



LOAN AGREEMENT

This Loan Agreement (**'Terms'**) is executed on

BY AND AMONGST

North East Small Finance Bank Limited , a company incorporated under the Companies Act, 2013 and registered with the Reserve Bank of India as a banking company, with company identification number U65100AS2016PLC017505 and having its registered office at 1st & 3rd Floor, Fortune Central, Basisthapur, Bye lane 3, Beltola. Guwahati, Assam 781028 (hereinafter referred to as the "**Financing Partner**" or "**NESFB**" or "**Lender**" , which expression shall, unless it be repugnant to the context or meaning hereof, be deemed to include and mean its successors, affiliates and assigns) of the **FIRST PART**;

AND

_____, currently residing at or registered at (hereinafter referred to as the "**Customer**" or "**Borrower**" , which expression shall unless it is repugnant to the context or meaning thereof, mean and include his/her legal heirs, representatives, administrators, executors and permitted assigns) of the **SECOND PART**;

The Lender and the Borrower shall hereinafter be individually referred to as a "**Party**" and collectively as "**Parties**")

WHEREAS:

- A. NESFB is a banking company inter alia engaged in the business of providing banking services to Borrowers in India.
- B. Customer has requested the Lender to grant the Loan to the Customer and the Lender, relying upon the representations made and information



provided by the Customer, has agreed to grant the Loan to the Customer, on the terms and conditions mutually agreed and contained in this Agreement and/or in the Loan Documents, up to the maximum principal amount as mentioned in Schedule I, in its sole and absolute discretion.

NOW THEREFORE, in consideration of the promises and of the mutual agreements, covenants representations and warranties hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending legally to be bound, hereby agree as follows:

1. DEFINITIONS & INTERPRETATION

1. Definitions:

In this Agreement, the following capitalized terms shall have the meaning ascribed to them hereunder and if not defined hereunder, as assigned to such terms in other parts of this Agreement, where indicated:

- a. **"Annual Percentage Rate" or "APR"** shall mean effective annualized interest rate in relation to the Loan availed by the Customer, as mentioned in **Schedule I** to this Agreement and/or in the Loan Documents;
- b. **"Purchase Power"** refers to a credit line that grants the Borrower a maximum credit limit, as approved by the Bank, at any given time. This credit line is determined based on an evaluation of the Borrower's creditworthiness and is applicable to various credit products accessible through the Digital Portal. The Borrower may use this to make withdrawals and UPI payments to Merchants all within the approved credit limit, subject to the terms and conditions established by the Bank.



- c. **"Terms"** means and includes this Agreement, together with all the schedules, exhibits, addendum, attachments and appendices annexed hereto and all amendments/supplements hereto and restatements hereof;
- d. **"Applicable Law"** shall mean, in respect of any relevant jurisdiction, any statute, law, regulation, ordinance, rule, judgement, order, decree, bye-law, approval, consent, authorization, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority;
- e. **"Cooling Off Period"** shall mean the time period provided to the Borrower for exiting the Loan, in case the Borrower decides not to continue with the Loan in terms with the Digital Lending Guidelines as specifically detailed in Schedule I of this Agreement and/or in the Loan Documents;
- f. **"Merchant"** refers to an individual or business entity (represented by an authorized representative) that sells goods or services to customers and accepts payments in exchange for those goods or services inclusive of a marketplace and such Merchant should be onboarded with National Payments Corporation of India (NPCI) as a merchant.
- g. **"Credit Information Companies"** shall have the meaning ascribed to it under Clause 8.3 of the Terms;
- h. **"Digital Lending Guidelines"** shall mean the guidelines issued by the Reserve Bank of India vide circular (No. RBI/2022-23/111 DOR.CRE.REC.66/21.07.001/2022-23) dated September 2, 2022, as may be modified from time to time;
- i. **"Mobile Application"** shall mean the third-party mobile/web-based application either of the Lender or of any third party, through which the Customers can request to avail loan facility from the Lender;
- j. **"Due Date"** shall mean the date specified in Schedule I or such other date as may be communicated by the Lender



through the Mobile Application to the Borrower, on or prior to which the Borrower is required to pay all Outstanding Dues to the Lender;

k. **"Effective Date"** shall mean the date of execution of this Agreement;

l. **"Email Id"** shall mean the email id/address of the Borrower provided to Lender;

m. **"EMI"** shall mean the amount payable every month by the Borrower to the Lender comprising of the principal amount, interest amount and/or other fees and charges in respect of the Loan availed by the Borrower;

n. **"Event of Default (s)"** shall have the meaning as ascribed to it under Clause 6;

o. **"Flat Fee"** shall mean the processing fee in respect of Loan availed by the Borrower from the Lender, as set out in **Schedule I** to the Terms;

p. **"Frequency"** shall mean the pre-determined periodicity of monthly basis as agreed by the Borrower for processing payments to the Lender through NACH Mandate.

q. **"Insurance Premium"** or **Loan Protection Fee** shall mean the insurance premium charged by the insurance provider to the Customer for the insurance coverage on Loan, if availed by the Customer.

r. **"Interest"** means the interest payable on the Loan at the rate as set out in **Schedule I** to the Terms;

s. **"KFS"** shall mean the key fact statement issued to the Borrower in relation to the Loans in terms of the Digital Lending Guidelines;

t. **"Loan"** shall mean the loan sanctioned by the Lender to the Customer upto a maximum amount as mentioned in **Schedule I** to this Agreement;

u. **"Loan Documents"** shall mean the documents, instruments and records pertaining to the Loan including the following documents collectively:

a. KFS;



- b. This Loan Agreement;
 - c. Sanction Letter;
 - d. any other document executed from time to time pursuant to any of the foregoing to which the Borrowers and the Lender is a party; and
 - e. any other agreement or document which the Lender have designated as a Loan Document.
- v. **"Material Adverse Effect"** means, in the sole opinion of the Lender, the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could be expected to cause, a material adverse effect on: (a) business, operations, performance, property, condition (financial or otherwise) or prospects of the Borrower; (b) ability of the Borrower to perform its obligations under the Loan Documents; and/or (c) validity or enforceability of the Loan Documents or the rights or remedies of the Lender under the Loan Documents;
- w. **"NACH Mandate"** shall mean the instruction of or mandate set up through NACH by the Borrower for processing payments towards payment of EMI with respect to the Loan availed as per the Frequency from time to time.
- x. **"Notice"** includes notice sent by any of the following means: notification through the Mobile Application, short message service (SMS), email, facsimile, personal delivery and the term "Notify" shall be construed accordingly;
- y. **"Outstanding Dues"** means, at any time, all the amounts outstanding and payable or obligations to be performed by the Customer to the Lender, pursuant to the terms of this Agreement and/or any other Loan Documents, including but not limited to the following: (a) the principal amount(s) of the Loan; (b) the Interest on the Loan; (c) additional interest (d) annual fees (e) processing fees (f) prepayment charges, if any (g) all other obligations and liabilities of the Borrower, indemnities, liquidated damages, costs, charges, expenses and other fees and interest incurred under, arising out of or in



connection with this Agreement and/or any other Loan Documents (either severally or jointly); and (h) any and all expenses or sum incurred by the Lender for the enforcement of and collection of any amounts due under this Agreement and/or any other Loan Documents, including expenses of enforcement and realization;

- z. **"Penalty Charges"** means any additional charges payable by the Borrower to the Lender as a penalty in case of delay in payment of the EMIs and/or Outstanding Dues, as detailed under **Schedule I** to this Agreement;
- aa. **"Registered Bank Account"** shall mean the bank account of the Customer, registered with the Lender ;
- ab. **"Sanction Letter"** shall mean and refer to the letter issued to the Borrower in respect of the Loan, in terms of the Reserve Bank of India circular (No. DOR (NBFC) (PD) CC. No.112/03.10.001/2019-20 dated June 24, 2020;
- ac. **"Transaction Amount"** shall have the meaning ascribed to it under Clause 2.1 of the Terms;
- ad. **"Source Account"** shall mean Customer's bank account, upon which the Customer may set a NACH Mandate for processing recurring debit for credit of the amount for processing payment of EMI to Lender which is subject to the NACH Mandate.

2. Interpretation:

In this Agreement unless the context otherwise requires, the following rules of interpretation will apply:

- a. apart from the terms defined in Clause 1.1 above, any other terms defined elsewhere in this Agreement, shall have the meanings assigned to them thereunder;
- b. references in the singular shall include references in the plural and vice versa;



- c. words importing the singular include the plural & vice versa and a gender includes all genders;
- d. a reference to a document includes the document as modified from time to time and any document replacing it;
- e. the word 'person' includes natural person and a body corporate or entity whether incorporated or not;
- f. any capitalized term not defined herein above shall have the meaning as may be ascribed to it in the relevant clause;
- g. references to the word 'includes' or 'including' are to be construed without limitation;
- h. reference to 'clause' or 'schedule' will mean and refer to clause or schedule of this Agreement;
- i. a reference to a legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- j. a reference to writing includes a facsimile or electronic transmission and any means of reproducing words in a tangible and permanently visible form, the receipt of which is confirmed by the recipient or through any other customary method;
- k. the headings in this Agreement are for convenience only and shall not affect its interpretation; and
- l. in the event of any disagreement or dispute between the Lender and the Borrower regarding the occurrence of an Event of Default(s) or the materiality of any matter in relation to the Terms, the determination of the Lenders in this regard shall be final and binding on the Borrower.

2. LOAN

1. The Lender has issued a 'Purchase Power' to the Borrower, pursuant to its risk assessment, as detailed in the Most Important Terms and Conditions (**"MITC"**). The Loan amount to be disbursed under this Loan Agreement shall not exceed the



approved Purchase Power. The Borrower acknowledges and agrees that any disbursements made under this Agreement are strictly subject to the availability of the Purchase Power and shall be governed by the terms set forth in the MITC.

2. Subject to the terms and conditions contained herein, the Lender agree to sanction the Loan amount as provided under Schedule I to this Agreement, to the Borrower. The details of the key terms governing the disbursal of the Loan by the Lender, including the APR payable on the Loan are detailed in the KFS and **Schedule I** of this Agreement. On the instruction of the Borrower, the Lender shall disburse the Loan to the Merchant through National Payment Corporation of India ("NPCI") settlement process for the goods and/or services purchased or availed by the Borrower from the Merchant. ("**Transaction Amount**").
3. Upon the Borrower's instruction, the Lender shall disburse the Loan amount, within the available credit line (Purchase Power), to the Merchant for the goods and/or services purchased or availed by the Borrower ("**Transaction Amount**").
4. The Borrower agrees and acknowledges that any UPI payment initiated to a Merchant via the Mobile Application using the credit line (Purchase Power) shall be made through the following methods, which include, but are not limited to:
 - a. Scanning the Merchant's QR code; or
 - b. Making a payment through a collect request on e-commerce platforms; or
 - c. Making a payment on any Merchant's platform by selecting the Mobile Application as the mode of payment or
 - d. Using the Merchant's UPI ID or
 - e. Such other method as may be prescribed by the Lender/NPCI.

The above methods to initiate UPI payments to Merchants shall be deemed to constitute the Borrower's instructions under this Agreement.

5. The Borrower unconditionally agrees that the disbursement of the Transaction Amount to the Merchant as per instructions of the



Borrower shall be construed as a deemed Loan under this Agreement notwithstanding any dispute between the Borrower and the Lender.

6. The disbursal of the Transaction Amount by the Lender to the Merchant shall be made in a single lump sum through the settlement process of the National Payments Corporation of India ("**NPCI**").
7. The Lender shall not in any event or circumstance be liable or be construed as being liable in case there is any delay(s) in disbursement of the Transaction Amount on account of any technical or system errors, etc. The Borrower unconditionally agrees that the disbursal of the Transaction Amount to the Merchant as per instructions of the Borrower shall be construed as a deemed Loan under this Agreement notwithstanding any dispute between the Borrower and the Lender.
8. The Borrower hereby confirms that the correct details of the Merchant have been provided to the Lender through the Mobile Application. The disbursement of the Loan to the Merchant shall constitute a valid discharge of the Lender's obligation to make the disbursement under this Agreement. Upon such disbursement, the Borrower shall immediately incur the obligation to repay the Loan, together with interest, costs, and expenses as specified in Schedule I, to the Lender and in a manner satisfactory to the Lender.
9. The Borrower will be liable to repay the Outstanding Dues in monthly installments/EMIs or by way of bullet repayments (as per terms of the Loan Documents) on or before the relevant Due Date as set out in Schedule I below and/or as detailed under the Loan Documents.
10. The Borrower agrees and acknowledges that each of the Loan shall be solely used and applied towards the purpose as specified in Schedule I ("**Purpose**").
11. The Lender shall be entitled to revise the Interest rate at any time and from time to time as per their internal policies, if any, during the Loan Tenure, at their sole discretion or due to change in the



regulatory requirements including any guidelines/regulations issued by RBI and such revised Interest rate shall be deemed to form part of APR and the Borrower shall also be liable to pay such revised amount of Interest on the Loan in such manner and within such period as may be determined by the Lender. However, any such revision shall be effective from a prospective date and Lender shall notify the Borrowers in advance to this effect and the same would be binding upon the Borrower.

12. The details of the Loan, APR, EMI, fee or Charges and all the other key terms are set out in **Schedule I** to the Agreement and/or in the Loan Documents. In addition, the Borrower can also access these information/details through the Mobile Application.
13. At the request of the Borrower, the Lender may foreclose the Loan, in part or in full, by accepting the pre-payment of the Outstanding Dues ("**Pre-Payment**"), subject to the Borrower paying the Pre-Payment charges (if any), as set out in Schedule I.
14. In addition to this Agreement, the Borrower also agrees to be bound by the most Important Terms and Conditions and the Loan Documents. Notwithstanding anything contained in this Agreement, the Lender reserves the right to amend any of the terms as set out in this Agreement. In case there are changes in any of the key terms set out in Schedule I, such changes will be communicated to the Borrower on the Borrower's registered Email Id and/or through the Mobile Application. The Borrower agrees that these changes will be binding on the Borrower. Any changes to the terms set out in Schedule I shall only be effective prospectively. The Borrower agrees to repay the Outstanding Dues in the manner as set out in this Agreement. Notwithstanding the foregoing:
 - a. the Borrower may, during the Cooling Off Period, close all its obligations under this Loan Agreement by making payment of the loan amount and the proportionate APR without any penalty.
 - b. the Borrower may, after the Cooling Off Period, make prepayment of the Outstanding Dues at any point in time,



subject to payment of applicable pre-payment charges (if any) by the Borrower.

15. Fees and charges: The details of all charges, penalties and fees which may be levied by the Lender are as set out in the Loan Documents (including the KFS) as set out in **Schedule I** to this Agreement.
16. The fees and charges levied by the Lender in pursuance to the Loan Documents shall be non-refundable and non-transferable. The Lender may during the Loan Tenure and at its sole discretion, with prior reasonable Notice to the Customer, amend / revise any of the terms and conditions contained in the Agreement including the repayment schedule, interest rate and/or any other fee or charge and the Customer acknowledges and agrees to be bound by such revised terms and conditions including the repayment schedule, provided the Lender gives a Notice to the Customer of such revision in advance and ensure that such revisions/changes are effected only prospectively. The Lender shall Notify the Customer of such changes by updating the same on the Mobile Application or by providing a Notice of the same to the Customer. The Customer hereby agrees to keep himself/herself abreast with all such Notices and notifications on the Mobile Application in this regard and shall be bound by the aforesaid revisions. In cases, wherein, the Customer pays the entire outstanding amount within the first due date of the Loan (having transaction amount exceeding ₹1500) to the Lender, the Customer will be provided with a waiver of the Flat fee as per the terms and conditions available on this [link](#). The eligibility criteria for availing the waiver and quantum of waiver are fully elaborated in the link and link shall be treated as part and parcel of this Loan Agreement.

3. REPAYMENT OF OUTSTANDING LOAN

1. The Borrower agrees to pay the EMIs, on or before the Due Date(s), in accordance with the repayment schedule as set out in **Schedule I** to this Agreement. The details of the repayment



obligations of the Borrower in respect of the Loan are also set out in the KFS which is issued to the Borrower. The repayment by Borrower shall be done to the satisfaction of the Lender, the Borrower unconditionally undertakes to timely deposit Outstanding Amounts into the Lender's Account towards the repayment without any delay or demur, provided that the Lender shall be entitled in its sole and absolute discretion to change its Lender's Account (as the case maybe) for the purpose of receiving repayments under this Agreement.

2. All payments due under any provision of this Agreement shall be either debited from the Registered Bank Account of the Borrower or paid by the Borrower in such other manner as may be acceptable to Lender.
3. Any payments made by the Borrower under this Agreement shall be appropriated in the following manner:
 - a. firstly, towards costs, charges, expenses and other money payable to the Lender (if any);
 - b. secondly, towards applicable Interest due payable to the Lender and
 - c. lastly, towards repayment of the principal amount due and payable to the Lender.
4. All payments of Outstanding Dues due under this Agreement shall be made without deduction for or on account of any taxes and other charges.
5. In case of default by the Borrower in repayment of the Loan or fall in credit score or rating or for any other reason as may be deemed fit by Lender, the Lender may, at any time, recall / foreclose the Loan/disallow/reject further drawdown/change the said Loan from one variant to another variant with intimation to the Borrower and revise the repayment schedule, in their sole and absolute discretion by providing reasonable notice to the Borrower.
6. The Borrower acknowledges that any delay or default in payment of any amount due and payable under this Agreement might adversely affect the Borrower's credit score. The Borrower further acknowledges that the Outstanding Dues might be classified in



Lender's books as a special mention account ("**SMA**") if any amount due and payable thereunder is overdue. The Borrower further undertakes to submit to the Lender updated documents until the time of disbursement of loan or at any point of time thereafter within 30 days of the update to such documents.

*For example, if any principle, interest, or any other amount is scheduled to be paid on the 31st day of a given month ("**Scheduled Date**") and such amount is not fully paid on or before such day, then the relevant loan account will be classified as SMA-0 as of such day. If the overdue continues for more than 30 days from the Scheduled Date upto 60 days from the Scheduled Date, then the account will be classified as SMA-1. If the overdue continues for more than 60 days from the Scheduled Date upto 90 days from the Scheduled Date, then the account will be classified as SMA-2. If the overdue continues for more than 90 days from the Scheduled Date, then the account will be classified as Non-Performing Asset ("**NPA**"). Once a loan is classified as NPA, it shall remain as such till the time all overdue amounts are paid. Please refer the below illustration.*

Illustration:

Scheduled Date: March 31, 2023		
Classification	Date of classification	Condition for classification
SMA-0	Scheduled Date	If the amount(s) scheduled to be paid on the Scheduled Date is not paid on the Scheduled Date.
SMA -1	April 30, 2023	If any amount remains overdue for more than 30 days from the Scheduled Date.
SMA-2	May 30, 2023	If any amount remains overdue for more than 60 days from the Scheduled Date.
NPA	June 29, 2023	If any amount remains overdue for more than 90 days from the Scheduled Date.



7. The obligations of the Borrower under this Clause shall survive the expiry or termination of this Agreement till the time Outstanding Dues are paid to the Lender to the satisfaction of the Lender.

4. REVERSAL, CHARGEBACKS AND REFUNDS

Reversal

In the event of a reversal, the Borrower agrees and acknowledges that the reversed amount will be credited to their loan account, resulting in the cancellation of the Loan.

Chargeback

In the event of a chargeback, the Borrower agrees and acknowledges that if the Bank accepts the chargeback request, the disputed amount will be credited to their loan account, resulting in the cancellation of the Loan.

However, if the Bank rejects the chargeback request for valid reasons, a loan for the disputed amount will be created, effective from the date of the original transaction, and the Borrower will be liable to repay the same.

Refund

In the event of a refund, the Borrower agrees and acknowledges that the refunded amount shall be applied towards any outstanding balance due to the Lender under the applicable credit line (Purchase Power). Any remaining balance will be transferred to the primary savings account linked to the Virtual Payment Address (VPA).



5. COVENANTS AND UNDERTAKINGS

The Borrower declares, undertakes, represents and covenants to the Lender that it shall execute all such deeds, documents and assurances and do all such acts and things as the Lender may require for exercising the rights under the Loan Documents, including specifically the covenants and undertakings as set out in **Part B of Schedule II** hereto.

The Borrower further undertakes to submit to Lender updated documents until the time of disbursement of loan or at any point of time thereafter within 30 days of the update to such documents.

6. REPRESENTATIONS AND WARRANTIES

The Borrower hereby provides the representations and warranties as set out in **Part A of Schedule II**, to the Lender. The representations and warranties shall be deemed to be provided in respect of each tranche of the Loan (if any) and shall be repeated and remain effective on each day until the Final Settlement Date in respect of such Loan. For the purpose of this Agreement all the attached Schedules and Sanction Letter shall be deemed to be an integral part of this Agreement.

7. EVENT OF DEFAULT

1. The Borrower shall be deemed to have committed an act of default if such Borrower does not comply with his/her obligations as mentioned in this Agreement and/or on happening of any one or more of the following events (each an 'Event of Default' and collectively 'Events of Defaults'):
 - a. in the event the Borrower fails to pay any EMI (on or before the Due Date as set out in Schedule I of this Agreement) or



- commits breach of any of the terms, covenants or conditions contained in this Agreement; or
- b. any representation or warranty made by the Borrower in this Agreement or which is contained in any document shared as part of the risk assessment process conducted by the Lender on the Borrower or otherwise in connection with this Agreement shall prove to have been incorrect/untrue in any respect; or
 - c. in the event the Borrower fails to perform or observe any term, covenant or agreement on its part to be performed or observed under this Agreement and/or under Loan Document(s); or
 - d. the Borrower is generally not, or is unable to or admits in writing its inability to repay the Outstanding Dues or any part thereof as provided under this Agreement; or
 - e. if the Borrower commits an act of insolvency or if the Borrower is declared insolvent or bankrupt or if a receiver or official assignee is appointed in respect of any property or estate of the Borrower or if the Borrower asks for any application for declaring himself/herself an insolvent or if an application for declaring the Borrower as insolvent is made or any order is passed by any competent court or authority for taking the Borrower into insolvency; or
 - f. if any circumstance or event occurs which in the opinion of the Lender, would or is likely to prejudicially or adversely affect in any manner the ability/capacity of the Borrower to perform or comply with its obligations as set out under this Loan Agreement/Loan Documents and/or to repay the Outstanding Dues or any part thereof; or
 - g. it is or becomes unlawful for the Borrower to perform any of its obligations under this Agreement; or
 - h. there is any other event/material change which prejudicially alters the Lender's Interest.
 - i. There is a submission of any forged document(s) by the Borrower.



- j. Any other event which in the sole opinion of the Lender would endanger the repayment of the Outstanding Dues by the Borrower.
 - k. If any proceedings are pending or threatened against the Borrower by any government agency or authority for any misconduct or breach/violation of any law or regulations or code of conduct, etc.
2. The determination by the Lender in their sole discretion, shall be sufficient to prove the occurrence of an Event of Default(s).
3. Upon occurrence of an Event of Default(s) / at any time thereafter, the Lender may, without prejudice to their other rights under Applicable Law and this Agreement do any one or more of the following:
- a. Lender shall be entitled to: (i) immediately stop disbursement of any further loan to the Borrower; and (ii) demand immediate repayment of the Outstanding Dues due and payable to the Lender. Consequently, the Lender may declare, by demand for payment, all of the obligations hereunder to be immediately due and payable, whereupon such obligations together with any interest accrued thereon and all other amounts due to the Lender under this Agreement shall immediately become due and owing, without any other demand or protest, by the Borrower; and
 - b. without Notice of default or demand, proceed to protect and enforce its/their rights and remedies by appropriate proceedings, whether for the specific performance or otherwise of any provision of this Agreement or by Applicable Law or for damages;
 - c. recover the charges/fee and/or any other Penalty Charges from the Customer as mentioned in Schedule I of this Agreement or in Loan Document(s);
 - d. terminate this Agreement;
 - e. exercise such other rights and remedies as may be available to the Lender under Applicable Law during the pendency of the Loan;



- f. stipulate such other condition(s) or take such other action(s) as the Lender deems fit.
4. Upon the occurrence and continuation of an Event of Default, the Lender are authorized at any time, without presentment, demand, protest or other notice of any kind to the Borrower, any such notice being expressly waived, to set off and to appropriate and apply any and all monies lying or deposited or held by the Lender. The Borrower agrees, declares and confirms that, notwithstanding any of the provisions of the Indian Contract Act, 1872 or Applicable Law, or any terms and conditions to the contrary contained in this Agreement, the Lender may, at its absolute discretion, appropriate any payments made by the Borrower under this Agreement or any amounts realised by the Lender by enforcement of security or otherwise, towards the dues payable by the Borrower to the Lender under this Agreement and/or other agreements entered into between the Borrower and the Lender and in any manner whatsoever.

8. GENERAL TERMS AND CONDITIONS

1. Any promotional scheme and/or contest being initiated by the Lender for its Borrowers is independent of this Agreement and the Loan and such promotional schemes and/or contests do not constitute any kind of solicitation by the Lender. Such promotional schemes and/ or contests shall be governed by the terms and conditions in relation thereto, which shall be carefully read by the Borrower in case the Borrower decides to participate in such schemes/contests. Further, the Borrower agrees and confirms that the Lender shall have the right to withdraw any of the promotional schemes at its sole discretion.
2. The Customer may choose an insurance cover and become a member of 'Group Insurance Policy' taken by the Lender. Such Insurance Premium shall be deducted from the Loan amount to be disbursed by the Lender and would be remitted by the Lender



directly to the respective insurance provider, on behalf of the Customer

3. In the event of a claim for death, the claim amount shall be appropriated towards the Outstanding Dues and would be paid by the insurance provider directly to the Lender. If after such appropriation towards the Outstanding Dues, there is any surplus leftover, it shall be paid by the insurance provider to Customer's nominee, as applicable.
4. Without prejudice to all other rights as the Lender or any of the third parties appointed by the Lender may have under this Agreement and under Applicable Law, on the occurrence of an Event of Default, the Lender, its authorized representatives, agents, and third parties as appointed by the Lender are authorized to use the contact details provided by the Borrower or to use details obtained from any third-party in relation to the Borrower, to get in touch with the Borrower. Also, the Borrower may be sent reminders from time to time for settlement of any Outstanding Dues by post, fax, telephone, email, SMS text messaging via mobile phone or by such other means at the discretion of the Lender in accordance with Applicable Laws.
5. The Lender shall be entitled to obtain and disclose, if required under the Applicable Law or obtaining, of all or any such: (a) information, documents and data relating to the Borrower or Loan availed of/to be availed by the Borrower; and (b) default, if any, committed by the Borrower in payment of Outstanding Dues or discharge of such obligation as Lender may deem appropriate and necessary to disclose and furnish to Credit Information Companies ("**CICs**"), Central KYC Registry ("**CKYC**") and/or to any other agency authorized in this behalf by RBI and/or under Applicable Law and/or to any other statutory or regulatory or law enforcement authority (including Courts and/or Tribunals);
6. The Lender and/or RBI and/ or CICs and/or any other agency authorized under the Applicable Law, shall be entitled to publish their name as defaulters in such manner and through such medium as Lender /RBI and/ or CICs in their absolute discretion



may think fit or to use or process the said information/data by RBI/CICs as per Applicable Law.

7. The information and data furnished by the Borrower to Lender shall be deemed to be true and correct. The Lender shall be entitled to verify, any information or documents provided to Lender with respect to the Loan, including, but without limitation, verifications with employers, financial institutions, banks, at the time of the making the application for the Loan or at such intervals as may be decided by the Lender.

9. MANDATES

In situations wherein the Borrower consents to the initiation of NACH Mandate/ UPI mandate / any other mandates/standing instructions as allowed under Applicable Law ("Mandates") for payment of EMI towards the Loan availed. Borrower agrees that notwithstanding anything to contrary provided in this Agreement. In case of dishonour of the Mandates for insufficiency of funds in the Source Account of the Borrower on which the Mandate is created, the Lender shall be entitled to initiate legal proceedings against the Borrower pursuant to Section 25 of the Payment and Settlement System Act, 2007 read in conjunction with Section 138 of the Negotiable Instruments Act, 1881.

10. SPECIFIC PERFORMANCE

The Borrower agrees that the Lender shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction as may deemed necessary or appropriate to restrain the Borrower or any other party from committing any violation or enforce the performance of the covenants, representations, warranties and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Lender may have at Applicable Law or in equity, including without limitation a right for damages. The Parties recognize that damages in alternative to or in



lieu of specific performance shall not be an adequate remedy and the Parties shall be entitled to specific performance of this Agreement.

11. DISPUTE RESOLUTION

Notwithstanding anything to the contrary contained herein, any dispute, controversy and / or claim arising out of and / or relating to this contract, including its construction, interpretation, meaning, scope, operation, effect and / or validity thereof (**Dispute**), shall be resolved by arbitration, administered electronically or physically by, an independent institution, in accordance with its Dispute Resolution Rules ("**Rules**"). The Parties agree that the arbitration shall be before a sole arbitrator appointed under the Rules or as mutually agreed between the Parties in case of physical arbitration. The juridical seat of arbitration shall be Guwahati, Assam. The language of arbitration shall be English. The law governing the arbitration proceedings shall be Indian law. The decision of the arbitrator shall be final and binding on the Parties.

12. OTHER REMEDIES

The rights and remedies conferred upon the Lender under this Agreement shall not prejudice any other rights or remedies to which the Lender may, independently of this Agreement, be entitled.

13. DISCHARGES AND RELEASES

Notwithstanding any discharge, release or settlement from time to time between the Lender and the Borrower, if any discharge or payment in respect of the Outstanding Dues by the Borrower or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision, Applicable Law for the time being in force or for any other reason, the Lender shall be entitled to enforce this Agreement as if no such discharge, release or settlement had occurred.

14. EFFECTIVENESS OF THIS AGREEMENT:



this Agreement shall be effective on and from the Effective Date and shall be in force till all Outstanding Dues amounts have been fully discharged by the Borrower to the satisfaction of the Lender.

15. ILLEGALITY

If for any reason whatsoever, any provision of this Agreement is or becomes, or is declared by a court of competent jurisdiction to be, invalid, illegal or unenforceable, such provision will be interpreted in a manner compliant with the Applicable Laws and leave the Parties in the same or nearly similar position to that which prevailed prior to such invalidity, illegality or unenforceability. In this regard, the Lender will inform of the revised provision and the same will be binding on the Borrower.

16. WAIVER

No delay or omission of the Lender in exercising any right, power or remedy accruing to the Lender upon any default hereunder shall impair any such right, power or remedy or be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by it in any default affect or impair any right power or remedy of the Lender in respect of any other defaults nor shall any single or partial exercise of any such right, power or remedy preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights and remedies of the Lender herein provided are cumulative and not exclusive of any rights or remedies provided by Applicable Law or equity. A waiver or consent granted by the Lender under this Agreement will be effective only if given in writing and only in the specific instance and for the purpose for which it is given.

17. CONSTRUCTION

The provisions contained herein shall be read in conjunction with the provisions of the Loan Documents (*as amended from time to time*). It is



clarified that the Loan Documents shall form part and parcel of this Agreement.

18. SURVIVAL

The provisions of the Agreement which by the nature survives the expiry or termination of this Agreement, shall survive such expiry or termination of this Agreement.

19. ENTIRE AGREEMENT

The Parties hereby agree that this Agreement and the Loan Documents constitute and contain the entire arrangement and understanding between the Parties with respect to the subject matter hereof and supersedes all previous communications, negotiations, agreements, contracts, deeds, memorandum of understanding commitments, either oral or written between the Parties respecting the subject matter hereof.

20. LIMITATION ON RIGHTS OF OTHERS

Nothing in this Agreement, whether express or implied, shall be construed to give to any person other than the Lender any legal or equitable right, remedy or claim under or in respect of this Agreement.

21. INDEMNITY

The Borrower shall indemnify the Lender at all times hereafter from and against any and all claims, damages, costs, losses, expenses, suits, proceedings, actions, liabilities, etc. that may have been suffered by the Lender by reason of any act/omission by the Borrower or default/breach on the part of the Borrower of obligations under this Agreement/Loan Documents.

22. CONSTITUTED ATTORNEY



The Borrower hereby appoints the Lender to be its duly constituted attorney in respect of all or any of the actions to be undertaken and/or documents to be executed which the Borrower could itself undertake or execute, upon the occurrence of an Event of Default, including under the contract executed between the Borrower and the Principal, and do all such acts as the Lender may deem fit in its sole discretion.

23. ASSIGNMENT OF RIGHTS

The Lender shall at any time, without any consent of or notice to the Borrower be entitled to securitise, sell, assign, discount or transfer all or any part of the respective Lender's right and obligations under this Agreement or other Loan Documents, to any person(s) and in such manner and on such terms as the Lender may decide/deem fit. However, the Borrower shall not be entitled to directly or indirectly assign or in any manner transfer, whether in whole or part, any rights or obligation under this Agreement and other Loan Documents.

24. NOTICE

Any Notice, request or other communication to be made under this Agreement to the Parties shall be in accordance with terms of this Agreement. Any Notice issued to Borrower on the Mobile Application or otherwise any message issued to the Borrower on his/her mobile phone or Email Id will be deemed to be a Notice for the purposes of this Agreement.

25. GOVERNING LAW AND JURISDICTION

The validity, interpretation, implementation and resolution of disputes arising out of or in connection with this Agreement shall be governed by Indian laws. The Parties agree that all matters arising out of this Agreement shall be subject to the exclusive jurisdiction of the courts or tribunals (as the case may be) at Guwahati, Assam.

26. EXECUTION THROUGH DIGITAL/ELECTRONIC MODE:



1. Each Party acknowledges and agrees that any request, notice, correspondence or any other writing whatsoever ("Writing") required or contemplated under this Agreement may be executed and any delivery, offer, acceptance or any other action whatsoever ("Action") in respect of this Agreement may be undertaken in electronic form by way of a click wrap or any other electronic means of executing or authenticating transactions ("Electronic Form") as may be enabled by the Lender(s). For avoidance of doubt, it is clarified that communications in Electronic Form include any Writing or Action undertaken on the Mobile Application or any technology platform, mobile application or website provided by the Lender(s) or any authorized third party.
2. Each Party agrees that the use of a keypad, mouse or other device to select an item, button, icon or similar act/action, or to otherwise provide instructions on Mobile Application or any technology platform or in accessing or making any transaction regarding this Agreement constitutes a signature, acceptance and agreement as if actually signed in writing.
3. Each Party confirms that any Writing or Action made or undertaken by the Parties in Electronic Form shall be valid, binding and legally enforceable against such Party and it shall not raise any objection or claim or disclaim any liability under or in relation to the validity or enforceability of a Writing or Action solely on account of it being in Electronic Form

27. GRIEVANCE REDRESSAL

The Lender has established the below Grievance Redressal Mechanism to address customer complaints:

Level 1 - Borrowers can lodge complaints either through the Mobile Application or through virtual touch-points, including mobile banking, email, or helpline numbers. In case of any grievance, the customers can reach out to the grievance redressal officer of the Lender. The



details of grievance redressal officer appointed by the Lender is set out below:

Mr. Aashish Saxena
Email: customergrievance@sliceit.com
Contact No: +91 8069390473

Level 2 - Unresolved complaints from Level 1 can be escalated to the Principal Nodal Officer, who will acknowledge the complaint within 14 working days. If complaints remain unresolved for over a month, they will be forwarded to the Banking Ombudsman. The details of the Principal Nodal Officer is set out below:

Ms. Swetha S
Email: nodalofficer@sliceit.com
Contact No: +91 8048318328

Level 3 - Borrowers dissatisfied with the Bank's response after 30 days may approach the RBI Banking Ombudsman for resolution.

28. RIGHT TO APPOINT AGENCY (including recovery agencies)

The Borrower(s) hereby accept and confirm that they have no objection to the Lender administering the Loan (for the purposes of recovery or otherwise) through third parties. The Borrower(s) confirm that the Lender may, either partly or in full, delegate such of those activities to any third party as it may think fit in the circumstances. Such delegation of work would include the right and authority to collect on behalf of the Lender the installment / Interest or other charges due to the Lender under this Agreement including other rights to send notice and/or demand from the Borrower(s) to collect the Outstanding Dues. For the purpose aforesaid as for any other purpose at the sole discretion of the Lender, the Lender shall be entitled to disclose to the third party the



details of the Borrower(s), the Loan, the Outstanding Dues and other information for effectively discharging the work assigned to the third party and the Borrower(s) hereby consent to such disclosure by the Lender.

THE BORROWER CONFIRMS THAT IT HAS READ AND UNDERSTOOD THE TERMS OF THE LOAN DOCUMENTS.

SIGNED, SEALED AND DELIVERED BY THE BORROWER

Designation:

For SIGNED, SEALED AND DELIVERED BY NESFB

For North East Small Finance Bank Limited

Designation:

Authorized signatory:

Sanjeeb Kumar Mishra,

North East Small Finance Bank Private Limited

**SCHEDULE-I
KEY FACTS STATEMENT**



1	Loan proposal/ account No.		Type of Loan	Merchant payments via UPI	
2	Lender	Northeast Small Finance Bank			
3	Sanctioned Loan amount (in Rupees)				
4	Disbursal schedule	100%			
5	Loan term (months)				
6	Instalment details				
	Type of installments	Number of EPIs	EPI (₹)	Commencement of repayment, post sanction	
	Monthly				
7	Interest rate (%)				
8	Fee/ Charges				
		Payable to the RE (A)		Payable to a third party through RE (B)	
		One-time/ Recurring	Amount (in ₹)	One-time/ Recurring	Amount (in ₹)
(i)	Processing fees	One-time		NA	NA
(ii)	Insurance charges	NA	NA	One-time	
9	Annual Percentage Rate (APR) (%)				



10	Details of Contingent Charges (in ₹ or %, as applicable)	
(i)	Penal charges, if any, in case of delayed payment	₹500 or 30% of EMI amount which ever is lower
(ii)	Other penal charges, if any	NA
(iii)	Foreclosure charges ¹ , if applicable	₹0

1	Clause of Loan agreement relating to engagement of recovery agents	Clause 28
2	Clause of Loan agreement which details grievance redressal mechanism	Clause 27
3	Phone number and email id of the nodal grievance redressal officer	



4	Whether the loan is, or in future maybe, subject to transfer to other REs or securitisation (Yes/ No)	Yes
5	In case of digital loans, following specific disclosures may be furnished:	
	(i) Cooling off/look-up period, in terms of RE's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	3 days
	(ii) Details of LSP acting as recovery agent and authorized to approach the borrower	List of recovery agents and recovery mechanism



Repayment schedule

DUE DATE	PRINCIPAL	INTEREST	AMOUNT	PRINCIPAL REMAINING
-------------	-----------	----------	--------	------------------------

1. During foreclosure, 1 day of extra interest will be charged from the paid date due to settlement delay.

SCHEDULE-II

Part A – Representations and Warranties

The Borrower hereby represents and warrants to the Lender that:

1. The Purpose for which the Loan is availed by the Borrower is lawful and that the Loan shall not be used for any illegal and/or anti-social activity and/or speculative purposes.



2. The Loan availed by the Borrower shall be used solely for the purpose of making payments to Merchants via UPI and shall not be utilized for any other Purpose.
3. The obligations assumed by the Borrower in each Loan Document are legal, valid, binding and enforceable obligations.
4. The execution by the Borrower of the Loan Documents constitutes acts done and performed for private and commercial purposes and the Borrower will not be entitled to claim immunity for itself or any of its assets from suit, execution, attachment or legal process.
5. The execution and delivery of the Loan Documents and the performance of obligations by the Borrower thereunder does not contravene any applicable law/statute or regulation or any judgment or decree to which the Borrower is subject, conflict with or result in any breach of any covenants, conditions and/or stipulations under any existing agreement to which the Borrower is a party, or conflict with or contravene any provision of its charter documents.
6. The Borrower has obtained all authorizations, no-objection certificates and consents required by it to lawfully enter into, exercise its rights and comply with its obligations under the Loan Documents.
7. The Borrower agrees and acknowledges that cash withdrawal at Merchants is not permitted under this Agreement.
8. The Borrower agrees and acknowledges that Merchant's business is being conducted in all respects in compliance with Applicable Laws including labour and environment related laws as applicable in India, and Borrower and Merchant will be in compliance with the laws as maybe enacted from time to time.
9. All information and documents provided to the Lender pursuant to the Loan Documents/Loan are true, accurate, complete and not misleading.
10. The audited annual accounts of the Borrower have been prepared in accordance with applicable accounting principles / standards in force, being consistently applied and give, in conjunction with the notes thereto, a true and fair view of the financial condition and position of the Borrower..



11. The Borrower or any of its affiliates are not listed in any 'specially designated nationals and blocked persons' list maintained by any governmental authority (Indian or foreign), or any similar list maintained by, or public announcement of sanctions designation made by, any of governmental authority.
12. That the Borrower does not violate and will not violate any of the Applicable Laws in India or any covenants, conditions and stipulations under any existing agreement entered into by the Borrower with any third party by availing the Loan from the Lender. The Borrower also does not violate any environment and labour related laws in India, all the business activities and performance under this Agreement by Borrower are in compliance with environment and labour related laws including but not limited to Environment Protection Act, 1986 and The Industrial Disputes Act, 1947 including various rules & guidelines formulated thereunder. Any breach hereof shall be sole responsibility of Borrower.
13. The Borrower shall not wind up, liquidate, or dissolve or initiate any voluntary winding up process and/or take any other actions which would affect the performance of its obligations under this Agreement.
14. The Borrower shall not do or undertake any activity which can have adverse impact on its performance of this Agreement. Borrower shall also not commit any act which can adversely impact the repayment obligations of Borrower under this Agreement.
15. The Borrower shall not indulge in crime involving moral turpitude.
16. The Borrower shall duly comply with all the other directions/instructions issued by the Lender in relation to Loan and provide all the relevant information and data including applicable tax details to the Lender.

Part B – Covenants

The Borrower hereby undertakes and covenants with Lender as under:

1. The Borrower shall observe and perform all its obligations and covenants under this Agreement.



2. The Borrower shall promptly notify the Lender of any change in the Borrower's address, phone number and email address.
3. The Borrower shall pay/reimburse the Lender against all expenses for any purpose relating to this Agreement including any taxes pertaining to this Agreement, or the Loan and enforcing the terms thereof.
4. The Borrower shall pay and bear all taxes, rates, duties, charges and other imposts and obligations, existing as well as in future, in respect of the transaction hereunder.
5. The Borrower shall, at all times during the term of this Agreement comply with the terms of this Agreement, and the terms as set out in the Loan Documents.
6. The Borrower covenants that it shall execute all such deeds, documents and assurances and do all such acts and things as the Lender may require for exercising its rights under this Agreement and/or the Loan Documents.
7. The Borrower shall duly comply with all Applicable Laws in performing its obligations under this Agreement.
8. The Borrower agrees that, upon request by the Lender, the Borrower will facilitate/enable the provision of a specific certification from the Borrower's auditors regarding the end-use of funds disbursed under this Agreement. The Borrower shall allow the Lender to appoint the auditors for this purpose. The Borrower will cooperate fully with the auditors in their assessment and will provide all necessary documentation as required for the said assessment.