

RELIANCE Consumer Finance

Anil Dhirubhai Ambani Group

A Reliance Capital Company

Reliance Car Loans Agreement

Sample

LOAN CUM HYPOTHECATION AGREEMENT

This AGREEMENT made at _____, on this [_____] day of [_____] ,
Two Thousand __[_____] (" this Agreement") by and between:

Reliance Consumer Finance Private Limited, a non banking finance company incorporated under the Companies Act, 1956 and having its registered office at 570,Rectifier House, 3rd Floor, Naigaum Cross Road, Wadala, Mumbai 400 031 and one of the offices at _____, (hereinafter referred to as "the Lender" or "RCFL" which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns)of the One part; and The Borrower whose name and address are stated in the Schedule hereto, hereinafter called "the Borrower" (which expression shall unless the context otherwise requires, include his / her / their heirs, executors, administrators, successors and permitted assigns) of the Other Part.

WHEREAS

The Borrower has/have applied to RCFL for sanction of Loan for the Purpose defined hereunder. Relying on the statements made by the Borrower, RCFL has agreed to sanction to the Borrower Loan for the Purpose set out hereunder , brief particulars whereof are given in the Schedule hereto. . One of the conditions stipulated by RCFL for sanction of the Loan is that in consideration of the sanction of the Loan, the Borrower shall execute in favour of RCFL an Agreement in RCFL's prescribed form, bringing these presents, to record, inter alia, the terms and conditions of the grant of the Loan, and in consideration of RCFL having agreed to sanction the Loan, the Borrower hereby executes these presents.

NOW THIS AGREEMENT WITNESSES THAT THE BORROWER HEREBY AGREES WITH, AND UNDERTAKES TO, RCFL AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

The following definitions apply throughout this Agreement unless otherwise stated:

- 1.1 The term "Agreement" means this agreement and any amendment made thereto from time to time by the parties hereto
- 1.2 The term "Account" means the account maintained by the Lender in respect of the Loan availed/agreed to be availed by the Borrower..
- 1.3 The term "Additional Interest" means interest levied by RCFL on delay in payment of the monthly installments or PMII or any other amounts due and payable by the Borrower to the Lender.
- 1.4 The term "Application Form" / "Loan Application" means, as the context may permit or require, the loan application form submitted by the Borrower to RCFL for applying for and availing of the Loan , together with the preliminary loan application form and all other information, particulars, clarifications and declarations, if any, furnished by the Borrower or any other person from time to time in connection with the Loan facility.
- 1.5 The term "Assets" shall mean the Car and / or any other assets, whether moveable or immovable, offered or caused to be offered as security/ secured in favor of RCFL by the Borrower for the due repayment of the Loan facility granted/ to be granted by RCFL
- 1.6 The term "Borrower" means the person/entity named as such in the Schedule hereto and includes Co-Borrower.
- 1.7 The term "Borrower's Dues" means and includes the outstanding Principal amount of the Loan, interest on the Loan , together with all other interest, all fees, costs, charges, expenses, and stamp duty and all other sums whatsoever payable by the Borrower to RCFL in accordance with this Agreement and the Loan Terms and Transaction Documents .
- 1.8 The term "Co-Borrower" means the person/entity named as such in the Schedule hereto.
- 1.9 The term "Car" means new car/used car described in the Application Form and more particularly described in Schedule hereto, which is sought to be purchased by the Borrower and / or sought to be financed by RCFL and includes all the spare parts and all accretions, additions and accessories (including any additional body building/modification works, additional components to the equipments).
- 1.10 The term "Due Date" means the date(s) on which any amounts in respect of the Borrower's Dues including the Principal amounts of the Loan interest and/or any other monies, fall due as specified in the Application Form and/ or the Loan Terms and the other Transaction Documents.
- 1.11 The term "Electronic Clearing System" hereinafter referred to as "ECS", shall be deemed to include transfer of funds electronically, either through a message for transfer of funds sent electronically or through image of instrument of transfer of funds sent electronically or through an electronic file containing the details of the funds transfer sent by electronic media or payment through an electronic cheque or where funds are transferred through various types of plastic cards or such other debit clearing service notified by Reserve Bank of India, participation in which has been consented to in writing by the Borrower for facilitating payment of Installments.

Borrower _____

Co-Borrower _____

- 1.12 The term "Effective Date" means the date on which the first disbursement is availed by the Borrower out of the Loan.
- 1.13 The term "Interest" shall mean the rate of interest chargeable on the Loan at the rate specifically mentioned in Schedule hereto.
- 1.14 The term "Indebtedness" means any indebtedness whatsoever of the Borrower at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities credits, deposits, hire-purchase and leasing)
- 1.15 The term "Loan" means the amount disbursed by the Lender to the Borrower and includes principal amount, interest, Additional interest and any other amount due and payable by the Borrower to the Lender as per the terms and conditions of this Agreement.
- 1.16 The term "Loan to Value" "LTV" shall mean the ratio of the maximum amount of loan to the ex showroom value/ cost of the vehicle. This may vary with vehicle, make, model, documentation and tenure. More particularly described in the Annexure attached hereto.
- 1.17 The term "Monthly Installment" means the amount of monthly payments required to be paid to the Lender which may be either fixed (EMI) or variable as set out in the Schedule and Annexure attached hereto, to amortise the Loan with Interest over the tenure of the Loan.
- 1.18 The term "Pre Monthly Installment Interest (PMII)" means interest at the rate indicated in the Schedule hereto on the Loan disbursed from the date/respective dates of disbursement to the date of commencement of the monthly installments.
- 1.19 The term "Person" shall include individual, partnership firm, company, association of persons, society as mentioned & stipulated as per the relevant provisions of the Income Tax Act, 1961.
- 1.20 The term "Post Dated Cheques" ("PDC") means the cheques issued by the Borrower in favour of the Lender for repayment of the Loan along with accrued interest.
- 1.21 The term "Purpose" means the purpose of buying/purchasing the Car, for which the Loan is availed by the Borrower.
- 1.22 The term "Prepayment" means premature repayment of the Loan before the due date as per the terms and conditions laid down by the Lender in that behalf and as in force at the time of prepayment.
- 1.23 The term "RBI" means Reserve Bank of India
- 1.24 The term "RCFLPLR" means the rate of interest fixed by the Lender from time to time as its prime lending rate.
- 1.25 The term "Repayment" means the repayment of the principal amount of the Loan , interest thereon, commitment and other charges, premium, fees or other dues payable under this Agreement to the Lender.
- 1.26 The term "Sanction Letter" means the letter issued by the Lender sanctioning the Loan with the relevant particulars as mentioned in the letter.
- 1.27 The term "Schedule" means and includes Schedule hereto and forming an integral part of this Agreement.
- 1.28 The term "Seller" / "Dealer" / "DSA" includes all the persons / entities from whom the Car is purchased.
- 1.29 The term "Standing Instructions" hereinafter referred to as "(SI)" means written instructions given by the Borrower(s) to RCFL to debit the account of the Borrower(s) maintained in a bank acceptable/approved by RCFL for the amount of the Installment, more particularly set out in Schedule hereto.
- 1.30 The term "Transaction Documents" includes all writings and other documents executed or entered into or to be executed or entered into, by the Borrowers or, as the case may be, any other person, in relation to, or pertaining , to the Loan and each such transaction document as amended from time to time. Reference to the masculine gender includes feminine and neutral gender and vice versa and Singular to plural.

2. LOAN AMOUNT, DISBURSEMENT, INTEREST, TAXES AND AMORTIZATION

2.1 Loan Amount

- The Borrower has approached the Lender for grant of the Loan to the Borrower for purchase of Car along with spare parts, tools and accessories (hereinafter referred to as "Car") more particularly described in Schedule hereto, for the Purpose as set out in Schedule and have identified a Seller / DSA / Dealer of the said Car and have inspected and approved the Car.
- The Lender hereby agrees to make available to the Borrower and the Borrower hereby agrees to avail from the Lender, the Loan amount mentioned in Schedule in the manner and according to the Loan to Value/ extent of funding as given in the Annexure hereto and on the terms and conditions as stipulated in these presents.
- The Borrower shall not be entitled to cancel the Loan or refuse to accept disbursement of the Said Loan, except with the approval of RCFL and payment to RCFL of such cancellation or foreclosure charges as may be stipulated by RCFL. The Borrower agrees that RCFL is not bound to approve such cancellation and RCFL has a right to approve/reject the cancellation of the Loan , as RCFL deems fit.
- The Borrower shall be solely liable to bear any increase in the price of the Car and / or cost of insuring/ registering the Car.

2.2 Interest

The Borrower shall be liable to pay Interest on the Loan at the rate more particularly mentioned in Schedule hereto. The Lender shall be entitled to revise the rate of Interest at any time and from time to time as per its policy, market conditions and/or applicable laws and regulations, if any, during the tenor of the Loan at its sole discretion. The Lender shall inform the Borrower about the variation in the Interest in due course. In the event of default in payment of interest on the Loan and all other monies on respective due dates, such defaulted amount shall carry interest/further interest at the rate of interest as mentioned in the Schedule hereto, computed from the respective due dates and shall become payable upon the footing of compound interest with monthly rests.

PROVIDED THAT in the event the Lender reduces or increases the Interest rate prior to the disbursement of the full Loan the applicable rate of Interest shall be varied on weighted average basis with reference to the tranches disbursed / to be disbursed. The Borrower shall reimburse or pay to the Lender all such amount as may have been paid or payable by the Lender to the Central or State Government on account of any tax levied on interest (and/or other charges) on the Loan by the Central or State Government. The Borrower shall make the reimbursement or payment as and when called upon to do so by the Lender. The Borrower shall also bear all the tax, toll, duties levies, cess or any other tax as may be imposed by the central government, state government, judicial, quasi judicial or any municipal authorities, which may be chargeable on the Car and if required shall also be liable to reimburse all such taxes, tolls, duties, levies, cess, tax deducted at source etc. to the Lender.

2.3 Computation of Interest

The Monthly Installment comprises of principal and interest calculated on the basis of rate of Interest mentioned in the Schedule hereto and is rounded off to the next rupee calculated on daily reducing balance. Interest and any other charges shall be computed on the basis of a year comprising of three hundred and sixty days

2.4 Payment of Other Expenses

The Borrower undertakes to pay forthwith on demand to the Lender all costs and expenses (including legal costs between legal counsel and clients) on a full indemnity basis incurred and or to be incurred by the Lender for inspection of Car offered as security and for the preparation, execution, preservation, performance, enforcement and realization of the outstanding Loan Amount, security documents and other instruments creating and/or evidencing the creation of any security for the Loan as also any other instruments required in connection with the Loan.

2.5 Details of Disbursement

The Lender shall disburse the Loan in one lumpsum or in suitable installments having regard to the needs of the Borrower. The decision of the Lender in this regard shall be final, conclusive and binding on the Borrower. The Borrower shall acknowledge the receipt, in the form required by the Lender, of each amount so disbursed.

Borrower _____

Co-Borrower _____

2.6 Mode of Disbursement

- a) Disbursement of the Loan may be made directly to the Borrower or Seller/Dealer/DSA of the Car or in such other manner as may be decided solely by the Lender.
- b) The Lender shall have the right to adjust PMII or any other dues against undisbursed amount, if any.
- c) Disbursement shall be deemed to have been made to the Borrower/ Seller /Dealer/DSA on the date of the disbursement by cheque or pay order as the case may be.
- d) It is hereby agreed by the Borrower that in case the disbursement has been made directly to the Seller / DSA / Dealer, all such payment shall be deemed to be the Loan granted to and availed of by the Borrower under this Agreement. In the case of used Car, the Loan may be disbursed by RCFL to Seller and such disbursement shall be deemed to be disbursement of Loan to the Borrower.
- e) Interest on the Loan will begin to accrue in favour of the Lender on and from the first date of disbursement in cases where the Loan is payable in tranches or from the date when the entire Loan Amount was made in lumpsum.

2.7 Amortization

- a) The Borrower will amortise the Loan as stipulated in the Schedule hereto, subject to any other changes in such amortisation as communicated later in writing to the Borrower. However, in the event of delay or advancement, for any reason whatsoever, in the disbursement of the Loan, the Due Date of payment of first Monthly Installment shall in such case be the corresponding day of the following months to the day currently stated in the Schedule hereto.
- b) The Borrower shall also pay to the Lender PMII, until commencement of Monthly Installment.
- c) The Borrower agrees that the repayment of the amount of the Loan together with interest, further interest, Additional interest and all such other sums due and payable by the Borrower to the Lender shall be payable at the place where the branch/office of the Lender is situated or such other place notified by the Lender to the Borrower by any of the following ways/modes:
 - i) Post dated Cheques ("PDC");
 - ii) Electronic Clearing System as notified by RBI ("ECS");
 - iii) Deduction from Borrower`s salary ("Salary debit method"),
 - iv) Standing Instructions (SI) details whereof are mentioned in the Schedule hereto,
 - v) Debit Notes/ bills raised by the Lender

The Borrower agrees that the amount shall be remitted to the Lender on the due date of Monthly Installment. In the event of any dishonour of PDC/SI/ECS instruction the Borrower agrees to pay dishonour charges as mentioned in the Schedule hereto, in addition to any Additional interest that may be levied by the Lender. In the event of any variation in: the date of payment of Monthly Installment or the amount of Interest, principal or Monthly Installment or the numbers thereof, the Borrower agrees and undertakes to forthwith issue fresh PDCs/ ECS/SI instructions to the Lender/its banker, as may be required by the Lender.

- d) Notwithstanding what is stated in Article 2.7(a) above and in Schedule hereto., the Lender shall have the right at any time or from time to time to review and reschedule the repayment terms of the Loan or of the outstanding amount thereof in such manner and to such extent as the Lender may in its sole discretion decide. In such event/s the Borrower shall repay the Loan or the outstanding amount thereof as per the revised Schedule as may be determined by the Lender in its sole discretion and communicated to the Borrower by the Lender in writing.
- e) In case if any amount is prepaid by the Borrower, the same shall be adjusted first towards the incidental charges, Additional Interest, Monthly Installment outstanding and balance towards the principal amount of the Loan.
- f) The Lender shall have the right to require the Borrower to furnish such information/documents concerning his employment, trade, business or profession at any time and the Borrower shall furnish such information/documents immediately.
- g) In case where the Loan has been granted for the purchase of multiple Car(s) from different suppliers / manufacturers, it is specifically understood and agreed by the Borrower that RCFL will for its accounting purposes be reflecting / subdividing the aforesaid Loan into separate sub-accounts corresponding in number to the number of Cars financed. It is further agreed that any payment made by the Borrower to RCFL shall be apportioned by RCFL proportionately in each of the said account. Notwithstanding above, RCFL shall be entitled at its discretion to appropriate any payment received by the Borrower (either in part or in full) against any such sub-account.

2.8 Delay / Default in Payment

- a) No notice, reminder or intimation shall be given to the Borrower regarding his obligation and responsibility to ensure prompt and regular payment of interest, PMII, Monthly Installment and all other amounts payable by the Borrower to the Lender on the respective due dates.
- b) Without prejudice to the Lender's other rights, delay in payment of Monthly Installment or PMII shall render the Borrower liable to pay Additional Interest at the rate mentioned in the Schedule hereto or at such higher rate as per the rules of the Lender in that behalf as in force from time to time. In such event, the Borrower shall also be liable to pay incidental charges and costs to the Lender.
- c) Notwithstanding anything contained in these presents or the Transaction Documents, and irrespective of the mode of payment selected by the Borrower in the Application Form, upon any default by the Borrower in payment of one or more Installment on the Due Date pertaining to the Loan or any non- realization of the of the installment on the Due Date by RCFL, RCFL shall be entitled, without prejudice to its other rights under the Loan terms, to present and/or re-present the post dated Cheque issued by the Borrower in favor of RCFL in connection with the Loan Irrespective of mode of payment / repayment selected by the Borrower in the Application Form, RCFL shall, as it may deem appropriate and necessary, be entitled to require the payment and/or collection of the Installment and all other amounts comprising the Borrower`s dues as expressed in the Application Form, or other Post Dated Cheque, if any, submitted by the Borrower, or by means of ECS, by itself or through such other person permitted for the same, instead of and in lieu of presenting / re-presenting such PDC, if any, issued by the Borrower in favour of RCFL or utilizing any other mode or manner of Payment or re payment of the Installments and all other amounts comprising the Borrower`s dues, provided that such right of RCFL shall be without prejudice to its other rights under the Loan terms, in case of any failure to receive the Installments or any other amounts due, through the ECS (debit) for any reason whatsoever.
- d) if the Borrower defaults in making payment of any installments or any other amounts comprising the Borrower's Dues to RCFL on the respective the Due Date(s), the Borrower shall be liable to pay further interest at the rate specified in the Application Form (plus applicable interest Tax or other statutory levy) on all such Outstanding /unpaid amounts from the relevant Due Date till the date of payment of such entire amount. Such further interest shall be in addition to any other charges, which the Borrower is liable to pay to RCFL in terms of these presents.

2.9 Pre-payment of the Loan

The Lender may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit acceleration of Monthly Installments or pre-payment at the request of the Borrower. If permitted by the Lender, the Borrower shall give prior written notice of his intention to prepay the full amount of Loan and pay to the Lender such prepayment charges mentioned in the Schedule hereto, subject to change by the Lender from time to time. Save and except as mentioned above, the Borrower shall not be entitled to make any Prepayment. If notwithstanding the above the Borrower pays any amount to the Lender before the Due Date the Lender shall be entitled to appropriate the same in such manner as it deems fit. And the Lender will give the Borrower credit for the same only on Due Date and not before. In the event the Lender permits any Prepayment the Repayment schedule shall be altered by the Lender at the request of the Borrower and the Borrower agrees to adhere to the altered Repayment schedule. Such repayment schedule shall be part of this Agreement.

Borrower _____

Co-Borrower _____

2.10 Processing Fees

The Borrower acknowledges that processing fee as mentioned in the Schedule hereto has been paid by the Borrower.

2.11 Terminal Dates for Disbursement

The Lender may by notice to the Borrower suspend or cancel further disbursements of the Loan, if the Loan shall not have been fully drawn within 60 (sixty) days from the Effective Date or such other period as may be decided by the Lender.

2.12 Alteration and Re-Scheduling of Monthly Installment

If the entire amount of the Loan is not drawn by the Borrower within a period of 60 (sixty) days from the Effective Date, Monthly Installments may be altered and re-scheduled in such manner and to such extent as the Lender 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.

2.13 Liability of the Borrower (s) to be Joint and Several

Where the Loan is provided to more than one Borrower notwithstanding any thing herein stated, the liability of the Borrower to repay the Loan together with interest, and all other amounts and to observe these terms and conditions and terms and conditions of any other agreement/s, document/s that may be executed by the Borrower with the Lender in respect of the Loan or any other loan is joint and several.

2.14 Cross Default

The Borrower agrees and acknowledges that any default by the Borrower under any agreement entered into by the Borrower with the Lender, any other bank and/or financial institution including the Lender shall constitute an event of default under this Agreement and vice-versa. The Borrower further agrees that any security provided by the Borrower to the Lender under any other credit facility shall be available to the Lender under this Agreement upon the occurrence of an event of default under this Agreement and vice versa.

3. CONDITIONS PRECEDENT

3.1 The following shall be conditions precedent for disbursal of the Loan or any tranche thereof:

- i) The Borrower shall, prior to receiving the disbursal of the Loan, have paid his own contribution, i.e. the cost of purchase of the Car less Loan availed from the Lender unless specified by the Lender.
- ii) The Borrower shall have an absolute, clear and marketable title/ownership to the Car and that the Car is absolutely unencumbered and free from any liability and prior charges whatsoever.
- iii) No Events of Default shall have occurred.
- iv) Any disbursement of the Loan and/or tranche thereof shall at the time of request therefor be required immediately by the Borrower for the sole and exclusive Purpose of the Borrower as stated in the Loan Application and the Borrower shall produce such evidence of the proposed utilization of the proceeds of the disbursement of the Loan or any tranche thereof as is satisfactory to the Lender as and when required by the Lender.
- v) No extraordinary or other circumstances shall have occurred which shall make it improbable for the Borrower to fulfill his/its obligations under this Agreement.
- vi) The Borrower shall have executed and delivered a money bond or a demand promissory note in favour of Lender for the amount of the Loan.

4. SECURITY

4.1 In consideration of RCFL advancing to the Borrower the said Loan, the Borrower agrees and hereby exclusively hypothecates on first charge to RCFL the Car/ all the Assets, brief particulars whereof are set out in the Schedule hereto, belonging to the Borrower wheresoever lying or parked hereinafter for sake of brevity are collectively referred to as "Hypothecated Assets".

4.2 The security hereby created by way of hypothecation shall be deemed to be created immediately on signing of this Agreement or delivery of the Car, whichever is earlier.

4.3 The charge by way of hypothecation hereby created on the Hypothecated Assets shall be a security for the due repayment and discharge on demand of the said Loan to RCFL together with interest there on at the agreed rates and all costs, charges, expenses and other moneys payable in respect of the said Loan and also for the due observance, performance and discharge by the Borrower of all obligations arising out of or in respect of the said Loan or which may give rise to the pecuniary liability and for all costs (between Attorney and Client) on full indemnity basis, charges expenses and other moneys whatsoever paid or incurred by RCFL in connection with the insurance protection, observance, enforcement, or realization of the security and for recovery of their respective dues as also as security for the payment and discharge of all indebtedness whatsoever or promissory notes or instruments at any time drawn, made, accepted or endorsed by the Borrower solely or jointly with others which RCFL may discount or become interested in together with all interests, discount, commission, charges, costs (between Attorney and Client) and expenses payable to or incurred by RCFL in relation thereto so that the security hereby created shall be and shall always be and remain continuing security for all moneys, indebtedness and liabilities aforesaid and the said security shall be in addition to any other security for any such indebtedness or liability now held or hereafter to be held by RCFL.

4.4 The Borrower hereby declares that the Hypothecated Assets is the absolute property and ownership of and at the sole disposal of the Borrower and free from any prior charges or encumbrances of any nature whatsoever except charge created in favour of RCFL.

4.5 The charge/security created by the Borrower under this Agreement shall be a continuing security for the amounts due from time to time under the said Loan and shall continue and remain in force till such time all other dues under this Agreement from RCFL are fully discharged and RCFL issues a Certificate of Discharge.

4.6 The Borrower undertakes to further secure the Loan and create such further security and execute such other documents as may be required by RCFL from time to time with regard to the Loan.

4.7 The Borrower shall execute on demand by RCFL such further documents as may be required by RCFL to perfect the Security and / or vest the Hypothecated Assets or any of them in favour of RCFL and to render the same readily realizable or transferable by RCFL at any time.

4.8 The Borrower undertakes to maintain the security margin as specified by RCFL from time to time in respect of the outstanding balance of the Loan and accrued interest. If the margin falls below what has been specified, the Borrower undertakes to deposit sufficient cash and/or provide additional security to the satisfaction of RCFL within such time as may be required by RCFL.

5. COVENANTS

5.1 Particular Affirmative Covenants

The Borrower covenants with the Lender that during the tenor of the Loan:

- a) The Borrower shall ensure that the entire Loan will be utilized for the Purpose as stated by the Borrower in the Loan Application Form and for no other purpose whatsoever.
- b) The Borrower shall keep and maintain the Hypothecated Assets in good marketable condition at the cost and risk of the Borrower in all respects and all necessary repairs, additions and improvements thereto will be made during the currency of the Loan and the Borrower shall be liable for any loss or damage caused to the Hypothecated Assets for any reasons whatsoever, including theft, damage by weather and deterioration in quality.
- c) The Borrower shall notify the Lender of any change in the Borrower's employment, business or profession. In the event the Borrower is self-employed, the Borrower hereby undertakes to keep the Lender informed about the financials of his business on a regular basis as may be notified to him by the Lender. In the event the Borrower sole proprietary concern, the Borrower shall provide the Lender such information and/or documents as may be required by the Lender.

Borrower _____

Co-Borrower _____

- d) The Borrower shall notify the Lender of any change in its residential status within 15 days of such change.
- e) The Borrower shall duly and punctually comply with all the terms and conditions of holding the Hypothecated Assets and all the rules, regulations and other laws relating but not limited to Motor Vehicles laws, or any other Competent Authority, and pay such maintenance and other charges for the upkeep of the Hypothecated Assets as also any other dues, etc., as may be payable in respect of the Hypothecated Assets and/or of the use thereof.
- f) The Borrower shall ensure that the Hypothecated Assets is insured against fire, earthquake, flood, storm, tempest or typhoon and other hazards, as may be required by the Lender, with the Lender being made the sole beneficiary under the policy, for a value as required by the Lender and produce evidence thereof to the Lender from time to time and wherever called upon to do so. The Borrower shall pay the premium promptly and regularly so as to keep the insurance policy alive at all times till the said Loan is amortized in full.
- g) The Borrower shall promptly inform the Lender of any loss or damage to the Hypothecated Assets due to any act of God or damage or other risks against which the Hypothecated Assets may not have been insured.
- h) For the present Loan :
 - a. The Borrower shall complete purchase of the Car as indicated by him in the Loan Application Form and obtain and produce to the Lender purchase documents, as the case may be.
 - b. The Borrower shall promptly notify any event or circumstances which might operate as a cause of delay in the purchase of the Car.
 - i) The Borrower shall pay all road taxes, octroi and other local taxes / charges in accordance with the laws and regulations.
 - j) The Borrower shall allow any person authorized by the Lender to have free access to the Hypothecated Assets for the purpose of inspection.
 - k) The Borrower shall intimate the Lender promptly of any dispute which might arise between the Borrower and any person or any governmental body or authority thereby affecting the ability of the Borrower to repay the Loan in the manner stipulated hereunder.
 - l) The Borrower shall on the Lender's request do, perform and execute such acts, deeds, matters and things as the Lender may consider necessary either to perfect the security provided for and to carry out the intent of this Agreement.
 - m) The Borrower shall confirm that the true copies of the document submitted for the purpose of the Loan are genuine. The Lender may at any time, call for or require verification of originals of any/all such copies. Any such copy in possession of the Lender shall be deemed to have been given only by the Borrower.
 - n) The Borrower confirms that there is no action, suit, proceedings or investigation pending or, to the knowledge of the Borrower, is threatened, by or against the Borrower before any court of Law or Government authority or any other competent authority which might have a material adverse effect on the financial and other affairs of the Borrower or which might put into question the validity or performance of this Agreement or any of its terms and conditions.
 - o) The Borrower confirms that the Borrower is the absolute owner of the Hypothecated Assets to be offered as security.
 - p) The Borrower shall take consent from RCFL if the Hypothecated Assets is/are proposed to be removed /taken outside the territorial borders of the state in which the Assets is registered or removed /taken out of the address /location as specified on a permanent basis or for a continuous period of more than 60 days.
 - q) If the Borrower is a Person other than an individual, it shall promptly inform the Lender of change in location of its office/registered office, name, main business activity of the Borrower.
 - r) The Borrower shall bear all costs of making good any deficit in stamp duty on the documents executed by the Borrower in relation to the Loan and/or security created by the Borrower in favour of the Lender.
 - s) The Borrower shall intimate the Lender of any change in residential status within 10 (ten) days of such change.
 - t) The Borrower agrees that any security provided by the Borrower to the Lender under any other credit facility shall be available to the Lender under this Agreement upon the occurrence of an event of default under this Agreement and vice versa.

5.2 Negative Covenants

The Borrower further covenants with the Lender that until such times the amounts due have been fully paid to RCFL (unless the Lender shall otherwise previously approve in writing), the Borrower shall not:

- a) Use the Loan for any speculative purpose or a purpose other than that stated with Loan Application.
- b) Sell, transfer, assign, mortgage, pledge, charge, encumber the Hypothecated Assets in any manner in favour of any person, corporation partnership or association, other than in favour of RCFL, without the express consent in writing of RCFL. The Borrower undertakes to get the registration certificates of Car endorsed in the name of Reliance Consumer Finance Private Limited to further express the fact that the Car stands hypothecated to RCFL.
- c) During the continuance of this Agreement create any mortgage, charge, lien or encumbrance affecting the Hypothecated Assets or any part thereof nor shall do anything which would prejudice the security nor shall they part with them.
- d) Make and/or allow to be made any material alterations and/or additions in the Hypothecated Assets.
- e) Enter into any Agreement or Arrangement with any person, institution or local or Government body for the use, occupation or disposal of the Hypothecated Assets or any part thereof.
- f) Stand surety for anybody or guarantee the repayment of any loan or overdraft or the purchase price of any asset.
- g) Execute any document, such as Power of Attorney, or any other similar or other deed, in favour of any person to deal with the Hypothecated Assets in any manner.
- h) If the Borrower leaves India for employment or business or for long term stay abroad without fully repaying the Loan together with interest and other dues and charges including prepayment charges as contained herein. If the Borrower become a Non Resident Indian, the Borrower agrees to repay the Loan in accordance with the rules, regulations, guidelines, norms of the Reserve Bank of India.

6. REPRESENTATION AND WARRANTIES

A. REPRESENTATION BY THE BORROWER: The Borrower hereby declares, represents and warrants on a continuing basis that:

- a) Borrower is aware that the RCFL is granting the Loan on the basis of the Loan Application made by him/her/it for the purchase of the Car and on the faith of the representations made by the Borrower and believing the same to be true;
- b) that all the necessary approvals for availing of the Loan have been obtained and that the Borrower will at all times till the amounts due to RCFL are paid in full and the Loan is fully repaid, keep all such permissions valid and subsisting.
- c) The officer of the Borrowers executing this agreement and the documents executed in pursuance hereof, are duly and properly in office and fully authorised to execute the same.
- d) This Agreement and the documents to be executed in pursuance hereof, when executed and delivered, will constitute valid and binding obligations of the Borrower;
- e) It has not taken any action nor have any steps been taken or legal proceedings been initiated or threatened against the Borrower or all or any of its assets or undertakings;

Borrower _____

Co-Borrower _____

- f) As of the date of this Agreement, there is no litigation, proceedings or disputes pending or threatened against the Borrower, the adverse determination of which might substantially, affect the Borrower's ability to repay the Loan as described in the Schedule hereto or have a materially adverse effect on the financial condition of the Borrower;
- g) The execution and delivery of this Agreement and the performance of its obligations hereunder does not:
 - i) contravene any applicable law, statute or regulation or any judgment or decree to which the Borrower is subject;
 - ii) conflict or result in any breach of any covenants, conditions and stipulation under any existing agreement, to which the Borrower is a party;
- h) there has been no material adverse change in the financial condition of the Borrower, nor has any event which is prejudicial to the interest of RCFL taken place since the date of latest audited financials of the Borrower which is likely to materially and/ or adversely affect the liability of the Borrower to perform all or any of the obligations under this Agreement.
- i) The Borrower shall be exclusively responsible for getting the delivery of the Vehicle from the Seller / Dealer / DSA. RCFL shall not be liable for any delay in delivery/disbursement, or the quality/condition/fitness of the Asset(s). The Borrower absolves RCFL from any liability in respect of the above and that the Borrower shall not withhold payment of stipulated MI's on the ground that the Asset has not been delivered or any alleged claim/dispute in respect of the Hypothecated Assets.
- j) The information given in the Loan Application Form and End Use of Funds letter and any prior or subsequent information provided or explanation furnished to the Lender in this behalf are true, complete and accurate in every respect.
- k) The purpose for which the Loan is taken is not illegal, speculative or nefarious.
- l) The Borrower assures that subsequent to the application there has been no material change, which would adversely affect the Lender and/or the provision of Loan by the Lender to the Borrower.
- m) The Borrower is not aware of any document, judgement or legal process or other charges or of any latent or patent defect affecting the title of the Car or of any material defect in the Car which has remained undisclosed and/or which may affect the Lender prejudicially.
- n) The Borrower has paid 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.
- o) The Borrower has disclosed/ furnished all facts/information to the Lender in respect of the Loan and all information in the Loan Application or in any supporting documents or otherwise howsoever is absolutely true, correct and complete in all respects and that no fact or information necessary to be furnished by the Borrower has been omitted to be stated in order to induce the Lender to provide the Loan.
- p) The Borrower does not violate any covenant, conditions or stipulations under any existing agreements entered into by the Borrower with any party, by availing the Loan from the Lender.
- q) The Borrower assures that all the necessary approvals for availing the Loan and creating the security/securities have been obtained or shall be obtained.
- r) The Borrower is entitled and empowered to borrow the Loan , provide the security documents, execute the promissory notes if any and all other documents and papers in connection with and upon execution of the same will create legal and binding obligations on the Borrower enforceable in accordance with their respective terms.
- s) The Borrower confirms that the representations and warranties contained herein shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement until all sums due or owing hereunder by the Borrower to the Lender have been paid in full, as if made with reference to the facts and circumstances existing on such day.
- t) The Borrower shall at all times maintain sufficient funds in his/her/their bank account/s to ensure that the Installment are received/ realized by RCFL and shall not close the account.
- u) The Borrower shall not be entitled to cancel or issue stop-payment instruction with respect to post dated cheques for so long as the Loan or any part of Borrower's Dues) is outstanding and any such act of Borrower shall be deemed to have committed with an intension to cheat RCFL and avoid prosecution under Negotiable Instrument Acts, 1881, and RCFL shall be entitled to initiate appropriate criminal proceeding against the Borrower.
- v) The Borrower shall promptly replace the post dated cheques and/or the mandates, agreements and/or other documents executed for payments of installment and issue fresh post-dated cheques, mandates, agreements and/or other documents in lieu thereof to the satisfaction of RCFL, if RCFL is facing any difficulty / inconvenience / impediments for any reason whatsoever in presenting such cheques/issuing debit instruction or if required any time by RCFL at its sole discretion.
- w) The Borrower may, subject to prior approval by RCFL ,be permitted to swap/exchange the post dated cheques issued to RCFL with alternative post-dated cheques drawn on another Bank (as approved by RCFL) subject to payment to RCFL of the "cheques swap" charge as specified in Application Form.
- x) The Borrower shall not without the approval of RCFL (which approval may be given subject to such terms and conditions as may be stipulated by RCFL including the payment of minimum prepayment amount, prepayment premium or discount interest and /or any other charges, plus applicable interest tax or statutory levy), prepay the outstanding principle amount of Loan in full or part, before the due dates. In the event of any part payment of the Loan is permitted by RCFL, the repayment schedule /amount of installment(s) as specified in the Application Form shall be amended by RCFL and the Borrower shall there after make payments of installments as per such amended schedule.

B. REPRESENTATION AND WARRANTIES FOR THE CAR:

- i) The Borrower shall be also solely and exclusively responsible for getting / insuring / delivery of the Car from Seller / Dealer / DSA, as the case may be, and RCFL shall not be liable or responsible for delay in delivery and (non-delivery of the Car or any demurrage cost or any defect or variation in the quality, condition, fitness and performances of the Car or any guarantee or warrantee given by the Seller / Dealer / DSA, in respect thereof. RCFL shall not be liable for, or bound by any representation or warranties whatsoever made by Seller / Dealer / DSA in respect of the Car or any agent of such Seller / Dealer / DSA.
- ii) The Borrower shall, within ten days from the date of disbursement or delivery of the Car (whichever is earlier), register with appropriate Registering Authority clearly indicating that such Car is exclusively charged in favour of RCFL and submit a certified copy of the Registration Certificate to RCFL.
- iii) Where full details of Car (such as engine number/chassis number/serial number, registration number, etc., as required to be specified in the Application Form) is/are not available at the time of submitting the Application Form, the Borrower shall furnish all such details of the Car to RCFL, in such format as specified by RCFL, within 3 days of the Car or receipt of such details (such as registration number of Car) from appropriate authority.
- iv) In the event of any security being created in favour of RCFL, the Borrower shall, if required by RCFL affix plates/sticker on the Car indicating the fact of charge of the Car in favour of RCFL, while such plates/stickers shall be constantly affixed on the Car so long as any portion of the Borrower's Dues remain outstanding from the Borrower to RCFL and the charge has been released by the RCFL, over the said Car.
- v) any such direct or indirect agreement /arrangement, lien, charge, encumbrance, hire, lease, transfer or parting with possession of the Car , as referred to in the Agreement, shall be deemed to be an act of criminal breach of trust and cheating by Borrower, RCFL shall be entitled in such circumstance, without any prejudice to the other rights of RCFL under and/or Loan Term, to initiate appropriate criminal proceeding against the Borrower.
- vi) The Borrower shall take consent from RCFL if the Car is proposed to be removed /taken outside the territorial borders of the state in which the Car is registered or removed /taken out of the address /location as specified on a permanent basis or for a continuous period of more than 60 days.

Borrower _____

Co-Borrower _____

7. FURTHER COVENANTS:

- a) The Borrower agrees that the Borrower will not compound or release the Hypothecated Assets nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent of RCFL and further agrees to keep proper books of account of its business(es) and will at all times as and when required produce such books of account and all vouchers, papers and documents relating thereto for the inspection of RCFL and any of its officers or agents and allow free access to them without any demur.
- b) The Borrower shall carefully keep and preserve all the documents, papers and vouchers in connection with or relating to or which are likely to prove the Hypothecated Assets or any part thereof and will at any time when required to do so, produce such documents, papers and vouchers for the inspection of RCFL and take such steps for the recovery thereof as RCFL may direct, failing which RCFL is hereby empowered without any consent of the Borrower to take all or any such steps by itself in the name of and on behalf of and at the cost and expenses of the Borrower.
- c) The Borrower shall allow RCFL or its authorized agent to take inspection of Hypothecated Assets of all records and will produce such evidence as RCFL may require as to the cost and value of any such Hypothecated Assets and it shall be lawful for RCFL at any time and from time to time during the continuance of this security to appoint and employ at the expense of the Borrower in all respects and either temporary or for such periods as RCFL shall think fit a person or persons or firm or company to inspect and value on behalf of RCFL the Hypothecated Assets and the Borrower shall pay to RCFL on demand the fees or other remuneration payable to any such person firm or company and the cost, charges and expenses of and incidental to such valuation (the bank's statement therefore being conclusive in that behalf) and in default RCFL shall be at liberty to debit the amount thereof to the respective Account of the Borrower. Any such valuation shall be conclusive against the Borrower.
- d) If so required by RCFL, the Borrower shall cause to be displayed on the Hypothecated Assets, sign boards prominently indicating that the Hypothecated Assets are hypothecated to RCFL; the sign boards to be displayed in such manner and form as may be required by RCFL.
- e) The Borrower hereby declares that the Hypothecated Assets and all documents relating to the Hypothecated Assets shall be held in trust by them for RCFL.
- f) The Borrower shall ensure that no charge or encumbrance is created on Hypothecated Assets or any of them and that nothing is done that may adversely affect the security created hereby on the Hypothecated Assets in favour of RCFL.
- g) Notwithstanding anything herein contained, RCFL shall have a lien over all the assets of the Borrower in RCFL's control and a right of set off against any monies due from the Borrower to RCFL and to combine all accounts of the Borrower for recovery of RCFL's dues.
- h) The Borrower undertakes to comply with all the rules, laws and regulations relating to the possession, operation and use of the Car as may be applicable from time to time and assumes all risks and liabilities arising from or pertaining to the possession, operation or use of the Car. The Borrower doth hereby agrees to indemnify and keep indemnified and hold safe and harmless RCFL from and covenants and undertakes to defend RCFL against any and all claims, costs, expenses, damages and liabilities whether civil or criminal, of any nature whatsoever, arising from or pertaining to the use, possession, operation or transportation of the Car or against the loss of the Car by seizure by any person other than RCFL for any reason whatsoever, or resulting from any form of legal process initiated by any person other than RCFL as also against any damage or loss (whether monetary or otherwise) caused to RCFL due to the destruction of or any damage to the Car.
- i) The Borrower does hereby further covenant with RCFL that the Car shall not be used either by himself or by his servants or agents for any form of smuggling, transport of goods, articles, persons etc. or be employed for carrying hazardous waste, drugs or any other psychotropic and banned substances, etc. in contravention of any of the provisions of the Acts of Central and State Legislatures relating to Forest, Excise, Sales Tax, Customs, Prohibition, Opium, Railway property unlawful possession, Gold Control etc and the Car shall not be adapted, altered or fitted for the purpose of concealing such goods, articles or persons. The Borrower shall not engage the Car in any unlawful or illegal activity and the Borrower shall be responsible for any damage or loss sustained by RCFL directly or indirectly, in respect of the Car, as result of such wrongful or unlawful use.
- j) In consideration of the said Loan, the Borrower has agreed to sign/ signed and executed various forms specified under Motor Vehicles Act and rules (hereinafter called the "RTO Form") to enable RCFL to utilize them for the purpose of sale and / or transfer of Car in the name of any purchaser/ transferee/ third party to the choice of RCFL and/ or to transfer the Registration certificate from one State to another State. On an occurrence of Event of Default the Borrower hereby irrevocable authorizes RCFL to fill in, all the details in the RTO Form, with the name of purchaser/transferee / third party, of RCFL's choice and use such RTO Form and apply before the concerned Registering Authority for transfer the Car in the name of the transferee / third Party as if Borrower had personally performed or executed the same.

The Borrower further authorizes RCFL to do, perform and execute all acts, deeds, matters and things relating to concerning these presents as fully and effectually as if Borrower had personally performed or executed the same. The Borrower agrees to ratify and confirm all and whatsoever RCFL shall do cause to be done in or about the premises by virtue of these presents. The Borrower further agrees that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

8. RENT, TAXES AND OUTGOINGS: The Borrower shall punctually pay all rents, taxes, outgoing and other charges in respect of the premises in which the Hypothecated Assets are parked or kept. The Borrower shall also ensure that such premises and the Hypothecated Assets are fully and comprehensively insured against all risks such as fire, earthquake, lightning riots, civil, commotion, war, theft, pilferage and such other risks as may be stipulated by RCFL from time to time to the extent of the full market value thereof.

9. INSURANCE:

- a) The Borrower shall duly and punctually pay all the premia on such policies as and when due and shall produce to RCFL for inspection the original receipt and furnish duly certified copies thereof for RCFL's record. The Borrower shall ensure that such policies of insurance are kept alive during the subsistence of the security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled. The Borrower shall assign to RCFL every policy of insurance and shall pay to RCFL all proceeds of any policy received by them.
- b) In the event of the Borrower failing in its obligations as aforesaid, RCFL, may, at its discretion but without any obligation to do so, pay such rents and outgoing and insure the said premises and the Borrower hereby undertakes to reimburse RCFL all monies so paid by RCFL for the purpose. RCFL shall have the right to debit the amount so paid to the account of the Borrower maintained with a bank approved by RCFL ("Account") and such amount shall thereafter carry interest at the rate as specified in the Agreement.
- c) The insurance shall be in the joint names of the Borrower and RCFL, and the name of RCFL shall be shown as 'the Loss Payee' and the copy of original policies of insurance and renewal notes shall be deposited with RCFL. The Borrower shall duly and punctually pay all the premia on such policies as and when due and shall produce to RCFL for inspection the original receipt and furnish duly certified copies thereof for RCFL's record. The Borrower shall ensure that such policies of insurance are kept alive during the subsistence of the security and the Borrower shall not do or permit to be done anything by reason of which such insurance may be cancelled.
- d) On default of the Borrower to keep the Hypothecated Assets insured as aforesaid, RCFL may, at its discretion, but without any obligation to do so, effect insurance of the Hypothecated Assets and/or pay the premia in respect thereof at the risk, cost and responsibility of the Borrower and the Borrower hereby undertakes to reimburse RCFL on demand all the amounts paid and/or incurred by RCFL in doing so and on default of payment of such amounts by them RCFL shall be at liberty to debit such amounts to the accounts of the Borrower with RCFL and such amounts shall carry interest at the same rates as provided in the Agreement. Provided, however, that in the event of so insuring the Hypothecated Asset, RCFL shall not be considered responsible or liable for the nonadmission of the claims or their non-payment wholly or partly by such Insurance Company for the omission to ensure or deficiency of insurance and the ultimate liability of the Borrower to RCFL shall continue notwithstanding such failure or non-admission as aforesaid.
- e) Further, that all sums received under any such insurance as aforesaid shall be received by RCFL and applied in or towards the liquidation of the outstanding amount of the Loan to RCFL for the time being and in the event of there being a surplus, RCFL shall be entitled to appropriate such

Borrower _____

Co-Borrower _____

surplus as provided in this Agreement. Provided that RCFL shall not incur any liability to the Borrower if it fails to lodge any claim under any policy with the Insurance Company within the time prescribed under such policy or for any reason whatsoever. Nor shall RCFL incur any liability to the Borrower for not bringing any suit for recovery of insurance moneys or allowing such suit to be barred by time.

- f) In the event of any loss or damage to the Asset(s) due to any accident, the first claim on any insurance proceeds shall be that of RCFL, which proceeds shall be applied by RCFL towards the Borrower's Dues in terms hereof or such other manner as deemed fit by RCFL. Further, and in the event of any total loss/damage to the Asset(s), if the claim amount settled by the insurance company is less than the total Borrower's Dues outstanding and payable by the Borrower, the Borrower shall immediately pay all the balance outstanding amounts of the Borrower's Dues to RCFL. RCFL is irrevocably authorised and entitled at its sole discretion to act on the Borrower's behalf, at the Borrower's sole risk and cost, and to take all necessary steps, actions and proceedings as RCFL deems fit to safeguard its interests: (i) to adjust, settle, compromise or refer to arbitration any dispute arising under or in connection with any insurance and such adjustment, settlement, compromise and any award made on such arbitration shall be valid and binding on the Borrower and (ii) to receive all monies payable under any such insurance or under any claim made thereunder and to give a valid receipt there for, and apply such proceeds in accordance with the terms hereof or such other manner as deemed fit by RCFL.
- g) The Borrower shall not be entitled to raise any claim against RCFL in case RCFL chooses not to take any action in relation to the insurance claims or proceedings and or on the grounds that a larger sum or amount of claims/settlement might or ought to have been received or be entitled to dispute the liability of the Borrower for the balance amount of Borrower's dues remaining due after such adjustment.
- h) It is also agreed that RCFL shall have the absolute right to adjust, settle, compromise or refer to the arbitration without reference to or consent of the Borrower, any dispute in connection with or arising under any policy of insurance and any of the assured and such act of RCFL shall be valid and binding on the Borrower but shall not impair right of RCFL to recover its dues from the Borrower.

10. SET-OFF

RCFL shall have a paramount lien and right of set off on/against (a) all insurance proceeds whatsoever from the Hypothecated Assets, as well as (b) all other monies, securities, deposits of any kind and nature, including deposits and bonds, and all other assets and properties belonging to the Borrower or standing to the Borrower's credit (whether held singly or jointly with any other person), which are deposited with/under the control of RCFL (or any of its group companies) whether by way of security or otherwise pursuant to any contract entered/to be entered into by the Borrower in any capacity, and RCFL shall be entitled and authorized to exercise such right of lien & set off against all such amounts and assets for settlement of the Borrower's Dues with or without any further notice to the Borrower. In this regard, any discharge given by RCFL to its group companies shall be valid and binding on the Borrower. The joint account holder/s to such monies, securities, deposits and other assets is/are aware of, and have no objection to (a) the Loan applied for, (b) the Loan terms, (c) using such monies from the joint accounts for paying/repaying the Loan and all other amounts due to RCFL, and (d) RCFL's rights of set off in the event of their default of the Loan terms: It shall be the Borrower's sole responsibility and liability to settle all disputes/objections with such joint account holders, if so required, and RCFL shall be well within its rights to exercise the right of set off against any money lying in any deposit/bond/other assets held singly or jointly, for settlement of dues.

11. EVENTS OF DEFAULT

The following events shall be considered as "Events of Default": -

- a) If any default shall have occurred in payment of Monthly Installment or any part thereof and/or in payment of any other amounts due and payable to the Lender in terms of this Agreement and/or in terms of any other agreement(s)/document(s) which may be subsisting or which may be executed between the Borrower and RCFL hereafter;
- b) If default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Borrower under this Agreement or any other agreement(s) between the Borrower and the Lender in respect of the Loan or any other loan;
- c) If any information given by the Borrower to the Lender in the Loan Application Form or otherwise is found to be misleading or incorrect in any material respect or any representation or warranty referred to in Article 6 is found to be incorrect;
- d) If the Asset(s) on which the security for the Loan is created depreciates in value to such an extent that in the opinion of the Lender further security should be given and such security is not given on written demand;
- e) If the Asset(s) is, sold, disposed off, charged, encumbered, sub-let or leased or let or otherwise alienated in any manner whatsoever without written approval of the Lender;
- f) If the Borrower fails to furnish any information or documents required by the Lender;
- g) If the Borrower fails to inform the Lender of the occurrence of any Event of Default or any event which after the notice or lapse of time, or both, would become an Event of Default;
- h) If a cheque in respect of any payment including but not limited to Monthly Installment is dishonoured;
- i) If the Borrower fails to deliver post dated cheques in accordance with the terms of the Loan or as and when demanded by the Lender;
- j) If any security for the Loan becomes infructuous or is challenged by the Borrower or any other person;
- k) Where the Borrower or where the Loan has been provided to more than one Borrower, any one of the Borrower is divorced or dies and the other surviving Borrower is incapable of securing the Loan in the sole opinion of the Lender;
- l) If the Borrower makes a default in performance of any of the terms, covenants and conditions of any other loan or facility provided by the Lender to the Borrower;
- m) If the Borrower fails to furnish to the Lender detailed end use statement of the Loan as and when so required by the Lender within 10 (ten) days of receiving such request from the Lender;
- n) if the Borrower commits an act of insolvency or makes an application for declaring himself an insolvent or an order is passed against the Borrower declaring him an insolvent.
- o) If the Borrower ceases or threatens to carry on any of his business or gives notice of its intention to do so or of all or any part of the assets of his business or operation are damaged or destroyed or there occurs any change in from the date of submission of the Application in the general nature or scope of business, operations, management or ownership of the Borrower which could have a material adverse effect.
- p) The Asset(s) is/are endangered / stolen or suffer total loss/ damage due to any accident and or incident.
- q) The Asset(s) or any part or portion thereof, being confiscated, attached or taken into custody by any authority or becoming the subject of any legal proceedings.
- r) The Asset(s) or any part or portion thereof, are distrained, endangered or damaged.
- s) The Asset(s) is stolen or is total loss in the opinion of RCFL.

12. REMEDIES OF THE LENDER

- a) On the happening of any of the Events of Default, RCFL may, by a notice in writing to the Borrower and without prejudice to the rights and remedies available to RCFL under the Loan terms or any other Transaction Document or otherwise: (a) call upon the Borrower to pay all the Borrower's Dues in respect of the Loan and otherwise, and/or (b) declare the security, if any, created in terms of/pursuant to the Loan terms and / or the other Transaction Documents to be enforceable, and RCFL, its representatives and/ or such other person in favour of whom such security or any part thereof is created shall have, inter alia the following rights (notwithstanding anything to the contrary in the Loan terms and/or the other Transaction Documents and irrespective of whether or not the entire Loan or Borrower's Dues has/have been recalled) namely:

Borrower _____

Co-Borrower _____

- i. to enter upon and take possession of the Hypothecated Assets in accordance with the provisions of the Loan terms; and/or
 - ii. transfer or deal with the Hypothecated Assets in accordance with the provisions of the Loan terms.
- b) RCFL shall be entitled, at the sole risk and cost of the Borrower, to engage one or more person(s) to collect the Borrower's Dues and/or to enforce any security provided by the Borrower and RCFL may (for such purposes) furnish to such person(s) such information, facts and figures pertaining to the Borrower, the security and/or the Car(s) as RCFL deems fit. RCFL may also delegate to such person(s) the right and authority to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto, as RCFL deems fit.
- c) RCFL shall not in any way be liable / responsible, notwithstanding anything to the contrary under any applicable laws, for any loss, deterioration of or damage to the Car on any account whatsoever whilst the same are in the possession of RCFL or by reason of exercise or non-exercise of any rights and remedies available to RCFL as aforesaid.
- d) If any one (or more) Events of Default shall have occurred, then RCFL shall, in addition to the various rights and remedies of RCFL referred to in the clauses above, be irrevocably entitled and authorised to contact and require the Borrower's employers to make deduction/s from the salary/wages payable by the employer to the Borrower and to remit the same to RCFL until all of the Borrower's Dues outstanding from the Borrower to RCFL is/are completely discharged. The deductions shall be of such amounts, and to such extent, as RCFL may communicate to (and instruct) the Borrowers' employers. The Borrower shall not have, or raise/create, any objections to such deductions. No law or contract governing the Borrower and/or the Borrower's employer prevents or restricts in any manner the aforesaid right of RCFL to require such deduction and payment by the Borrower's employer to RCFL. Provided however that in the event the said amounts so deducted are insufficient to repay the outstanding Borrower's Dues to RCFL in full, the unpaid amounts remaining due to RCFL shall be paid by the Borrower in such manner as RCFL may in its sole discretion decide and the payment shall be made by the Borrower accordingly.
- e) If one or more of the Events of Defaults shall have occurred, then, the Lender, by a written notice to the Borrower may declare the principal and all accrued interest and charges on the Loan which may be payable by the Borrower under or in terms of this Agreement and/or any other agreements, documents subsisting between the Borrower and the Lender, as well as all other charges and dues to be due and upon such declaration the same shall become due and payable forthwith and the security in relation to the Loan and any other loans shall become enforceable, notwithstanding anything to the contrary in this Agreement or any other Agreement/s or documents.
- f) If any Event of Default or any event which, after the notice or lapse of time or both would constitute an Event of Default shall have happened, the Borrower shall forthwith give to the Lender notice thereof in writing specifying such Event of Default, or such event.
- g) All reasonable costs incurred by Lender after an Event of Default has occurred in connection with:
- i) Preservation of the Borrower's assets (whether now or hereafter existing); or
 - ii) Collection of amounts due under this Agreement may be charged to the Borrower and reimbursed, as the Lender shall specify.
- h) The Lender may issue any certificate as regards payment of any amounts paid by the Borrower to Lender in terms of this Agreement only if the Borrower has paid all amounts due under this Agreement to the Lender and the Borrower has complied with all the terms of this Agreement.
- i) In the Event of Default, the Lender shall be entitled to communicate, in any manner it may deem fit, to or with any person or persons with a view to receiving assistance of such person or persons in recovering the defaulted amounts including but not limited to visit any property and/or any place of work of the Borrower.
- j) In the event the Borrower fails to pay on demand any money which ought to be paid by it under the said Loan including principal, interest and other money or the Borrower commit any breach of any covenant, deed, undertaking or declaration on its part to be performed as herein contained or it appears to RCFL that false or misleading information in any material particular was given in the Borrower's proposal made to RCFL and such breach or default is not remedied forthwith and on the failure of the Borrower to remedy the same or if any circumstance shall occur which in the opinion of RCFL, is prejudicial to or imperil or is likely to prejudice or imperil this security or if any distress or execution is levied or enforced against any property or assets whatsoever of the Borrower or if any person, firm or company shall take steps towards applying for or obtaining an order for the appointment of a Receiver of any property or assets whatsoever of the Borrower or if such Receiver is appointed or cease to carry on business or to conduct its business to the satisfaction of RCFL or on the Borrower misusing the said Loan or any part thereof for any purpose other than for which the said Loan has been sanctioned or on the Borrower committing a breach of any of the terms, covenants and conditions herein contained or on the Borrower committing a breach of any other agreement entered into by the Borrower with RCFL or any other bank, financial institution, non-banking financial company, lender or any other body or person and/or the Hypothecated Assets are likely to be transferred to defeat the security and the due amounts of RCFL or any consent, authorization, approval or license of or registration with or declaration to governmental or public bodies or authorities required to authorize or required by the Borrower in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Agreement or the performance by the Borrower of its obligations hereunder is modified in a manner unacceptable to RCFL or is not granted or revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect or there existing any other circumstances which in the sole opinion of RCFL jeopardizes RCFL's interest RCFL shall be entitled but without prejudice to any other rights or remedies of RCFL :
- a) To enter into or upon any place or premises where or wherein the Hypothecated Assets may be kept or parked (and for the purpose of such entry to do all acts, deeds or things as are deemed necessary by RCFL or its agents and servants or any of them) and to take charge and/or take possession of the Hypothecated Assets and thereupon either forthwith or at any time and from time to time and without any notice or reference either by public auction or tender or private contract or tender to sell and dispose of the Hypothecated Assets in such manner as RCFL shall think fit.
 - b) As attorney for and in the name of the Borrower or otherwise to recover and receive and/or appoint receiver of the Hypothecated Assets or any part thereof, give notices and demands to debtors and third parties liable therefor and sue for, recover receive and give receipts for the same and sell or realise by public auction or private contract or otherwise dispose of or deal with all or any part of such debts and enforce, settle, compromise, submit to arbitration or deal in any manner with the Hypothecated Assets or any part thereof; and to apply the net proceeds thereof in the manner and for the purposes mentioned in hereof for the application of insurance money. If, however the net proceeds realized from the Hypothecated Assets are insufficient to cover the indebtedness of the Borrower to RCFL then the Borrower shall forthwith pay to RCFL the deficiency. In exercise of the powers of sale and disposal hereunder, RCFL shall be at liberty from time to time or at any time at its discretion but at the risk and on account of the Borrower, to enter into all contracts in India or elsewhere for the protection of its interest as it shall think fit and the Borrower shall pay to RCFL any moneys which may become payable under or by virtue of such hedge forward or other contracts
- k) On a sale by private contract or public auction the Borrower shall accept RCFL's accounts of such sale or sales or other transactions signed by any agent or authorized officer of RCFL as sufficient proof of the amount realised or due by or under the sale or sales or transactions and the costs, charges and expenses incurred in connection therewith.
- l) RCFL will have all powers incidental to and necessary for the realisation of its security.
- m) i) In the event of the Hypothecated Assets being realized however and in whatsoever manner, the realization thereof shall be applied as under:-
- a) Firstly, for appropriation towards satisfaction of all indebtedness of the Borrower due and outstanding (whether accrued or contingent) to RCFL under or in respect of the principal amount of the said Loan and all interests including interest portion of all MIs due, overdue interest of all MIs due, thereon unto the date of realization of the security whether actually debited or to the Loan facilities account together with any costs (between attorneys / advocates and clients), and expenses debitable to the said Loan Account(s) whether actually debited or not in accordance with the total amount of such indebtedness due and outstanding under and in respect of the said Loan facilities accounts as aforesaid with RCFL and
 - b) Secondly, for appropriation towards the remaining outstanding indebtedness of the Borrower on account of bounce cheque charges, Additional Interest and/or liquidated damages on defaulted amounts.

Borrower _____

Co-Borrower _____

- c) thereafter the balance, if any, shall be available for, reimbursement to RCFL of the costs (between attorneys/advocates and clients) charges and expenses incidental to such realization and/or on any account to RCFL in accordance with the total amount of such other outstanding indebtedness;
- ii) In the event of the net proceeds of realization as aforesaid being insufficient for the repayment of whole of the indebtedness of the Borrower to RCFL under or in respect of the said Loan Accounts as aforesaid, RCFL shall be at liberty to apply any other money or monies in their hands standing to the credit of or belonging to the Borrower in or towards the payment of the balance amount and in the event of there being still any deficiencies, the Borrower shall forthwith pay such deficiencies, provided that nothing herein contained shall in any manner prejudice or effect RCFL's remedy against the person of the Borrower. iii) In the event of there being a surplus available of the net proceeds of such sale after payment in full of the balance due to RCFL, it shall be lawful for RCFL to retain and apply the said surplus together with any money or monies belonging to the Borrower for the time being in the hands of RCFL in or under whatever account as far as the same shall extend against in or towards liquidation of any and all monies that shall be or may become due from the Borrower, RCFL or any of RCFL's subsidiaries or group entities or any of the subsidiaries, solely or jointly with any other person or persons firm or company by way of loans, bills, letters of credits, guarantees, charges or any other debts or liability including, notes, credits and other obligations current though not then due and payable or other demands legal or equitable which RCFL or any of RCFL's subsidiaries or group entities, may have against the Borrower or which the law of set-off or mutual credit would in any case admit along with interest thereon from the date on which any and all advance/s in respect thereof shall have been made at the rate or respective rates at which the same have been so advanced.
- n) On a sale by private contract or public auction under the provisions of this Agreement RCFL shall be entitled to charge and retain as part of the costs, charges and expenses incurred in connection therewith such commission as RCFL shall at its sole discretion fix and shall not be liable to account for the same to the Borrower. Such commission shall be in addition to any brokerage or outgoing payable in respect of any such sale. If the sale proceeds are not sufficient to pay the amount of such commission the Borrower shall pay the same to RCFL on demand.
- o) RCFL shall be at liberty at its entire discretion from time to time and at all times to deliver and/or transfer to the Borrower or any other person nominated by him, the whole or any portion of the Asset(s) against payment to RCFL of any sum or sums of money therefor. Any partial delivery and/or transfer and/or redemption by the Borrower of the Asset(s) as aforesaid shall not in any way affect or prejudice the rights of RCFL under this Agreement against the remainder of the Asset(s) including any powers of sale nor shall such disposal affect or prejudice any previous or subsequent demand made by RCFL against the Borrower for payment of the balance or any sums due to it hereunder or any step or proceeding for sale, disposal or otherwise taken in relation to the Asset(s).
- p) RCFL shall be entitled to appoint any Receiver, Agent, Manager or other person to exercise all or any of the powers hereby vested in RCFL with reference to the security hereby created and shall be entitled to recover and receive from the Borrower the remuneration and/or charges of such Receiver, Agent, Manager or other person as aforesaid. RCFL shall not be liable and shall be entitled to be indemnified and kept indemnified by the Borrower for and in respect of all acts, defaults, negligence or mistakes (whether arising in the casual course of business or otherwise) of any such Receiver, Agent, Manager or other person who shall be deemed to be the agent of the Borrower and all losses, damages, claims, demands, suits, proceedings, costs, charges and expenses sustained or made in respect thereof.
13. INSPECTION, ASSIGNMENT:
- a) The Borrower shall permit inspection of all books of accounts and other records maintained by him in respect of the Loan to officers of the Lender. The Borrower shall also permit similar inspection by officers of such other companies, banks, institutions or bodies as Lender may approve and intimate to the Borrower.
- b) The Lender shall have the right to create charge over the Car in favour of any bank, institution or body by way of security for any refinance facility or any loan availed of by Lender from such bank, institution or body. Lender shall also have the right to transfer or assign the rights herein including but not limited to the hypothecation / pledge over the Car in favour of any bank, institution or body in connection with any sale or transfer of the Loan by Lender to them.
- c) The Lender shall have the authority to make available any information contained in the Loan Application Form and/or any document or paper or statement submitted to the Lender by or on behalf of the Borrower and/or pertaining or relating to the Borrower and/or the Loan including as to its repayment, conduct, to any rating or other agency or institution or body as Lender in its sole discretion may deem fit. The Lender shall also have the authority to seek and/or receive any information as it may deem fit in connection with the Loan and/or the Borrower from any source or person or entity to whom the Borrower hereby authorizes to furnish such information.
14. A) The Borrower hereby agrees and appoints RCFL and its officers, employees and agents and authorized representatives to be its duly constituted attorneys for all or any of the following purposes, upon the occurrence of an event of default, namely:
- i) To enter any place where any of the Hypothecated Assets may be and inspect and value them;
- ii) To demand and receive all debts, sums of money, dividends, interest and other dues of whatever nature
- iii) To take possession of the Hypothecated Assets and/or the documents relating thereto from whomsoever they may be in possession of including the contents thereof and to dispose them of immediately if they are dangerous and perishable in nature;
- iv) To sell, dispose of the Hypothecated Assets for and on behalf of the Borrower and at the risk of the Borrower in all respects and to realise full or any part or portion of the sale proceeds thereof and sign and execute all contracts, declarations and instruments as may be necessary or expedient for giving delivery thereof
- v) To appear before the office of Regional Transport Officer, Sales Tax Officer, Police Authorities or any other authorities through advocates or any authorized person deemed necessary by RCFL to effect endorsement of hypothecation in registration certificate and transfer of the Car/Asset/Hypothecated Assets.
- vi) To take all such steps as may be required for the recovery of any of the Hypothecated Assets, including the institution of any claim, suit, petition or other legal process and the signing and execution of all necessary vakalatnamas and documents for the said purpose and the compromising or settlement of such suit or action.
- vii) To sign all papers, correspondence, vouchers, forms, applications, petitions, receipts, documents, deeds, indentures and writings that the Borrower would be bound to do under or in pursuance of these presents and / or the Loan for and behalf of the Borrower and to attend before the Regional Transport Officer, Sales Tax Officer, Police Authorities, Sub-Registrar of Assurances or any other relevant authority and admit execution thereof.
- viii) Generally to do perform and execute or cause to be done performed and executed all acts deeds matters things and documents in all matters arising under or out of or concerning or touching these presents as the Borrower could itself do perform or execute.
- ix) And for the better and more effectually doing effecting and performing the several matters and things aforesaid to appoint from time to time or generally such other persons bodies companies organizations or agencies as RCFL may think fit as its substitute or substitutes to do execute and perform all or any such acts and things as aforesaid and such substitute or substitutes at pleasure to remove and to appoint other or others in his or their place. The Borrower agrees that the above powers may be exercised without any prior notice to the Borrower and further agrees to ratify and confirm all that RCFL or any substitute or substitutes appointed by RCFL may lawfully do or cause to be done in exercise of the aforesaid powers. The Borrower further agrees to give all assistance to RCFL and its officers and authorized representatives for the purpose of exercising any of the powers here in above set out, including endorsing of documents, signing of papers and doing all such things as may be necessary to enable RCFL and its officers to exercise all the powers hereby conferred. The Borrower further agrees that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

Borrower _____

Co-Borrower _____

15. DISCLOSURE

- a) The Borrower hereby agrees as a pre-condition of the Loan given to the Borrower by the Lender that, in case the Borrower commits default in the repayment of the Loan or in the repayment of interest thereon or any of the agreed installment of the Loan on due date(s), the Lender and/or the Reserve Bank of India will have an unqualified right to disclose or publish the Borrower's name as defaulter in such manner and through such medium as the Lender or Reserve Bank of India in their absolute discretion may think fit. Accordingly, the Lender shall have the right to furnish and publish the name of the Borrower as defaulter to the Reserve Bank of India or other regulatory authority. Notwithstanding the above the Borrower understands that as a pre-condition relating to grant of the Loan to the Borrower the Lender requires the Borrower's consent for the disclosure by the Lender of information and data relating to the Borrower, of the credit facility availed of/ to be availed by the Borrower, obligations assured/ to be assured by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof. Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Lender of all or any such
 - i) information and data relating to the Borrower;
 - ii) the information or data relating to any credit facility availed of/to be availed by the Borrower; and
 - iii) default, if any, committed by the Borrower in discharge of such obligation as the Lender may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency authorized in this behalf by Reserve Bank of India.
- b) The Borrower further declares that the information and data furnished by the Borrower to the Lender are true and correct.
- c) The Borrower also understands and agrees that:
 - i) the Credit Information Bureau (India) Limited and any other agency so authorized may use, process the said information and data disclosed by the Lender in the manner as deemed fit by them; and ii) the Credit Information Bureau (India) Limited and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.
- d) The Lender may disclose to a potential assignee or to any person who may otherwise enter into contractual relations with the Lender in relation to this Agreement such information about the Borrower as the Lender may deem appropriate.
- e) The Borrower confirms that the Lender may for the purposes of credit reference checks, verification, etc., disclose any information/documents relating to the Borrower under this Agreement to any third party.
- f) The Borrower further authorizes the Lender to disclose such information/documents to Reserve Bank of India, Income Tax Authorities, Credit Bureau, third parties, Credit Rating Agencies, Databanks, corporates, other banks, financial institutions or any other Government or Regulatory Authorities, statutory authorities, quasi judicial authorities.

16. SECURITIZATION:

- a) The Lender reserves the right to assign/sell/secure the said Loan with or without security, if any, in any manner by transferring and/or assigning or otherwise all its right, title and interest which the Lender deems appropriate and the Borrower hereby expressly agrees that in that event, Lender is not required to obtain any permission or put the Borrower to any notice.
- b) The Borrower shall be bound to accept any such securitization and any such sale, assignment, or transfer and the Borrower shall accept such other party (s) as creditors exclusively or as a joint creditor with the Lender, or as a creditor exclusively with the right to Lender to continue to exercise all powers hereunder on behalf of any such other party.
- c) Any cost in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights and recovery of outstanding and dues shall be to the account of the Borrower. The Borrower undertakes to pay to third parties the difference between the Loan outstanding and the amount received by the Lender in the event of transfer of the portfolio to a third party.

17. INDEMNIFICATION

- a) The Borrower undertakes to indemnify and keep Lender and its officers/employees fully indemnified and harmless from and against all the consequences of breach of any of the terms, conditions, statements, undertakings representations and warranties of this Agreement as also of any of its representations or warranties not being found to be true at any point of time, including any actions, suits, claims, proceedings, damages, liabilities, losses, expenses or costs (hereinafter referred to as "Claims") faced, suffered or incurred by the Lender. Borrower hereby accepts and acknowledges to have clearly agreed and understood that this indemnity would cover all acts and omissions on the part of the warranties and/or representations of the Borrower. Similarly, In the event of any claims being made on Lender, on account of any breach of warranty, representations, non-compliance of any applicable law, unauthorized act, fraud, deed or thing done or omitted to be done or undertaking made by Borrower or its employees, agents, being false, the Borrower undertakes to pay on first demand made by Lender of any amount on this account without any demur, reservation, contest, protest whatsoever within 7 working days of the demand being made.
- b) The Borrower further covenants and undertakes to indemnify and keeps indemnified RCFL against the loss of the Asset(s) by seizure by any person other than RCFL for any reason whatsoever, or resulting from any form of legal process initiated by any person other than RCFL as also against any loss caused to RCFL by reason of damage to or destruction or loss or dispossession of the Asset(s) .

18. **Cost:** The Borrower shall pay on demand to RCFL costs (between Attorney and Client) incurred by them or any of them in connection with the preparation, engrossment and stamping the counterparts in quintuplicate and execution of this Agreement and of any guarantee or other security executed contemporaneously herewith in connection with the said Loan hereby secured and of the registration of this security with the Registrar of Companies (If Borrower is a Company) and all other costs (between Attorney and Client), incurred or to be incurred by RCFL or any of them in connection herewith or with the enforcement or attempted enforcement of the security hereby created or the protection of defense or perfection thereof or for the recovery of any moneys defense secure and of all suits and proceedings of whatsoever nature for the enforcement or realization of the security hereby created or the recovery of such moneys or otherwise in connection herewith or in which RCFL may be joined as a party or otherwise involved by reason of the existence of the security hereby created.

19. Nothing herein contained shall operate or be deemed to prejudice RCFL's rights or remedies in respect of any present or future securities, guarantee, obligation or decree for any indebtedness or liability of the Borrower to RCFL.

20. All other securities held by RCFL on any other account or in respect of any other transaction on behalf of the Borrower shall be available in so far as the same shall not have been exhausted for the claims of RCFL hereunder.

21. The security hereby created shall, subject to the rights of RCFL hereunder, be available to RCFL as security (collateral or otherwise) for all sums of money, accounts, debts, liabilities, present or future, conditional or contingent, whether matured or not, due by the Borrower to RCFL whether singly or jointly with another or as Co-borrower /guarantor or in any other capacity or otherwise howsoever and for all claims, demands costs and charges of RCFL against the Borrower on any account whatsoever.

22. RCFL shall not in any way be responsible for loss or destruction of, or damage to Asset(s) occasioned by theft, pilferage, robbery, fire, riot, strike, civil commotion or otherwise howsoever, whatever may be the circumstances under which loss destruction or damage may arise including any act, omission, neglect or default of RCFL or any of its servants or agents.

23. SERVICE OF NOTICE:

Any notice or request required or permitted to be given or made under this Agreement to Lender or to the Borrower shall be given in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or telegram to the party to which it is required or permitted to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request. To the Lender: At the address of the Lender mentioned in the Schedule. To the Borrower: address stated in the Schedule.

Borrower _____

Co-Borrower _____

24. MISCELLANEOUS

- i) In case of default, RCFL has the right to recall the Loan and to repossess the Car and / or to demand the Borrower to surrender the Asset(s) and the Borrower shall forthwith comply with the same. In the absence of the Borrower failing to comply with the same, the Borrower is liable for criminal misappropriation, criminal breach of trust and such other civil and criminal consequences and proceedings without prejudice to RCFL's other rights and remedies.
- ii) RCFL has right to demand or ask the Borrower to produce the Asset(s) for inspection at any time at their office or at any other designated place and the Borrower shall forthwith comply with the same. In the absence of the Borrower failing to comply with the same, the Borrower shall render himself liable for criminal misappropriation, criminal breach of trust and such other civil and criminal consequences and proceedings without prejudice to RCFL's other rights and remedies.
- iii) If the Borrower or his group or family or Co-borrower, etc have more than one agreement with or have availed any other facility from the RCFL of whatsoever kind and if in any of the contracts or agreements, they have committed any breach or default, then the RCFL has the right of lien and right to hold on to the security of all the assets under all the agreements even if in any of the agreements, the Borrower has paid off all the dues and/or the Asset(s) has become free from any charge under such Loan facility.
- iv) RCFL has the exclusive right and sole discretion to appropriate all amounts received from the Borrower towards any of the agreements that the Borrower has entered into either in his own name or in the name of his family members or group notwithstanding the Borrower requests the RCFL to appropriate the money to a particular agreement.
- v) The Borrower agrees that when payments are made by the RCFL directly to the dealers (as approved by RCFL in its sole discretion which is final and conclusive and binding on the Borrower) and if the Asset(s) is not delivered within a period of 30 days, then unless permitted in writing by RCFL, the Borrower is liable to repay the amount back to the RCFL with interest at 2% p.m. immediately on the expiry of 30 days from the date of disbursement of the Loan.
- vi) RCFL shall have the right to part with details pertaining to the Loan, transaction and/or the Borrower/Guarantor to such agencies as may be required including Reserve Bank of India, government authorities, rating agencies, credit rating bureaus, collection agencies, repossession agencies and such other agencies as may be required from time to time.
- vii) RCFL has the right to and is hereby authorized to debit the Borrower's account with the actual amount of or an approximate amount where measuring such expenses accurately is not feasible and to collect all expenses that the RCFL incurs in following up with the Borrower for payments including personal visits, agency charges, other out of pocket expenses etc.
- viii) The Borrower agrees that all taxes and duties arising from the Loan or the transaction of whatsoever nature, present or future etc, state or central should be borne by the Borrower.
- ix) That the terms and conditions and all the covenants and details of the Schedule hereto shall be read and construed as part and parcel of these presents.
- x) That the terms and conditions of this Agreement shall be binding on the legal representatives, heirs, executors, administrators, successors and assigns of the Borrower and on the successors and assigns of the Lender.
- xi) That the Borrower has read and understood this Agreement and in the event that the Borrower is illiterate and/or cannot read English language, the terms and conditions of this Agreement have been read over, translated and explained in detail in the vernacular language to the Borrower.
- xii) This Agreement shall become binding on the Borrower and the Lender on and from the date of execution hereof. It shall be in full force till the Loan is fully Amortized/repaid and any other moneys due and payable to the Lender under this Agreement as well as all other agreements, documents which may be subsisting/ executed hereafter between the Borrower and the Lender is fully paid.
- xiii) Waiver/Forbearance: Any waiver of forbearance or delay on the part of RCFL to insist upon the performance of any terms and conditions of this Agreement, or to exercise any right or privilege conferred in this Agreement, or to demand any penalties resulting from any breach of any of the terms or conditions of this Agreement shall not be construed as a waiver on the part of RCFL of any of the terms or conditions of this Agreement or of any of its rights or privileges or of any other default on the part of the Borrower, and all original rights and powers of RCFL under this Agreement will remain in full force, notwithstanding any such forbearance or delay.
- xiv) Partial Invalidity: If at any time provision hereof is or becomes illegal, invalid or unenforceable under the law, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of other provisions shall in any way be affected or impaired thereby.
- xv) Overriding Effect: This Agreement and any other documents attached hereto or referred to herein, integrate all the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations and prior writings in respect of the subject matter hereof, except for those provisions of the Agreement, Letter of Sanction, security documents issued or executed prior to this Agreement which are in addition to and complement to, and are not the same or in conflict with, the terms of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any other agreements or documents attached hereto or referred to herein, then in such event, the terms, conditions and provisions of this Agreement shall prevail.
- xvi) Arbitration: In the event of any dispute or differences arising under this Agreement including any dispute as to any amount outstanding, the real meaning or purport hereof ("Dispute"), such Dispute shall be finally resolved by arbitration. Such arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any amendment or reenactment thereof by a single arbitrator to be appointed by the Lender. The venue of arbitration shall be as decided by the Lender and the arbitration shall be conducted in English language.
- xvii) Governing Laws and Jurisdiction: That this Agreement shall be governed by the laws of India and the courts of Mumbai alone shall have exclusive jurisdiction in respect of any matter, claim or dispute arising out of or in any way relating to these presents or to anything to be done pursuant to these presents or in regard to interpretation of these presents or of any clause or provision thereof. This shall not, however, limit the rights of RCFL to take proceedings in any other court of competent jurisdiction including, but not limited to, the courts of Mumbai.

Borrower _____

Co-Borrower _____