

LOAN AGREEMENT

This Loan Agreement ("Agreement") made and entered into at the place and on the date as stated in the Schedule BETWEEN LIC Housing Finance Limited, a Company incorporated under the Companies Act, 1956, and having its Registered Office at Bombay Life Building, 2nd Floor, 45/47, Veer Nariman Road, Mumbai - 400 001 and an Area Office as more particularly mentioned in the Schedule herein,, hereinafter called 'LICHFL' (which expression shall unless the context otherwise requires, include its successors and assigns) of the One Part AND the Borrower/s whose name and addresses are as stated in the Schedule, hereinafter called "**Borrower/s**" (which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include his/ her/ their respective executors, administrators, legal heirs) of the Other Part.

The LICHFL and the Borrower/s shall wherever the context permits be referred to as the '**Parties**'.

Article 1. DEFINITIONS

- 1.1 The following definitions apply throughout this Agreement unless otherwise stated:
- a) "Schedule" means the schedule written at the end of this Agreement and constituting the part of this Agreement.
 - b) "Construction" means and includes modification, improvement or extension or renovation of a house / flat.
 - c) "INTEREST" shall mean interest as referred to in article 2.2 and the Schedule.
 - d) "LOAN" means the amount of the financial assistance provided by LICHFL directly or indirectly or in any form and by whatever name called and more particularly referred in the Schedule for the Purpose.
 - e) "Outstanding Amount", shall include principal amount, interest, additional interest, Pre Equated Monthly Installment Interest (PEMII) and any amount payable by the BORROWER/S under this Agreement.
 - f) "Loan Application" means the application submitted by the BORROWER/S to LICHFL for availing of the LOAN.
 - g) "PROPERTY" means the immovable property, described in the Schedule or any time subsequently, the acquisition / construction of which is financed partly by LICHFL and include:

- A) In the case of a flat, the entire built-up area (and any additions thereto), the proportionate share in the common areas of the building in which such flat is/will be situated and the proportionate undivided share in the land on which the said building is situated or is being/will be built.
- B) In the case of a plot/ house, entire plot of land and the house situated thereon or on which the house will be built.
- h) "Purpose" shall mean any one or two or more of the following: the purchase / construction / extension / modification / renovation / repairs of the residential plot / house / flat by the Borrower/s.
- i) "PREPAYMENT" means premature repayment in part or in full as per the terms and conditions laid down by the LICHFL in that behalf and as in force at the time of prepayment within the Term through any mode as approved by LICHFL including Electronic Clearing Services (E.C.S.) or Post Dated Cheques (P.D.C.) or Salary Deduction or through Collecting Bank or any other mode as may be prescribed by LICHFL from time to time.
- j) "REPAYMENT" OR "Payment" means the repayment or payment of the EMI or PEMII or Outstanding Amount to LICHFL within the Term through any mode as approved by LICHFL including Electronic Clearing Services (E.C.S.) or Post Dated Cheques (P.D.C.) or Salary Deduction or through Collecting Bank or any other mode as may be prescribed by LICHFL from time to time.
- k) "Equated Monthly Installment" (EMI) means the amount of monthly payment necessary to amortize the loan with interest within such period as may be determined by the LICHFL from time to time.
- l) "Pre Equated Monthly Installment" (PEMII) means interest as referred in article 2.2, at the rate indicated in the schedule on the Loan from the date/respective dates of disbursement to the date immediately prior to the date of commencement of EMI.
- m) "EMI Date" shall mean the date as mentioned in the Schedule on which EMI or PEMII payment has to be made by the Borrower/s.
- n) "Term" shall mean the period of the Loan as mentioned in the Schedule or as may be extended due to the change in the rate of interest or as may be extended by LICHFL at its sole discretion from time to time.

- o) "Collecting Bank" shall mean the authorised Bank by LICHFL wherein the Borrower/s can make the Payment or Repayment as per this Agreement.
- 1.2 Any expression not defined in this Agreement but defined in the General Clauses Act, 1897 shall have the meaning contained in that Act.
- 1.3 Reference to the masculine gender includes feminine gender.
- 1.4 The term "BORROWER/S", wherever the context so requires, shall mean to be construed as, include more than one.

Article 2.
LOAN, INTEREST Etc.

- 2.1 **Loan Amount:** The LICHFL hereby agrees to grant to the BORROWER/S and the BORROWER/S hereby agrees to avail from the LICHFL, the LOAN mentioned in the Schedule in the manner and on the terms and conditions as mentioned in this Agreement.
- 2.2 **Interest**
 - (a) In the event the BORROWER/S opts for the Floating Rate of Interest offered by LICHFL, the special offer rate of interest stipulated in the schedule shall be reviewed after three (3) months from the date of first disbursement and thereafter the interest shall be based on the LIC Housing Prime Lending Rate (LHPLR) plus/minus the spread as prevailing at the time of sanction (subject to periodic review) as fixed by LICHFL from time to time. The Revised Floating Rate of Interest will be applicable with effect from 1st day of the next month, as the case may be.
 - (b) In the event the Borrower/s opts for the Fixed scheme of interest for 3 years or for 5 years or 10 years as mentioned in the schedule ("Period of fixed Interest "),, the rate of interest offered by LICHFL shall be the fixed rate of Interest as provided in the Schedule for the Period of fixed Interest .However after expiry of the Period of fixed Interest, the LOAN shall attract Floating rate of interest based on the LIC Housing Prime Lending Rate (LHPLR) plus/minus the spread prevailing at the time of sanction.
 - (c) The BORROWER/S shall reimburse or pay such amount as may have been paid or payable by LICHFL to the Central or State Government on account of any tax levied on interest (and/or other charges including the PEMII) on the LOAN by the Central or State Government. The

reimbursement or payment shall be made by the BORROWER/S as and when called upon to do so by LICHFL.

- (d) The Borrower hereby consents that in addition to what is stated / agreed in clause 2.2. (a), (b) & (c) hereinabove, LICHFL, at any time during the Term without notice to the Borrower, may vary / reschedule / enhance the rate of interest depending upon the Credit Performance of the Borrower or on happening of a Market Disruption Event ("MDE"). The Credit Performance of the Borrower for this clause shall mean and include, but not limited to any non-payment of Loan, non - payment of Interest, non - payment of EMI's in time, non - compliance with terms and conditions of this Agreement or the like. Market Disruption Event ("MDE") for this clause shall mean and include, but not limited to any event which affects the cost of funds of the LICHFL.

2.3 Computation of Interest: The Equated Monthly Installment is computed on the basis of rest as mentioned in the schedule and is rounded off to the next Rupee. Interest or any other charge shall be computed on the basis of 365 days a year.

2.4 Details of Disbursement: LICHFL shall disburse the LOAN in one lump sum or in suitable installments having regard to the needs of the BORROWER/S. The Loan shall be disbursed after the Borrower/s's own contribution has been made for the same to the builder / developer / vendor, and such proof is furnished to LICHFL by the BORROWER/S, as may be necessary or desired by LICHFL. The disbursal towards construction/improvement of PROPERTY shall be made only after the BORROWER/S commences the construction / improvement work on the PROPERTY, and such proof is furnished to LICHFL by the BORROWER/S, as may be necessary or desired by LICHFL. The disbursal shall be in stages as per the progress of work as prescribed in the internal guidelines of LICHFL, as applicable from time to time. The decision of LICHFL in this regard shall be final, conclusive and binding on the BORROWER/S. The BORROWER/S shall acknowledge the receipt, in the form required by LICHFL, of each amount so disbursed.

2.5 Mode of Disbursement

- (a) Disbursement of the LOAN may be made directly to the Builder/ Developer/vendor and/or in such other manner as may be decided solely by LICHFL.
- (b) LICHFL shall have the right to adjust PEMII or any other dues against undisbursed amount.
- (c) Disbursement shall be deemed to have been made to the BORROWER/S on the date of the cheque/Demand Draft or payment advice as the case

may be, under which such disbursement shall have been made irrespective of the date on which the disbursement may have been received by or on behalf of the BORROWER/S. All payments to be made by LICHFL to the BORROWER/S under or in terms of the LOAN shall be made by cheque/demand draft/pay order duly crossed and marked "A/c Payee Only" and collection charges, if any, in respect of all such demand draft/pay orders/Cheques will have to be borne by the BORROWER/S.

- (d) Interest on LICHFL LOAN will begin to accrue in favor of LICHFL as and from the date of the cheque / Demand Draft or payment advice as the case may be irrespective of the time taken for transit / collection / realizations by the BORROWER/S or on his behalf.

2.6 Amortization

- i. Subject to Article 2.2 and the provision for variation of interest rates, etc. contained in this Agreement the Borrower/s will amortize the Loan as stipulated in the schedule, subject however that in the event of delay or advancement of disbursement for any reason whatsoever, the date of EMI shall be the date mentioned in the Schedule hereinbelow or as mutually decided by the parties.
- ii. In addition to (i) above, the Borrower/s shall pay to LICHFL, PEMII every month, if applicable.
- iii. Notwithstanding what is stated in Article 2.6(i) above and in the schedule, LICHFL shall have the right at any time, to review and reschedule the repayment terms of the Outstanding Amount thereof. In such event/s the Borrower/s shall repay the Outstanding Amount thereof as per the revised schedule as may be determined by LICHFL in its sole discretion.
- iv. Save and except as provided under sub-article (v) below, for administrative convenience the Equated Monthly Installment is intended to be kept constant irrespective of variation in the Floating Rate, and as a result of this the number of Equated Monthly Installments is liable to vary. No intimation shall be given by LICHFL as to the number of Equated Monthly Installments required to be paid by the Borrower/s upon each revision of Floating Rate. The information as to the revision of applicable/applied Floating rate during the financial year of LICHFL and the number of Equated Monthly Installments payable from the last revision of Floating Rate during such year shall be intimated by LICHFL to the Borrower/s annually. The Borrower/s shall pay Equated Monthly Installments until the LOAN together with interest is repaid in full.

- v. Notwithstanding anything to the contrary contained in this Agreement, having regard to the Floating Rate for the time being, LICHFL shall be entitled to increase the Equated Monthly Installment suitably if Equated Monthly Installment is not adequate to cover interest in full and/or the principal component contained in the Equated Monthly Installment is inadequate to amortize the Loan within such period as determined by LICHFL.
- vi. LICHFL shall have the right to vary its LIC Housing Prime Lending Rate (LHPLR) / Floating Rate from time to time in such manner as LICHFL may deem fit in its own discretion.

2.7 Delays in Payment

- (a) No notice, reminder or intimation shall be given to the Borrower/s regarding his obligation and responsibility to ensure prompt and regular payment of interest, PEMII or Equated Monthly Installment (EMI) and all other amounts payable by the Borrower/s to LICHFL on the respective due dates.
- (b) Without prejudice to LICHFL's other rights, delay in payment of Equated Monthly Installment (EMI) or PEMII shall render the BORROWER/S liable to pay additional interest at the rate mentioned in the schedule or at such higher rate as per the rules of LICHFL in that behalf as in force from time to time. In such event, the BORROWER/S shall also be liable to pay incidental charges and costs to LICHFL.

2.8 Pre-payment of LOAN: LICHFL may, in its sole discretion and on such terms, as to pre-payment charges etc. as mentioned in the Schedule herein, prescribe / permit prepayment / acceleration in payment of Equated Monthly Installments (EMI) at the request of the BORROWER/S. In the event LICHFL permits any prepayment/ acceleration, the repayment schedule for the Loan may be amended /altered by LICHFL for giving effect to such prepayment / acceleration, and such amended/altered repayment schedule shall be binding upon the BORROWER/S. In the event of prepayment, the new repayment / amortization schedule shall be effective from EMI Date of the subsequent month.

2.9 Alteration and Re-Scheduling of Equated monthly installment EMI: If the entire amount of LOAN is not drawn by the BORROWER/S within a period of 12 months from the effective date, Equated monthly installments (EMI) may be altered and re-scheduled in such manner and to such extent as LICHFL may, in its sole discretion, decide and the repayment will thereupon be made as per the said alteration and re-scheduling notwithstanding anything stated in this agreement.

- 2.10 **Terminal Dates for Disbursement:** Notwithstanding anything contrary contained herein LICHFL may by notice to the BORROWER/S suspend or cancel further disbursement of the LOAN, if the LOAN shall not have been fully drawn within Twelve months from the date of the sanction letter.
- 2.11 **Upfront Fees:** BORROWER/S has / have paid to LICHFL the Upfront Fees as notified in the Sanction Letter issued by the LICHFL to the Borrower. BORROWER/S shall pay to LICHFL a commitment Fees as mentioned in the schedule.
- 2.12 **Liability of the BORROWER/s to be Joint and Several:** Where the LOAN is provided to more than one BORROWER/S or where the payment obligations are secured by any guarantee, notwithstanding any thing herein stated, the liability of the BORROWER/s / guarantors to repay Outstanding Amount and to observe the terms and conditions of this Agreement and terms and conditions of any other agreement/s / document/s that may be executed by the BORROWER/S with LICHFL in respect of the LOAN or any other loan or loans shall be joint and several.

ARTICLE 3
COVENANTS FOR SECURITY

- 3.1 **Security for the loan:** The Borrower/s covenants that the Loan and the Outstanding Amount under this Agreement shall be secured by the Security as LICHFL shall determine in its sole discretion, with the right to decide the place, timing and type of the Security including the manner of its creation and/or additional Security it may require and the Borrower/s shall create the Security as may be decided by LICHFL: -
- 3.2 The Borrower/s shall comply with the following:
- a) Execute a money bond or a promissory note in favor of LICHFL for the amount of the Loan;
 - b) Assign in favour of LICHFL life insurance policy (ies) under such plan and for such sum assured as may be required and approved by the LICHFL;
 - c) Execute any such agreement/s, document/s, undertaking/ including deed of guarantee by surety / ies of sound financial standing and an irrevocable Power of Attorney inter alia authorizing the LICHFL to create an Equitable Mortgage or Mortgage by deposit of title deed or such other mortgage as the LICHFL deem fit, over the Property in its favour as may be required now or hereafter at any time during the pendency of this Loan/or Outstanding

Amount or any other loan or loans granted by LICHFL to the Borrower/s before or hereafter.

- 3.3 **Continuing Security:** Security furnished / to be furnished or procured or to be procured by the BORROWER/S in connection with the LOAN shall remain a continuing Security to LICHFL and binding upon the BORROWER/S and:
- (a) Shall not be discharged by intermediate payment by the BORROWER/S or any settlement of accounts by the BORROWER/S so far as any part of the Outstanding Amount remains outstanding to be paid by the Borrower/s;
 - (b) Shall be in addition to and not in derogation of any other Security which LICHFL may at any time hold in respect of the dues of BORROWER/S; and
 - (c) Shall be available to LICHFL until all accounts between LICHFL and the BORROWER/S in respect of the Outstanding Amount / Loan are ultimately settled to the satisfaction of LICHFL.

Article 4
Conditions Precedent to Disbursement of LOAN

- 4.1 The obligation of LICHFL to make any disbursements shall be subject to:
- i. Non-existence of Event of Default: No event of default as defined in Article 7.1 shall have happened.
 - ii. Utilization of Borrowers' Contribution: The Borrower/s assures LICHFL that he has, prior to receiving the disbursement of the Loan, utilized his own contribution i.e. the cost in respect of the Property for the Purpose less LICHFL's Loan.
 - iii. Utilization of prior Disbursement: The BORROWER/S shall have provided, to LICHFL, proof to the satisfaction of LICHFL regarding utilization of the proceeds of any prior disbursement.
 - iv. Evidence for Utilization of Disbursement: LICHFL should be satisfied at the time of request for a disbursement that the same is required immediately by the BORROWER/S for the Purpose and the BORROWER/S shall provide evidence satisfactory to LICHFL of the proposed utilization of the proceeds of the disbursement of LOAN.
 - v. Extra Ordinary Circumstances: No extraordinary or other circumstances shall have occurred which, in the sole opinion of LICHFL, may make it

improbable for the BORROWER/S to fulfill any of these terms and conditions.

- 4.2 The BORROWER/S shall make delivery of the following to LICHFL, satisfactory in the form and substance as required by LICHFL:
- (i) Evidence that all consents, approvals and permissions required for availing of the LOAN and/or creation of Security have been obtained or evidence to the effect that these are not required.
 - (ii) Security documents and/or guarantee(s) as required by LICHFL.
 - (iii) Evidence of a subsisting contract for sale of the PROPERTY in favor of the BORROWER/S and that necessary Security can be created in favor of LICHFL in the form and manner as approved by LICHFL.
- 4.3 In the event the Security furnished by the BORROWER/S is found to be insufficient / incorrect in value, the BORROWER/S shall be directed to furnish additional Security as may be required by LICHFL. Notwithstanding the above, in the event the Security furnished by the BORROWER/S is subsequently found to be of inferior value to that as declared by the BORROWER/S in Loan Application, the LOAN may be recalled by LICHFL with immediate effect.

Article 5
COVENANTS

- 5.1 **Affirmative Covenants:** The BORROWER/S hereby expressly covenants as follows:-
- (a) *Utilization of LOAN:* The entire LOAN will be utilized for Purpose and as indicated in the application and for no other purpose whatsoever.
 - (b) *Construction:* The PROPERTY will be acquired and/or Construction will be completed on the land comprising the PROPERTY as indicated in the application and in accordance with the sanctioned plan and the BORROWER/S will obtain and produce to LICHFL a proper true copy of occupation/completion certificate issued by the concerned Municipal and or other concerned authority.
 - (c) *Notify causes of delay:* LICHFL shall promptly be notified of any event or circumstances which might cause a delay in the commencement or completion of the Construction of the PROPERTY or delay in the acquisition of the PROPERTY.
 - (d) *Maintenance of PROPERTY:* The PROPERTY will be maintained, when purchased/completed, in good order and condition and all necessary

repairs, additions and improvements thereto will be made during the currency of LOAN and that the BORROWER/S will ensure that the value of the PROPERTY does not diminish.

- (e) *To notify change in employment etc:* LICHFL will be notified of any change in the employment, business or profession of BORROWER/S well in advance.
- (f) *Compliance with rules etc.:* All the terms and conditions of holding the PROPERTY and all the rules, regulations, bye-laws, etc., of the concerned Co-operative Society, Association, Limited company or any other Competent Authority will be complied with. Maintenance and other charges for the upkeep of the PROPERTY any other dues, as may be payable in respect of the PROPERTY and/or for the use thereof will be paid within due dates.
- (g) *Insurance:* it will be ensured that the PROPERTY is insured against fire, earthquake, flood, storm, tempest or typhoon and other hazards, as may be required by LICHFL, with them being made the sole beneficiary under the policy, for a value as required by LICHFL and produce evidence thereof to LICHFL before tenth day of January of every year and/or whenever called upon to do so.
- (h) *Loss or damage by uncovered risks:* LICHFL will promptly be informed of any loss or damage to PROPERTY due to any act of God or damage or other risks against which the PROPERTY may not have been insured.

5.2 *Notify Additions, Alterations:* The Borrower/s shall notify and furnish details of any additions to or alterations in the PROPERTY or the use of the Property which might be proposed to be made during the pendency of the LOAN.

5.3 *LICHFL's Right to Inspect:* The BORROWER/S agrees that any person authorized by LICHFL shall have free access to the PROPERTY for the purpose of inspection/supervising and inspecting the progress of construction and the accounts of construction to ensure proper utilization of the LOAN. The Borrower/s further agrees that LICHFL shall have free access to the property for the purpose of inspection at any time during the pendency of LOAN.

5.4 *Appropriation of payments:* Unless otherwise agreed to by LICHFL any payment due and payable under the Loan Agreement and made by the Borrower/s would be appropriated towards such dues in the order, namely:

- (i) Costs, charges, expenses, incidental charges and other monies that may have been expended by LICHFL in connection with recovery;

- (ii) Additional interest and/or liquidated damages on defaulted amount;
- (iii) Prepayment charge, commitment charge and fees;
- (iv) PEMII;
- (v) EMI;
- (vi) Loan.

5.5 **Negative Covenants:** The BORROWER/S further covenants with LICHFL that unless, LICHFL shall otherwise previously approve in writing, the BORROWER/S shall not:

- (i) Let out or give on leave & license or otherwise part with the possession of the PROPERTY or any part thereof.
- (ii) Sell, mortgage, lease, surrender or otherwise alienate, encumber or create a third party interest in the PROPERTY or any part thereof.
- (iii) Enter into any agreement or arrangement with any person, institution or local or Government body for the use, occupation or disposal of the PROPERTY or any part thereof.
- (iv) Change use of the PROPERTY. Provided that if the PROPERTY is used for any purpose other than the approved / permitted purpose, in addition to any other action which LICHFL might take, LICHFL shall be entitled to charge, in its sole discretion, such higher rate of interest as might fix in the circumstances of the case.
- (v) Amalgamate or merge the PROPERTY with any other property.
- (vi) Create any right of way or any other easement on the PROPERTY.
- (vii) Stand surety for anybody or guarantee the repayment of any loan or overdraft or the purchase of any asset other than the present Loan.
- (viii) Leave India for employment or business or for long term stay abroad for any other purpose without fully repaying Outstanding Amount as per the rules of LICHFL then in force. Whether the stay is long term or not shall be decided solely by LICHFL.

- (ix) Execute any document, such as Power of Attorney, or any other similar or other deed, in favor of any person to deal with the PROPERTY in any manner.
- 5.6 The BORROWER/S, his heirs, legal representatives, executors, administrators and successors are bound by the terms and conditions of this Agreement. However, the BORROWER/S shall not be entitled to transfer or assign any of his rights and obligations under this Agreement.

Article 6
BORROWERS' REPRESENTATION AND WARRANTIES

- 6.1 The BORROWER/S hereby warrants and undertakes to LICHFL:
- a) *Confirmation of LOAN Application:* That the information given in the Loan Application and any prior or subsequent information provided or explanation furnished, to LICHFL in this behalf are true, complete and accurate in every respect and LICHFL may at any time, call for verification of any/all such information. Any such information in possession of LICHFL shall be deemed to have been given only by the BORROWER/S.
 - b) *Disclosure of material changes:* That subsequent to the Loan Application there has been no material change which would affect the PROPERTY or the grant of the LOAN as requested for in the Loan Application.
 - c) That the BORROWER/S will promptly give written notice to LICHFL of:
 - i. Any dispute which might arise between the BORROWER/S and any person or any governmental body or authority relating to or concerning the said PROPERTY.
 - ii. Any distress or execution being levied against the said PROPERTY.
 - iii. Any material circumstances affecting the ability of the BORROWER/S to repay the LOAN in the manner stipulated hereunder.
 - d) *Disclosure of defects in PROPERTY:* That the BORROWER/S is not aware of any document, judgment or legal process or other charges or of any latent or patent defect affecting the title of the PROPERTY or of any material defect in the PROPERTY which has remained undisclosed and/or which may affect LICHFL prejudicially.

- e) *Public schemes affecting the PROPERTY:* That the PROPERTY is not included in or affected by any of the schemes of Central/State Government or of the improvement trust or any other public body or local authority or by any alignment, widening or construction of road under any scheme of the Central/State Government or of any Corporation, Municipal Committee, Gram Panchayat, etc.
- f) *Due payments of public and other demands:* That the BORROWER/S has paid and/or will pay when due, all public demands such as Income Tax, Property taxes and all the other taxes and revenues payable to the Government of India or to the Government of any State or to any local authority and that at present there are no arrears of such taxes and revenues due and outstanding.
- g) That the BORROWER/S does not violate any covenant, conditions or stipulations under any existing agreements entered into by the BORROWER/S with any party, by availing the LOAN from LICHFL
- h) That all the necessary approvals for availing the LOAN and creating the Security / securities have been obtained or shall be obtained.
- i) That the BORROWER/S is entitled and empowered to borrow, provide the Security documents, execute the promissory notes and all other documents in connection with and upon execution, the same will create legal and binding obligations on the BORROWER/S.
- j) That the Borrower/s is not party to any litigation, of a material character. That the Borrower/s is not aware of any facts likely to give rise to such litigation or material claims against the Borrower/s.
- k) That no suit is pending in the municipal magistrate's court or any other court of law in respect of the property nor has the Borrower/s been served with any notice for infringing the provision of the municipal Act or any Act relating to local bodies or Gram Panchayats or local Authorities or with any other process under any of these acts.
- l) That LICHFL will be given written notice on completion of Construction: The BORROWER/S will obtain certificate of Occupation and certificate of completion, if any, from the relevant authorities and furnish true copy thereof to LICHFL.
- m) That Borrower/s will, on LICHFL's request, do, perform and execute such acts, deeds, matters and things as LICHFL may consider necessary either

to perfect the Security provided for or to carry out the intent of this Agreement.

- n) That until any moneys are due or outstanding under this Agreement, the BORROWER/S shall ensure that the Insurance Policy/ies (wherein LICHFL is a payee/beneficiary/assignee) are valid, subsisting and operative by complying with the terms of issue of such insurance policy/ies including the timely payment of the premium for such policy/ies, and agrees to produce the necessary proof / receipts of such validity / subsistence / operativeness to LICHFL whenever required.
- o) That the BORROWER/S agrees, confirms and acknowledges that BORROWER/S has exercised due care and caution (including, where necessary, obtaining of advise of tax / legal / accounting / financial other professionals) prior to taking of the decision, acting or omitting to act, in respect of the financing of the PROPERTY and further agrees, confirms and acknowledges that LICHFL is not responsible for any delay in Construction/ giving of possession / completion of the PROPERTY to the BORROWER/S or for the quality, condition or fitness of Construction of the PROPERTY including where LICHFL may have approved/sanctioned or otherwise provided the BORROWER/S any information in respect of the builder/ developer/ seller of the PROPERTY.
- p) That the BORROWER/S agrees, confirms and acknowledges that the documents pertaining to acquisition of PROPERTY as entered into by the BORROWER/S or executed for and on behalf of the BORROWER/S are valid and subsisting at the time of provision of whole or a part of the LOAN, and shall remain valid and subsisting during the tenure of the LOAN subject to the terms of this Agreement, and the legal and beneficial ownership of the PROPERTY shall continue being in favor of the BORROWER/S during the Term of the LOAN.
- q) The Borrower/s has/have not applied for loan from any other housing finance companies/banks/NBFCs for financing the cost of acquisition of the property nor has created any encumbrances in or over the property in favour of any thirds party.

Article 7
REMEDIES OF LICHFL

If one or more of the events specified in “Events of default” shall have happened, then LICHFL, by a written notice to the BORROWER/S may declare that the Outstanding Amount payable by the BORROWER/S shall become payable forthwith by the BORROWER/S to LICHFL under or in terms of this Agreement and/or any other

agreement/s, document/s subsisting between the BORROWER/S and LICHFL, and upon such declaration the same shall become due and payable forthwith and the Security created in favor of LICHFL shall become enforceable.

7.1 Events of Default

- a) *Payment of Dues*: If default shall have occurred in payment of interest and/or Equated Monthly Installments and/or in payment of any other amounts due and payable to LICHFL within the Term of the LOAN and/or in terms of any other Agreement/s document/s that may be subsisting or that may be executed between the BORROWER/S and LICHFL.
- b) *Performance of Covenants*: If default shall have occurred in the performance of any other covenants, conditions, representations and/or warranties or agreements on the part of the BORROWER/S under the LOAN or any other agreement/s between the BORROWER/S and LICHFL.
- c) *Supply of Misleading Information*: If any information given by the BORROWER/S in the Loan Application or otherwise is found to be misleading or incorrect in any material respect or any warranty referred to in this Agreement is found to be incorrect.
- d) *Depreciation of Security*: If the Security for the LOAN depreciates in value to such an extent that in opinion of LICHFL further Security should be given and such Security is not given.
- e) *Sale or Disposal of PROPERTY*: If the PROPERTY or any part thereof is let out, given on leave or license, sold disposed of, charged, encumbered or otherwise alienated in any manner without the prior approval of LICHFL.
- f) *Attachment or Distraint of Property*: If an attachment or distraint is levied on the PROPERTY or any part thereof and/or recovery proceedings are taken or commenced for recovery of any dues from the BORROWER/S.
- g) *Failure to furnish information/documents*: If the BORROWER/S fails to furnish, any information/documents as, required by LICHFL.
- h) *Failure to inform event of default*: If the BORROWER/S fails to inform, to the LICHFL, the happening of any event of default or any event which after the notice, or lapse of time, or both, would become an event of default.
- i) *Non-payment/non-renewal of Cheque*: If a cheque in respect of any monthly payment is not paid on the date thereof or where any such cheque is not renewed before the date of its payment.

- j) *Non-delivery of Cheques*: If the BORROWER/S fails to deliver PDC's in accordance with the terms of the Agreement or as and when demanded by the LICHFL.
- k) *Failure to deliver balance confirmation*: If the BORROWER/S fails to sign and deliver to LICHFL the balance confirmation of Outstanding Amount as and when so required by the LICHFL in the absence of any manifest error in calculation of such statement pointed out by the BORROWER/S within 10 (ten) days after receiving the balance confirmation statement from LICHFL.
- l) *Security becoming unenforceable*: If any Security or guarantee of the LOAN becomes unenforceable or infructuous or is challenged by the BORROWER/S or any other person.
- m) *Cross Default*: If the BORROWER/S makes the default under any credit facility, agreement or arrangement with LICHFL or its subsidiaries and affiliates or any other Bank / Financial Institution / Non Banking Financial Company/ Housing Finance Company and other Lender / Creditors and in respect of any credit facility, agreement or arrangement with the LICHFL or its subsidiaries and affiliates, and vice-versa.
- n) *Short Payment*: Where any payment made by the BORROWER/S to LICHFL falls short of the payment required to be made by the BORROWER/S with respect to the amount due from the BORROWER/S to LICHFL.
- o) *Death of the BORROWER/S*: In the event of death of BORROWER.

7.2 In case of the Event of Defaults or in case of any of the events happening as stated hereinbefore, LICHFL would have the full rights to realize the Outstanding Amount by selling, disposing off the Security or any part thereof on such terms and for such price that the LICHFL thinks fit, and apply the net proceeds towards the satisfaction of the Outstanding Amount under intimation to the Borrower/s.

7.3 **Insolvency**: If the BORROWER/S commits an act of insolvency or if the BORROWER/S is declared insolvent or bankrupt or if a liquidator, receiver or official assignee is appointed in respect of any property or estate of the BORROWER/S or if the BORROWER/S makes any application for declaring himself an insolvent or if an application for declaring the BORROWER/S as insolvent/bankrupt is made or any order is passed by any competent authority for taking the BORROWER/S into insolvency then in any of these events the entire Outstanding Amount shall become due and payable forthwith.

- 7.4 **Expenses of Preservation and of Collection:** The Borrower/s shall be liable to reimburse LICHFL all costs incurred by LICHFL/the Security trustee nominated by LICHFL after an event of default has occurred in connection with:
- (i) The preservation of the Security or the assets of BORROWER/S including the PROPERTY and
 - (ii) The collection of amounts due under the LOAN shall be charged to the BORROWER/S and reimbursed by the BORROWER/S as LICHFL shall specify.
- 7.5 **Issue of certificates:** LICHFL may issue any certificate as regards payment of any amounts paid by the Borrower/s to LICHFL in terms of this Agreement only if the Borrower/s has paid all amount due under the Agreement to LICHFL and the Borrower/s has complied with all the terms of this Agreement.
- 7.6 In the event of default LICHFL shall be entitled to communicate, in any manner it may deem fit, to or with any person with a view to receiving assistance of such person or persons in recovering the defaulted amounts. Also authorized representatives of LICHFL shall be entitled to visit the property and/or any place of work of the Borrower/s. LICHFL will have an unqualified right to disclose or publish the details of the default and the name and photo of the BORROWER/S as defaulters in such manner and through such medium as LICHFL in its absolute discretion, may think fit.

Article 8
WAIVERS

No delay in exercising or omission to exercise, any right, power or remedy accruing upon any default under the LOAN or any other Agreement or document shall impair any such right, power or remedy nor shall be construed to be a waiver thereof or any acquiescence in such default; nor shall the action or inaction of LICHFL in respect of any default or any acquiescence by it in any default affect or impair any right, power or remedy of LICHFL in respect of any other default.

Article 9
EFFECTIVE DATE OF TERMS AND CONDITIONS

This Agreement shall come in force from the date of signing of this Agreement and shall remain in force and effect until all the Outstanding Amount due and payable to LICHFL under the LOAN as well as other agreements/ documents that may be subsisting/executed between the BORROWER/S and LICHFL is fully paid.

Article 10

Miscellaneous

10.1. LICHFL may return the Security to either or any of the Borrowers or their representatives , guarantors or person in possession of the property notwithstanding any contrary advice/intimation from either/any of the Borrowers at a later date. Any such return or release or handing over of the Security shall discharge LICHFL of any obligations in respect of the Security and none of the Borrower/s shall dispute or challenge the same.

10.2 **Place and Mode of Payment by the BORROWER/S:**

- (a) All monies due and payable by the BORROWER/S to LICHFL under or in terms of the Loan / Agreement shall be paid at the address mentioned in the Schedule hereto or at such other place or address as LICHFL may require or stipulate.
- (b) LICHFL shall apportion the monies credited to the account of the BORROWER/S with its office as aforesaid towards repayment of LOAN and Interest in accordance with this Agreement. Any amount deposited by the BORROWER/S before the date on which it is to be appropriated for repayment of any amount due to it shall be appropriated by LICHFL towards repayment of the amounts due only on its due date and no interest shall be paid for the unappropriated amount or for interim period till the dues are actually appropriated.
- (c) Notwithstanding any thing to the contrary contained in this Agreement, or any other document or writing, LICHFL shall have the right to receive and to apply/adjust/appropriate any moneys that it may receive in connection with any insurance policy / ies or other instrument of Security wherein LICHFL is a sole payee / beneficiary / assignee against the amounts outstanding under LOAN and, if applicable or necessary, vary the repayment/amortization schedule in any manner as it may deem fit, or cause the moneys received to be appropriated for repayment or payment of any amount due to it on the respective due dates.

10.3 **Annual Income Statement:** If LICHFL requires, The BORROWER/S shall, provide to LICHFL, statement of his annual income. However, LICHFL shall have the right to require the BORROWER/S to furnish such information/documents concerning his employment, trade, business or profession at any time and the BORROWER/S shall furnish such information/documents immediately.

10.4 The BORROWER/S shall permit inspection, of all books of accounts and other records maintained by him, by LICHFL in respect of the LOAN to the persons authorized by LICHFL.

- 10.5 **Terminal Benefits:** The entire Outstanding Amount, shall be payable by the BORROWER/S to LICHFL, if the BORROWER/S opts for any scheme or accepts any offer from his employer providing any benefit on resigning or retiring from the employment prior to superannuation or upon the employer terminating his employment for any reason or upon the BORROWER/S resigning or retiring from the service of the employer for any reason whatsoever. The outstanding dues may be paid from the amount or amounts receivable by him from the employer under such scheme or offer or any terminal benefit as the case may be. Provided however in the event of the said amount or amounts being insufficient to repay the said sums to LICHFL in full, the unpaid amount remaining due to LICHFL shall be paid by the BORROWER/S in such manner as LICHFL may in its sole discretion decide and the payment will be made by the BORROWER/S accordingly. LICHFL is irrevocably authorized to communicate with and receive the said amounts from the employer of BORROWER/S directly. The BORROWER/S shall also authorize his employers to pay its terminations/retirement benefits direct to LICHFL and shall give discharge to his employers for the payment so made direct, to LICHFL.
- 10.6 **Assignment:** LICHFL shall be entitled to sell, assign, securitize or transfer LICHFL's right and obligations under this Agreement and any Security in favor of LICHFL/ the Security trustee nominated by LICHFL (including all guarantee/s) to any person of LICHFL's choice in whole or in part and in such manner and on such terms and conditions as LICHFL may decide. Any such sale, assignment, securitization or transfer shall conclusively bind the BORROWER/S and all other persons.
- 10.7 **Sharing of Information:** The BORROWER/S hereby authorizes LICHFL or its subsidiaries / affiliates and their agents to exchange, share or part with all the information relating to the BORROWERS' LOAN details and repayment history, information and all information pertaining to and contained in this Agreement to affiliates / subsidiaries of LICHFL/ Banks / Financial Institutions / Credit Information Bureaus / Agencies / Statutory Bodies as may be required and undertakes not to hold affiliates / subsidiaries of LICHFL and their agents liable for use of the aforesaid information.
- 10.8 **Costs and Expenses:** The BORROWER/S undertakes to pay, forthwith on demand to LICHFL/the Security trustee nominated by LICHFL all costs and expenses (including legal costs between legal counsel and clients) on a full indemnity basis incurred and/or to be incurred by LICHFL for investigation of title to the property offered as Security and for the preparation, execution, preservation, performance, enforcement and realization of the LOAN, Security documents and other instruments creating and/or evidencing the creation of any Security. The Borrower/s shall further indemnify and keep indemnified LICHFL against all

actions, suits, proceedings and all costs, charges, expenses, losses or damages which may be incurred or suffered by the Lender by reason of any false or misleading information given by the Borrower/s to LICHFL hereunder or any breach / default / contravention/ non-observance/ non-performance by the Borrower/s of any terms, conditions, undertakings, covenants, agreements and provisions herein.

- 10.9 Without prejudice to rights of LICHFL under Chapter XVII of the Negotiable Instrument Act. 1881 or their rights under this Agreement, the BORROWER/S shall pay charges to LICHFL, as decided by LICHFL from time to time, in case of dishonor of the cheque or ECS mandate on the first and subsequent presentations. LICHFL shall have the right to debit the Borrower/s' account pending the recovery of the charges.
- 10.10 Any and all stamp duties, legislation fees or other taxes/levies, in respect of the LOAN and/or in respect of the documents evidencing/concerning the LOAN and/or any penalty/is that may be imposed, shall be borne and paid for only by the BORROWER/S. If the BORROWER/S fails to pay the same, LICHFL will make such payments, in which event such amounts paid by LICHFL will form part of the principal amount of the LOAN disbursed.
- 10.11 **Service of Notice:** Any notice or request to be given or made by a party to the other shall be in writing. Such notice or request shall be deemed to have been duly received by the party to whom it is addressed if it is given or made at such address specified below or at such address as such party shall have designated by notice to the other party giving such notice or making such request:

To the BORROWER/S:

The address as stated in the Loan Application or at the option of LICHFL at the PROPERTY address described in the Loan Application. The Notice shall be deemed to be received by the Borrower/s: - (i) if sent by post on the expiration of 3 days after the same shall have been delivered to the post office; (ii) if sent by e-mail on the same date of the e-mail being sent; and (iii) if delivered personally, when left at the address of the BORROWER/S as aforesaid, and a certificate by an officer of LICHFL who sent such notice or communication that the same was so given or made shall be final and conclusive..

To LICHFL

When it shall have been actually received by the concerned office of LICHFL

- 10.12 Change in address: The Borrower/s shall keep LICHFL informed as regards any changes in his address for service of notice.

10.13 **Jurisdiction**

- (a) The Parties hereby agree that any legal action or proceedings arising out of this Agreement shall be brought in the courts or tribunals at Mumbai in India and irrevocably submit themselves to the Jurisdiction of such courts and tribunals. LICHFL may, however, in their absolute discretion commence any legal action or proceedings arising out of this Agreement in any other court, tribunal or other appropriate forum BORROWER/S hereby consents to that jurisdiction.

- (b) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of this Agreement or affect such provision in any other jurisdiction.

IN WITNESS WHEREOF the Parties have executed this Agreement on the dates and places as mentioned in the Schedule hereinbelow.

SIGNED, SEALED AND DELIVERED)
by LIC Housing Finance Limited by the)
hand of its Authorised Signatory /)
Constituted Attorney Mr. _____)
In the presence of

1.

2.
Signed and Delivered by the)
withinnamed Borrower/s)
)
in the presence of)

1.

2.

DECLARATION FOR SIGNING IN VERNACULAR LANGUAGE / AFFIXING OF THUMB IMPRESSION

I, _____, son/daughter of _____ adult inhabitant of _____ residing at _____, do hereby state and declare on solemn affirmation as under:

I have read out and explained the contents of the Agreement and all other documents incidental to availing the Loan from LICHFL to the Borrower/s i.e. Mr./Ms. _____ and he/she/they have understood the same and do hereby agree to abide by all the terms and conditions of the Loan and clauses of the same.

I declare that whatever I have stated hereinabove is true and correct to the best of my knowledge and belief.

Solemnly affirmed at _____ on this _____ day of _____, _____.

Signed

Name: _____

Relation to Applicant: _____

Signature of Applicant/ Co-applicant
signing in Vernacular Language /
Affixing of thumb impression

Date: _____