to

an order/direction to this effect, as and when required.

11. The Borrower shall indemnify and hold the Lender harmless from and against any and all loss, damage or other consequences which may arise or result from giving the Loan to the Borrower and shall reimburse the Lender upon demand all such sums and shall upon request appear and defend at the Borrower's own cost and expenses any action which may be brought against the Lender in connection therewith. The Borrower and the Lender acknowledge that the Company is not obligated to perform any obligation for them and that it is only a service provider to them that facilitates the transaction between them. In case of any loss or damage to Company due to their action or inaction, the Lender and the Borrower shall indemnify the Company.
12. The Borrower shall reimburse and pay to the Lender all costs, charges and expenses, including stamp duty and legal costs on actual basis and other charges and expenses which may be incurred in preparation of these presents and related to and or incidental documents and enforcement of the rights of the Lender there under or any other document security created / executed by the Borrower in favour of the Lender.
13. The Borrower agrees to accept the statement of account sent by the Lender or the Company as conclusive proof of the correctness of any such claim to be due from him.
14. Any notice or demand hereunder shall be in writing signed by any Lender's representatives and may be made by leaving the same or sending it through the post addressed to the Borrower at the address specified above or the address last know to the Lender; and a notice or demand so given or made shall be deemed to be given or made on the day it was so left or, as the case may be, two business days following that on which it was so posted with acknowledgement due, and shall be effectual notwithstanding that the same may be returned undelivered and notwithstanding the Borrower's change of address.
15. If any provision of this agreement is illegal, invalid or unenforceable for any reason, it will be severed from the remaining provisions when will remain unaffected.
16. All disputes relating to this Agreement, to the extent permissible under the applicable law, shall be resolved by amicable settlement between the parties failing which the dispute may be referred to arbitration. In the event of the Parties opting for arbitration, its proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996, by a sole arbitrator appointed mutually by the parties. The arbitration shall be conducted in English and the venue of arbitration shall be Hyderabad, Telangana. The award of the arbitrator shall be final and binding on the parties.
17. This Agreement shall be governed by and construed in all respect with the Indian Laws and any matter or issues arising hereunder or any dispute hereunder shall, subject to the arbitration provisions herein, be subject to the competent Courts within the local limits of whose jurisdiction, the Lender resides or ordinarily carries on his business or personally works for gain, such courts will have exclusive jurisdiction over this agreement. The lender may authorize the company to represent him in the court at the lenders expense, through their legal counsel, in which case the jurisdiction of this agreement will be in Hyderabad, Telangana.

IN WITNESS WHEREOF, parties hereby execute this loan agreement on the date first hereinabove written.

\_\_\_\_\_  
Lender Name: .....

\_\_\_\_\_  
Borrower Name: .....

Witness:	Witness:
Name:	Name:
Address:	Address:

Schedule-I

Name of the Lender	
Name of the Borrower	
Loan ID	
Loan Amount	
Loan Date	
Loan Tenure(in months)	
Loan Interest Rate	
EMI Amount	

Schedule-II

Name of the account	Bank name	Bank account no.	Branch	IFSC code
Lender name -----				
Borrower name -----				
Finsquare Fintech Private Limited – Lenders Funding Escrow account				
Finsquare Fintech Private Limited – Borrowers repayment escrow account				

Schedule-III

Particulars	Borrower	Lender
Registration fee	Rs. ..../-	Rs..... /-
Service fee (Excl borrower insurance fee)	Rs..... /-	Rs...../-
Delayed payment charges	Rs. 500/- + GST for delay in each EMI	
Installment Collection and EMI Processing.		4% of each EMI till loan closure.