

Hello There!

We are excited to getting you on-board as an investor in Z2P!

About us

Z2P is one of the fastest peer-to-peer (P2P) lending platforms in India. It connects investors or lenders looking for high returns with credit-worthy borrowers looking for short term personal loans. Investing through P2P is one of the best ways to get higher returns.

Z2P provides an opportunity to earn higher returns as compared to any bank and you can start investing with as small as **Rs. 1,000** with effective **monthly returns of 5%** (4% returned in bank + 1% used for Lenders Protection Fund)

At the same time, our process is completely transparent and does not have any hidden charges. The best part of all, we have a **Lender Protection Fund (LPF)** to safeguard principal amount in case of defaults (details in the end).

Lending Process

1. Download the Z2P app from Playstore and complete your profile in it.
2. Transfer the amount you wish to invest in our **Escrow Account** (details below), following which it will be updated as your Escrow Balance in App and Web Dashboard.

Account Name	Zaitech Technologies Private Limited
Account Number	PAYMYSSK000M
IFSC Code	YESBOCMSNOC
Account Type	Current
Bank Name	Yes Bank
Mode of Transfer	NEFT only

3. Give us a transfer confirmation on lender support chat in the Z2P app/web or at lenders@info.z2p.today . Once we update it, you will be able to check your Escrow Balance from the Z2P app/web dashboard.
4. We will disburse the loans to multiple borrowers (Loan Range: INR 1000 – INR 15000; Tenure: 1 month) from the amount you transferred.
5. You can keep a track of your investment through the app and web-dashboard (<https://lenders.zup.today>)

NOTE:

- 1) Kindly make transfers to escrow account via NEFT only.
- 2) You can transfer upto INR10 Lacs in bulk. There is no limit to number of transfers per day.
- 3) You can transfer the amount any time - any day.
- 4) This is a non-interest bearing account and money lying in it will not earn any interest for Z2P.
- 5) While adding beneficiary through mobile banking app, there could be restriction on entering alphabets in account number field. In that case, you will have to add Nodal Account as beneficiary through Online Banking.
- 6) The returns will be settled in the Bank account which you provided in the 'Bank Details' section in Z2P.

Compliances

Following are the compliances which as a Lender you will have to agree for future investments with us (as mandated by the RBI):

- a. The lender undertakes and confirm that his/her aggregate exposure to all borrowers at any point of time, across all P2Ps, is lesser than or equal to the amount of Rs.10, 00,000.
- b. The lender confirms that he/ she has understood the risks associated with the proposed transaction and that there is no guarantee of return and that there exists a likelihood of loss of entire principal in case of default by a borrower and the platform does not provide any guaranteed assurance for the recovery of loans.
- c. The Lender will adhere to all laws relating to income tax and pay taxes on the income so generated.
- d. The Lender is responsible for all and any decision that are taken to lend through Z2P and the Company does not take any responsibility for that.

Defaults and Recovery

Since P2P Lending has to deliver on the promise of high returns at lower risks, we make sure that recovery system of our platform is robust and that most of the potential defaults are addressed and provided an easy repayment option on time, before they are classified as defaulters.

In-case of a default (*ie, the loan has not been closed within 90 days from the due date*) the following mechanism is adopted as recovery measures:

While giving a loan, we take the following details from the borrowers:

- 1) Phonebook Contacts
- 2) Text Messages
- 3) Social Media Connections
- 4) Call Logs

Through their contacts, we have the numbers of the borrower's: family, close friends, company HR, boss, company colleagues and all other known people.

Phase-1 Recovery) The borrower and a few of his close friends are contacted via calls/messages to inform about the loan default.

Phase-2 Recovery) His entire family and friend circle is informed about the default.

Phase-3 Recovery) His office colleagues, boss and office HR is informed about the loan default. Basically, all the people in his connections are let known of the default.

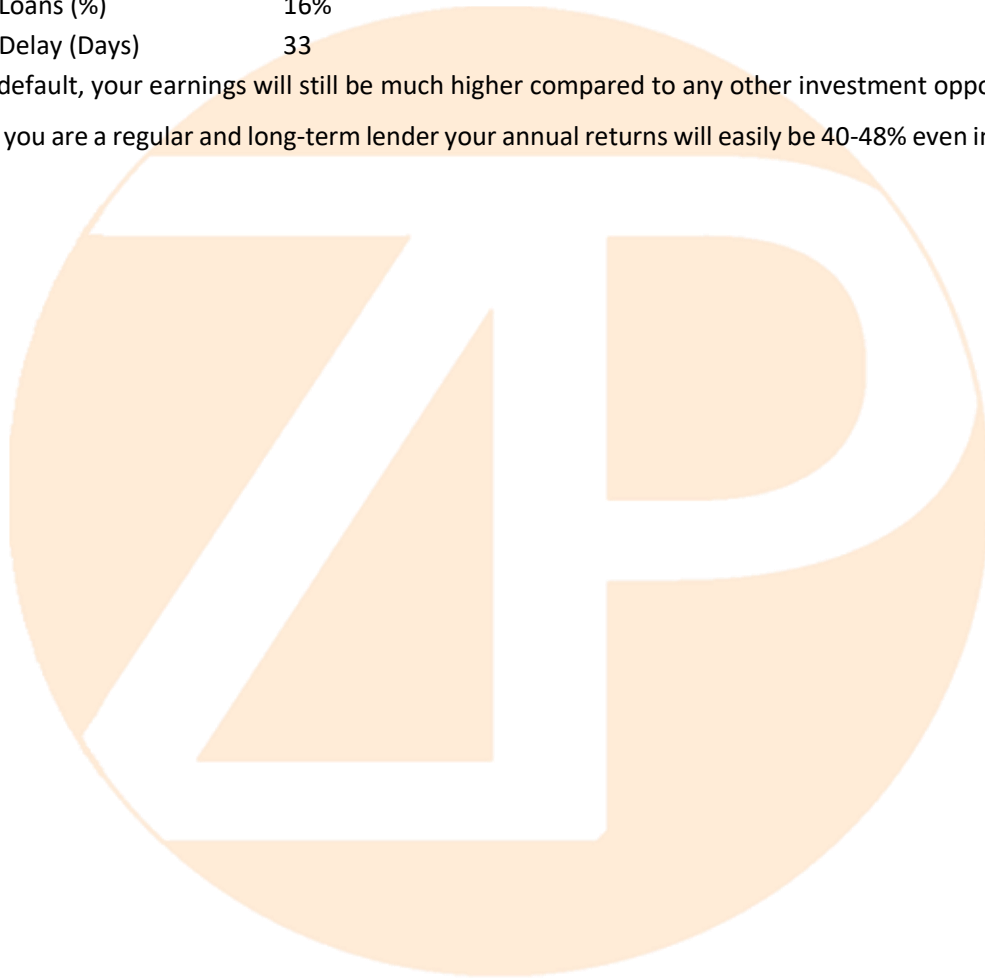
These three phases combined build immense peer pressure to repay the loan as it comes about the borrower's respect in the society. Also, since we sanction only small loans, the borrower sees it unworthy to ruin their social reputation completely for a small amount of money.

Till now, we have seen that in 80% of delay cases, only phase-1 is sufficient to get the loan repaid and it rarely goes to phase-3.

We would like to share with you some statistics about the current loan portfolio on our platform (as of Sep'18):

- Default Rate (Amount wise) 0.9%
- Delayed Loans (%) 16%
- Average Delay (Days) 33

Even if 3-4 loans default, your earnings will still be much higher compared to any other investment opportunities! You can be assured that if you are a regular and long-term lender your annual returns will easily be 40-48% even in the worst default cases.



Lender's Protection Fund (LPF)

Out of the 5% returns you receive, 4% of it is transferred to your bank account. The remaining 1% from you and all other lenders is used to create a Lender Protection Fund (LPF) which is used to refund certain portions of your invested amount when a loan is defaulted. Following are the two LPF plans in effect:

Lender Protection Fund(LPFF)

Plan-1: Regular Plan

Under the regular plan, all the lenders are eligible for refunds of invested amount in proportion to your investment portfolio in case a loan defaults. The current LPF scheme is:

Bracket Name	Investment Portfolio (in INR)	% Refund of Invested Amount in case of Loan Default
L1	Rs. 0 – Rs.50,000	50%
L2	Rs.50,000 – Rs.1Lac	55%
L3	Rs.1Lac – Rs.2Lac	60%
L4	Rs.2Lac – Rs.3Lac	65%
L5	Rs.3Lac – Rs.4Lac	70%
L6	Rs.4Lac – Rs.5Lac	75%
L7	Rs.5Lac – Rs.6Lac	80%
L8	Rs.6Lac – Rs.7Lac	85%
L9	Rs.7Lac – Rs.8Lac	90%
L10	Rs.8Lac – Rs.10Lac	95%

Lender Protection Fund(LPFF)

Plan-2*: Zero Risk Plan

Under this plan, if you keep increasing your investment amount each month by Rs25,000, we will give you 100% Principal Protection, irrespective of the total investment amount.

Bracket Name	Investment Portfolio (in INR)	% Refund of Invested Amount in case of Loan Default
Z1	Rs. 0 – Rs.50,000	100%
Z2	Rs.50,000 – Rs.1Lac	100%
Z3	Rs.1Lac – Rs.2Lac	100%
Z4	Rs.2Lac – Rs.3Lac	100%
Z5	Rs.3Lac – Rs.4Lac	100%
Z6	Rs.4Lac – Rs.5Lac	100%
Z7	Rs.5Lac – Rs.6Lac	100%
Z8	Rs.6Lac – Rs.7Lac	100%
Z9	Rs.7Lac – Rs.8Lac	100%
Z10	Rs.8Lac – Rs.10Lac	100%

Example for LPF Plan-1: Regular Plan

If your running investment in the month of January is Rs.1,95,000 and in the month of February is Rs.2,05,000; then any loan which was disbursed in the month of January will be assigned an LPF bracket "L3" and loans disbursed in the month of February will be assigned an LPF bracket "L4" under the Regular LPF Plan, in case of a default.

Example for LPF Plan-2: Zero Risk Plan

If your running investment in the month of January is Rs.1,95,000 and in the month of February is Rs.2,35,000 (ie, an increment of Rs.30,000 from the last month); then any loan which was disbursed in the month of January will be assigned an LPF bracket "L3" and loans disbursed in the month of February will be assigned an LPF bracket "Z4" under the Zero-risk LPF Plan (100% Principal Protection) in case of a default.

Terms for LPF:

- 1) Monthly Investment Portfolio will be calculated as monthly running amount averaged over 30 days of that month.
- 2) Each loan will be given an LPF bracket based on the running amount of the month in which that particular loan is disbursed.
- 3) According to RBI, a loan can be considered as defaulted only after 3 months from the date of loan disbursement. After this, we carry our recovery procedure which takes 1-90 days. If the loan is still unpaid, we then categorise it as defaulted.
- 4) LPF in no way should be considered as a "Guarantee" for your investments and the refunds are applicable only upon the availability of sufficient funds in the LPF.
- 5) The final decision to decide the LPF Plan you fall into will be the sole decision of Z2P alone.
- 6) **Regarding Zero Risk Plan (LPF Plan-2) :** In case you miss to increase your investment by INR25,000 for a particular month, the LPF for that month will be calculated as per the Regular Plan (LPF Plan-1). You can continue to take benefits of the new LPF plan for the months you increase your investment by more than Rs.25,000.
- 7) Decreasing the investment amount for a month and then increasing it again will not be considered into Zero Risk Plan (LPF Plan-2).
- 8) The final decision to decide the LPF Plan you fall into will be the sole decision of Z2P alone.
- 9) This scheme/offer is open for acceptance from 15th October 2018; and close at Z2P's sole discretion (the period between is the Offer Period) with/without prior notice.