



Personal Loan Terms & Conditions

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Important notice

You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with personal loan products. You must read it in conjunction with our Customer Terms, Key Information Document (KID), Schedule of Charges (SOSC), the product brochure and any other documents forming our banking agreement. To the extent of any inconsistency between these terms and our Customer/ Client Terms, these terms prevail and if there is any inconsistency between the *approval* and any other part of our banking agreement, then the terms in the approval prevail.

Key words

The meaning of key words printed *like* this and other words used in our banking agreement is explained in our Customer / Client Terms. Some additional key words which apply to the products referred to in these terms are explained at the end of these terms.

1. Choosing the account that is right for you

You should contact us to discuss how we may be able to structure your to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any personal *loan products*.

2. The loan

We must provide the loan

- 2.1 If we issue an *approval* we agree to provide a loan up to the *limit*.
The *limit* may be different to the *limit* you applied for.

The Personal Loan

- 2.2 We shall have the absolute discretion, without assigning any reasons (unless required by applicable law), to reject your application and not sanction/disburse the personal *loan*. We shall not be responsible/liable in any manner whatsoever to you for such rejection or any delay in notifying you of such rejection and any costs, losses, damages, expenses, or other consequences caused by reason of such rejection/non-disbursement or any delay in notifying you of such rejection/non-disbursement.

Purpose

2.3 You must use the *loan* only for the purpose set out in the *application* or as otherwise approved by us. You must not use the loan for investment purposes.

Requesting funds

2.4 If you want us to provide you with *loan* funds, your request must be made in the manner we specify. This may include giving us a period of notice before you require funds.

Top up loan

2.5 We may agree to provide a top up loan by way of single drawdown on terms we notify. You may only make a request for a top up loan after a period of 9 months from the date we provide you with your original *loan*. Each top up loan is treated as a separate loan in accordance with these terms (except as otherwise agreed when we agree to provide the top up loan).

How we provide the loan

2.6 Usually we provide the by depositing it into the *nominated account*. However, if you ask and we agree, we may give you a cheque for the *loan*. If we provide the by cheque, the cheque is only valid for the period we specify and instalments are payable even if the cheque is not cashed.

2.7 Fees and charges that are applicable on the *loan* may be deducted from the *loan* before depositing it into the *nominated account*. Please contact us for details of any applicable fees.

Discount from dealers

2.8 You agree that we may accept discounts offered by our dealers for the purposes of providing the *loan*. You have no claim to any discount and we may apply the discount for our own benefit. Your obligations to us are not affected by the discount (for example, you must pay the interest rates you and we agree despite the discount and even if you prepay the *loan*).

3. Interest, fees and charges**Interest**

3.1 You must pay interest on the *loan* monthly in arrears at the rate set out in the *approval* or in the SOSC or otherwise in our banking agreement or any other rate we determine. Interest is payable by you on the dates set out in the KID.

3.2 Unless otherwise stated in the schedule, interest is calculated on the basis of 360 days in a year (or as determined by reference to usual market practice for the relevant currency).

The EMI is calculated on the basis of monthly rests at the applicable interest rate and rounded off to the next rupee.

EMI means each equal monthly instalment amount the borrower is required to pay under this agreement, being calculated on the basis of 30 days for a month. Each instalment amount is made up of principal and interest.

3.3 Interest is payable on the dates set out in the *approval* or elsewhere in our banking agreement.

3.4 Any overdue payment incurs interest at the *default rate* (which is higher than the usual interest rate) set out in the approval or elsewhere in our banking agreement (see “Interest, fees and charges” in the Customer Terms). We may change the interest rate if the Reserve Bank of India requires us to do so.

3.5 Bank will vary the interest rate or the default rate, under exceptional circumstances, which are beyond the control of the Bank and such changes will impact your instalment amount and the number of instalments.

Fees and charges

3.6 The fees and charges for the are set out in the Schedule of service charges or are available by contacting us at one of our branches or use phone banking.

3.7 We may charge a fee for any overdue payment as set out in the *tariff sheet* or elsewhere in our banking agreement. Please contact us for further details.

4. Repayment

Repayment by instalments

4.1 You must repay the *loan* in instalments. We notify you the amount of the instalment and each instalment payment date.

4.2 The amount of instalments are mainly the principal and interest which are payable by Equated Monthly Instalments (EMIs) as set out in our banking agreement. You confirm that you understand and agree to our method of calculating EMIs. Any *balance owing* for the *loan account* (after payment of all instalments) must be repaid on the final payment date we notify you.

4.3 The instalments are payable even if you do not withdraw any of the *loan* funds we deposit in the nominated account.

Methods of repayment

4.4 We advise you of the manner in which you must repay the instalments. For example, we may ask you to designate an account for repayment by direct debit and give us documents to facilitate direct debit from the designated account.

4.5 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.

4.6 You must ensure that any payment instrument or payment instruction is honoured. For example, you must:

- ensure that you have sufficient funds in the account to be debited (including any account with another financial institution or the *designated account*). If you do not, we may charge a fee;
- not stop cheques;
- not cancel or vary any payment arrangement (unless we ask you to do so to reflect a change in the instalments); or
- not close or change the account on which cheques are drawn (unless you pay the applicable fee set out in the *tariff sheet* or elsewhere in our banking agreement).

Post-dated cheques

4.7 If we require you to repay by post-dated cheques, you:

- must give us post-dated cheques in our favour for an amount equal to each instalment amount; and

- must replace the cheques if we ask.

Automatic payment from account with another Institution

4.8 If we require you to repay by automatic payment from an account with another financial institution you must:

- organise a payment arrangement with the other financial institution under which an amount equal to each instalment amount is debited from that account and deposited in your *nominated account* on each instalment payment date and give us satisfactory evidence that this is in place;

or

- provide us with any authority we require to enable us to debit the instalment amount, to that account; or
- if we ask, give us one or more signed undated cheques in our favour with the amount left blank and otherwise drawn as we require.

Authority to fill in cheques

4.9 If you provide us with any cheques, you irrevocably authorise and appoint us as your attorney to fill in the dates and amounts in the cheques for an amount not exceeding the loan at that time and acknowledge that we may use these cheques to pay any amount you owe us in connection with the loan.

Direct payment from your employer

4.10 You authorise us to instruct your employer to pay any of your salary or remuneration to us to settle the *balance owing* for the *loan account*.

4.11 You agree to do things necessary to fulfil your obligations under clause 4.11, including giving authorisation to your employer to pay any of your salary to us in accordance with our instructions without prior consultation with you.

Payment in full if we ask

4.12 Despite any other term of our banking agreement, at any time we may demand immediate payment of the *loan* in full, together with all accrued but unpaid interest, fees and charges in connection with the *loan*.

What happens if you do not pay

4.13 If you do not make an instalment on or before the relevant due date:

- the *loan* plus all accrued but unpaid interest plus any other sum due to us is immediately due and payable; and

- we will charge you a fee as set out in the *tariff sheet* or elsewhere in our banking *agreement*.

How we apply payments

4.14 We may use amounts we receive from any of your instalments to pay interest rather than to reduce the principal amount you owe us or to pay amounts you owe us in any order we choose. For example, we may allocate a higher proportion of any one or more of your instalments to interest rather than to the principal amount you owe us.

5. Prepayment

5.1 You may prepay all or do the part of the loan if:

- 12 months have lapsed after drawdown of the *loan*;
- you give us a notice in writing;
- you prepay 21 banking days after your written notice;
- you prepay us in accordance with an early prepayment quote we give to you; and
- when you prepay, you also pay all accrued but unpaid interest, fees and charges in connection with the *loan* (including any early settlement fees as set out in the *tariff sheet* or elsewhere in our banking agreement).

Details of these fees and charges are available by contacting us.

If you are unable to give us reasonable notice of prepayment as required in this clause 5.1, we may also require you to pay us an amount equal to one month's interest (or any other amount we specify) on the loan.

Interest, fees and charges are calculated until the last banking day of the month in which the prepayment is made.

If prepayment is made by cheque, the prepayment takes effect only when the cheque is cleared.

6. Additional services for your account

6.1 We may offer additional services for your account. These may include balance transfer programmes, funds transfer programmes and any other services we advise you or which are otherwise available from time to time. You can find out more about available services by contacting us.

6.2 If you sign up for additional services, you are bound by the terms of the additional services. To the extent of any inconsistency between the terms of the additional services and our banking agreement, our banking agreement prevails unless the terms of the additional services specify otherwise.

7. Cancellation

Our Customer Terms set out when you and we may end your use of any *product* and what you need to do if that happens. This includes immediate payment of the *balance owing* for the *loan account*. This clause sets out additional circumstances in which you or we may cancel the *loan*.

You may cancel the *loan* by giving us reasonable notice in writing. However, we may charge you a cancellation fee (details of which are available by contacting us).

8. Jurisdiction

These terms and conditions shall be governed by the laws of India and all disputes arising out of the terms and conditions shall be subject to the exclusive jurisdiction of the Courts at Mumbai.

9. Arbitration

Any claims and/or disputes arising out of or in connection with the personal loan and/or the terms & conditions or its performance shall be settled in accordance with the provisions of Arbitration and Conciliation Act, 1996 and any subsequent statutory amendment if any to it except where such claim or dispute falls within the jurisdiction of the Debts Recovery Tribunal established under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. Any arbitration award/ direction passed shall be final and binding on the parties. The Language of the Arbitration shall be English and the venue of such arbitration shall be at Mumbai.

10. Meaning of words

You also need to refer to our Customer Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Customer Terms, the definition in these terms applies for the purposes of personal *loans*.

Default rate means the Overdue charges per annum which applies to overdue payments or amounts owing in excess of a as set out in our banking agreement.

limit means, for a personal *loan*, the limit set out in the approval for the personal loan (as we may vary at any time).

Loan means the outstanding principal amount of each drawdown of a loan made under these terms. It includes a top up loan.

Nominated account means a *savings account* and/or current account opened and maintained by us for you which you and we have agreed is to be the account into which we may deposit the loan and from which we may debit instalments or repayments.

our banking agreement means the agreement between you and us formed when we accept an application from you, the terms of which include our Customer Terms and these terms.