



## Legal Kit – Home Loan

### List of Bank Security Documents

1. Key Facts Statement
2. Demand Promissory Note
3. Home Loan Agreement

full signature of all borrower(s)

Applicable for Maharashtra, Tamil Nadu and Gujarat.





## Key Fact Statement

### Name of the Product

Home Loan   
  Smart Home Loan   
  Loan Against Property   
  Smart Loan Against Property

1. Name of Customer : \_\_\_\_\_
2. Loan amount : ₹ \_\_\_\_\_
3. Loan tenure (months) : \_\_\_\_\_
4. Interest rate type (fixed or floating) : \_\_\_\_\_
5. Rate of Interest
  - A) Floating Rate Loans
    - i. RLLR<sup>1</sup> plus Margin : \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_
    - ii. HGLR<sup>2</sup> plus Margin : \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_
  - B) Fixed Rate : \_\_\_\_\_
6. Date of reset of interest (for fixed rate only) : \_\_\_\_\_
7. Mode of communication of changes in interest rates : SMS, E-mail or Letter
8. Fee payable
  - a. Processing Fees (PF) on application : ₹ \_\_\_\_\_
  - b. During the term of the loan<sup>3</sup> : Please refer to our website
  - c. On foreclosure : \_\_\_\_\_
  - d. PF refundable if loan not disbursed : \_\_\_\_\_
  - e. Conversion charges for switching from floating to fixed interest and vice versa : Not Applicable
  - f. Late payment charges<sup>4</sup>
    - i. Cheque dishonour charges : 250 per instance
    - ii. Penal interest : \_\_\_\_\_% p.a. over loan interest rate
  - g. Non-utilisation fee/Commitment Fee amount. : \_\_\_\_\_% p.a. fees on amount above the \_\_\_\_\_% of the SHCF sanctioned
  - h. Conversion charges for switching from Normal to Smart, Smart to Normal or within different variants of Smart Loan : 0.50% of limit outstanding or current account limit whichever is higher plus applicable taxes are payable at the time of converting the loan
  - i. Prepayment Charges : NIL (for floating rate loans)
9. Equated Monthly Instalment (EMI) payable<sup>5</sup> : ₹ \_\_\_\_\_
10. Details of security/collateral obtained (property details) : \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
11. Date on which annual outstanding balance statement will be issued : \_\_\_\_\_
12. EMI payment frequency : Monthly

The EMI due date will depend on the date of disbursement of the loan<sup>6</sup>. A detailed amortization schedule with the exact due dates and the interest principal break up will be provided post disbursement of the loan as part of the welcome kit. Parties agree that the Amortization chart shall be read along and construed to form an integral part of the Loan Agreement.

The Bank at its discretion may re-initiate evaluation of legal and technical of the above said property and certain other verifications such as credit checks (CIBIL), physical and telephonic verifications. In case the Bank notices any unsatisfactory findings of the said evaluation or verification, the Bank shall immediately withdraw this facility sanctioned herein.

Please be advised that applicable indirect taxes would be recovered on all our fees and charges and any other amount liable to tax under prevailing 'Indirect Tax Laws'. \*Please note that basis Goods and Services Tax (GST) regulations and notified GST rates, Central GST, State/Union Territory GST, or Inter-State GST, as applicable, and Cess as applicable would apply on our fees and charges.

We endorse our signature herein below as a token of our acceptance to the above mentioned terms and conditions.



\_\_\_\_\_  
Signature of the Borrowers



\_\_\_\_\_  
Signature of the Co-Borrower



\_\_\_\_\_  
Signature of the Co-Borrower



\_\_\_\_\_  
Signature of the Co-Borrower

Signed and delivered  
By the Hongkong and Shanghai Banking Corporation Limited, India  
(Authorised signatory)



<sup>1</sup>Repo Rate linked Lending Rate (RLLR) is an external benchmark linked lending rate for mortgage loans. Repo Rate or the repurchase rate is the rate at which Central Bank (Reserve Bank of India) lends money to banks for short term. Repo Rate is normally reviewed by the Monetary Policy Committee at intervals of two months as part of the monetary policy review. Repo rate is published by RBI.

- HSBC's RLLR would be linked to RBI's published repo rate rounded off to the nearest 5 bps.
- The RLLR will be published by the Bank at the beginning of every month and it will be the benchmark rate for RLLR linked Home Loans that are disbursed in that particular month.
- Rate of Interest for mortgage linked to the RLLR will be RLLR plus the margin (spread) as determined by the Bank from time to time and will be reset when there is a change in the policy repo rate by RBI and consequently the RLLR.
- The rate of interest reset will be done by the 7th calendar day of the following month from RBI's announcement of change in Repo Rate.
- The margin charged to you will not be increased throughout the tenure of the loan, except on account of deterioration in the credit risk profile of the borrower.
- The revised Rate of Interest will be notified to you within the prescribed regulatory timeframe by SMS, or E-mail or letter as per the Bank's prevailing policy

Example: A RLLR Linked Home Loan disbursed during Month 1 will be benchmarked against the RLLR of Month 1. If the repo rate is changed by the RBI in month 1, the interest will be reset in Month 2 against the revised RLLR at the beginning of Month 2 (by the 7th calendar day of Month 2). If the repo rate is changed by the RBI in month 2, the interest will be reset in Month 3 against the revised RLLR at the beginning of Month 3 (by the 7th calendar day of Month 3).

<sup>2</sup>The interest rate on your Floating Rate Home Loan is linked to HSBC Group Lending Rate (HGLR) and any revision in the HGLR will impact your interest rate. HSBC shall have the discretion to revise the HGLR from time to time.

<sup>3</sup>Charges are applicable for relevant services. Please refer to the Service Charges and Fees section on [www.hsbc.co.in](http://www.hsbc.co.in)

<sup>4</sup>In case of delayed instalments on account of cheque or Standing Instruction (SI) dishonour.

<sup>5</sup>Home Loan for Under-construction property is disbursed in tranches and the Interest will levied on the loan amount disbursed till the time property is completed or till 3 years from the date of disbursement of the first tranche, whichever is earlier. Upon completion of the property or post 3 years from the date of first disbursement the monthly installment of Pre EMI will be converted to EMI comprising of principal and interest on the loan amount sanctioned.

<sup>6</sup>If the loan is disbursed between 1st and 15th of a month, the monthly EMI due date will be the 1st of every month. If the loan is disbursed between 16th and 31st of a month, the monthly EMI due date will be the 15th of every month.



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Demand Promissory Note

₹ \_\_\_\_\_

Place: \_\_\_\_\_  
 Date: DD/MM/YYYY

On demand I/we \_\_\_\_\_ [name of customer(s)] jointly and severally promise to pay to The Hongkong and Shanghai Banking Corporation Limited, India (Bank) or order in \_\_\_\_\_ the sum of ₹ \_\_\_\_\_ (Rupees \_\_\_\_\_ ) with interest at the rate of \_\_\_\_\_ percent per annum with monthly rest for value received provided, however, that the Bank shall at any time and from time to time be entitled to give notice to me/us of its intention to charge (change the interest) and may thereafter charge interest at such modified rates as the Bank may specify.

₹1 (Revenue stamp)





# Home Loan Agreement

This Agreement for Home Loan is made on the day, month and year set out in the Annexure A between the Borrower(s) whose name and address is stated in the Annexure A, hereinafter called the 'Borrower(s)' (which expression shall unless the context otherwise requires, include his/her heirs, executors, administrators and permitted assigns) of One Part;

AND

The Hongkong and Shanghai Banking Corporation Limited, a banking company incorporated under the Companies Ordinance of the Hong Kong Special Administrative Region (HKSAR), having its registered office at 1, Queen's Road Central, Hong Kong and acting through its India Corporate office at 52/60, Mahatma Gandhi Road, Fort, Mumbai - 400 001 (hereinafter referred to as '**Bank**' which expression shall unless repugnant to the context or meaning thereof be deemed to include a reference to its successors and assigns) of the second part;

The Borrower(s) and the Bank are hereinafter collectively referred to as 'Parties' and individually as the 'Party'.

WHEREAS the undersigned Borrower(s) hereby agrees to avail from the Bank and the Bank agrees to grant/extend to the Borrower(s) a Home Loan, details whereof are contained in Annexure hereto, on the terms and conditions contained herein subject to the Borrower(s) executing such documents and creating such security mentioned below or as may be required by the Bank from time to time.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY MUTUALLY AGREED, DECLARED, CONFIRMED AND RECORDED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

## ARTICLE 1: Interpretation and Definitions

### **A. Interpretation**

In this Agreement, unless the context otherwise requires:

1. A reference to a sub-clause, section or a Schedule of this Agreement shall denote a reference to such sub-clause, section or schedule as specified, of this Agreement;
2. The singular includes the plural (and vice versa);
3. Reference to a gender shall include references to the female, male and neuter genders.

### **B. Definitions**

**In this Agreement, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meaning -**

- a) '**Additional Interest**' shall mean interest charged by the Bank on overdue amounts for delay in payment.
- b) '**Agreement(s)**' shall mean this Home Loan Agreement entered into between the Borrower(s) and the Bank including all the Schedules and Annexures hereto.
- c) '**Annexure(s)**' means the Annexures to this Agreement as amended/modified to from time to time, which form an integral part thereof.
- d) '**Balance Transfer Home Loan**' (BT Home Loan) means financial assistance provided to the Borrower(s) on the terms and conditions of this Agreement, to enable the Borrower(s) to transfer its existing Home Loan with any other bank/financial institution to the Bank.
- e) '**Borrower(s)**' shall mean and include any person(s)/entity to whom the Bank has agreed to grant the facility including any co-borrower(s) whose details are given at the end of this Agreement and who have received the Home Loan pursuant to this Agreement and unless repugnant to the context or meaning thereof be deemed to include his/her/its/their heirs, legal representatives, successors, permitted assigns, executors, receivers, administrators as the case may be.
- f) '**Electronic Information**' shall mean such information which has been sent via electronic media including but not limited to Short Messaging Services (SMS), e-mail or other such means.
- g) '**Equated Monthly Instalment (EMI)**' means the amount of monthly payment consisting of principal and interest necessary to amortise the Home Loan amount with applicable interest within such period as may be determined by the Bank from time to time.
- h) '**Floating Rate of Interest/Floating Rate**' when applicable to the Home Loan, shall mean the Bank's Repo Linked Lending Rate (RLLR) plus the margin as particularly mentioned in the Annexure herein.
- i) '**Fixed Rate of Interest/Fixed Rate**' when applicable to the Home Loan, shall mean the specific rate of interest applicable on the Home Loan for specific tenure as particularly mentioned in the Annexure herein.
- j) '**Home Loan**' shall mean the principal amount of the financial assistance sanctioned as stated in the Annexure A, read together with the other corresponding Schedules depending on the type of financial facility availed such as Home Loan, Smart Home Loan, Staff Home Loan, Smart Staff Home Loan and stipulated in the respective schedule hereto.

Signature of the Borrower

Signature of the Borrower

Signature of the Borrower

Signature of the Borrower



- k) **'Outstanding Amount'**, shall mean and include the principal amount of the Home Loan together with accrued interest, additional interest, all other charges and dues payable by the Borrower(s) to the Bank in accordance with the terms and conditions of this Agreement/schedule of charges and interest and as reflected in the books and records maintained by the Bank in its normal course of business.
- l) **'Prepayment'** means premature full or part repayment of the Home Loan as per the terms and conditions laid down by the Bank in that behalf and in force at the time of prepayment.
- m) **'Pre-Equated Monthly Instalment (Pre-EMI)'** – means interest on the Home Loan from the date/dates of disbursement of the Home Loan to the date immediately prior to the date of commencement of EMI and initially at the rate indicated in Annexure A subject to change from time to time.
- n) **'Property'** shall mean the Property more specifically described in the Annexure A and over which the Borrower(s) has a right, title or interest against which finance is given/agreed to be given by the Bank under this agreement; and or
- in the case of a flat, the entire built-up area, the proportionate share in the common areas of the building in which such flat is/will be situated and proportionate undivided share in the land on which the said building is situated or is being/will be built, including any parking space specially allotted to such flat; and/or
  - in the case of an individual house, the house and entire plot of land on which the house is situated or on which the house will be built up including all easement right;
- o) **'Post Disbursal Document(s) (PDD)'** means document(s) which are required to be submitted by the Borrower after the disbursement of the Home Loan.
- p) **'Rate of Interest (ROI)'** means the rate of interest referred in the Agreement and as varied from time to time in terms of this Agreement.
- q) **'Repayment'** means the repayment of the principal amount of the Home Loan, interest thereon, commitment and/or any other charges, premium, fees or other dues payable in terms of this Agreement to the Bank.
- r) **'Repo Linked Lending Rate (RLLR)'** means the external benchmark lending rate linked to RBI's Repo Rate which is reviewed by the Monetary Policy Committee (MPC) meeting, normally at intervals of every 2 months.
- s) **'Security'** means such security as may be created or agreed to be created by the Borrower(s) in favour of the Bank to secure the payment of the dues by the Borrower(s) to the Bank.
- t) **'Schedule'** means each of the Schedules to this Agreement, each of which shall form an integral part of this Agreement.
- u) **'Standing Instructions'** hereinafter referred to as '(SI)' mean written instructions given by the Borrower(s) to the Bank to debit the account of the Borrower(s) maintained in the Bank for the amount of the EMI, more particularly set out in Annexure A.
- v) **'Title Deeds'** means all the documents of title, evidences, deeds and writings in respect of the said Property deposited/to be deposited with the Bank.
- w) Any expression not defined in the Agreement but defined in the General Clauses Act, 1897, shall carry the statutory meaning or interpretation.

## **ARTICLE 2: Interest**

### **2.1 RLLR**

- 2.1.1 Rate of Interest linked to the Repo Rate plus the margin (spread) as determined by the Bank from time to time and will be reset when there is a change in the policy repo rate by RBI
- 2.1.2 The RLLR is published by the Bank at the beginning of every month will be the benchmark rate for RLLR linked Home Loans that are disbursed in that particular month
- 2.1.3 The Rate of interest as mentioned in Annexure A shall apply to your Home Loan, unless changed by the Bank by notification to the Borrower(s).
- 2.1.4 The margin charged to you will not be increased throughout the tenure of the Home Loan, except on account of deterioration in the credit risk profile of the Borrower(s).
- 2.1.5 The reset will be done by the 7th calendar day of the month. (refer to the example 2 below).

### **Example:**

A RLLR Linked Home Loan disbursed during Month 1 will be benchmarked against the RLLR of Month 1. The policy repo rate is reviewed by the RBI in the Monetary Policy Committee every 2 months. If the repo rate is changed by the RBI in month 1, the interest will be reset in Month 2 against the revised RLLR at the beginning of Month 2 (by the 7th calendar day of Month 2). If the repo rate is changed by the RBI in month 2, the interest will be reset in Month 3 against the revised RLLR at the beginning of Month 3 (by the 7th calendar day of Month 3)

- 2.2 A revision in the applicable Rate of Interest would typically lead to a revision in the Home Loan tenure and the EMI would remain constant, however the Bank still reserves the right to change the EMI without giving effect to the tenure of the Home Loan.
- 2.3 The revised Rate of Interest will be notified to you within the prescribed regulatory timeframe by SMS, or E-mail or letter as per the Bank's prevailing policy.
- 2.4 Interest on your loan accrues on a daily basis on the total outstanding balance on that day, and is compounded and will be payable monthly on EMI dates. If your EMI date falls on a Sunday/Public holiday, your interest will be calculated inclusive of that day and debited on the next working day.
- 2.5 The Home Loan for Under-construction property is disbursed in tranches and only Interest will levied on the amount disbursed till the time property is completed or upto 3 years from the date of disbursal of the first tranche, whichever is earlier. No principal repayment will happen during this period.





### **Article 3: Conditions for Disbursement**

- 3.1 The Bank may disburse the quantum of Home Loan in lump sum or in instalments/tranches at its own discretion depending on whether the Property is under-construction or complete in all respects or existing for a certain number of years as acceptable to the Bank. The terms and conditions of this Agreement shall cover each instalment/tranche disbursement and all instalments/tranches together would be treated as a single Home Loan for the purpose of this Agreement.
- 3.2 The Bank would also be at liberty to disburse the amount directly to the builder/seller/society as the case may be and as requested/specified/directed by the Borrower(s) to the Bank at the time of each disbursement amount. The Bank shall not be held responsible/liable in any manner whatsoever for any delay by the Borrower(s) in providing such request/specification/direction to the Bank and the Borrower(s) shall not claim any costs, charges and expenses in relation to any non-disbursal by the Bank due to any such delay by the Borrower(s).
- 3.3 If the Borrower(s) authorise the Bank to handover the disbursement to the aforesaid persons directly, then the Bank shall be discharged from its liability to make disbursement, once the Bank makes such disbursement as per the instructions of the Borrower(s).
- 3.4 The Bank would be free to stop disbursements of further instalments on the happening of any of the events which will affect the security created in anyway i.e. due to stoppage of construction, delay in construction, litigation, acquisition, requisition reduction in the value of the security offered, on happening of any events of default as stipulated in clause 11.1, or for any other reason of whatsoever nature.
- 3.5 Disbursements under the Home Loan shall be made subject to fulfilment and compliance of this Agreement and all other standard documents and writings executed by the Borrower(s) and as specified by the Bank, including the following:
- No Event of Default has occurred or is subsisting;
  - The Borrower(s) furnishing the evidence that the disbursement requested is required by the Borrower(s) for the purpose for which the Home Loan was initially approved;
  - The Borrower(s) furnishing such documents, evidences and writings as may be required in connection with the requested disbursement;
  - No circumstances shall have occurred which in opinion of the Bank may make it impossible for the Borrower(s) to fulfil the obligations under documents executed as per this Agreement and other standard documents executed by the Borrower(s) for availing the Home Loan;
  - The Borrower(s) delivering the evidence to the Bank's satisfaction that all consents, approvals and permissions required to avail the Home Loan and to comply with all documentation related to availing the Home Loan including creation of security is completed;
  - The Borrower(s) having furnished copy of the Collateral insurance policy in respect of the property(ies) endorsed in favour of the Bank as financier/mortgagee. It is mandatory to have policy cover for minimum of five years at the time of disbursement and renewal thereafter to cover the remaining tenure of your loan.
- 3.6 The Disbursement shall be deemed to have been made to the Borrower(s) on the date of actual disbursement of the loan on the Bank's system or the date of the cheque or the payment advice whichever is earlier. Therefore, the interest on the loan shall accrue in favour of the Bank from the date of the disbursement or cheque/payment advice/pay order/transfer by the Bank whichever is earlier, irrespective of the time taken for the transit/collection/realization of the cheque/pay order by the Borrower(s). The EMIs on the loan will commence bases on the date of disbursement of the loan.
- 3.7 The following documents will be submitted by the Borrower(s) to the Bank at the time of disbursement:
- 3.7.1 All receipts for payment of dues to the builder/society/limited company.
- 3.7.2 Evidence that all consents, approvals and permissions required for availing the Home Loan and/or creation of security have been obtained or evidence to the effect that these are not required.
- 3.7.3 Evidence of a subsisting contract for the sale of the flat from the builder/society/limited company in favour of the Borrower(s).
- 3.7.4 All original property ownership documents.
- 3.7.5 The following documents will be submitted by the Borrower(s) to the Bank at the time of disbursement: --- Policies duly assigned in favour of the Bank/Collateral insurance policy with respect to the flat.
- 3.7.6 Such additional documents and in such form and manner and within such times as may be prescribed by the Bank from time to time.

### **Article 4: Conditions for Under-construction property**

- 4.1 In case of under-construction property, the Bank shall have the discretion to disburse the Home Loan without any conditions, however, the Bank may exercise its discretion to disburse in certain circumstances, only after the construction/improvement of such property has commenced and the Borrower(s) produces documentary proof to the Bank. The Bank shall make disbursements in stages as per the progress of work, in terms of its internal norms and guidelines.
- 4.2 The Borrower(s) shall not hold the Bank responsible for any delay in the construction/giving possession of/completion of the property by the developer/builder/society to the Borrower(s) or for quality, condition, fitness of the property even if the Bank may have approved/sanctioned any facilities to such developer/promoter/builder/development authority or given to the Borrower(s) any information about such promoter/property/builder/development authority. The Borrower(s) shall have to abide by all its obligations as required in case of availing Home Loan for an under-construction property.
- 4.3 The Home Loan for Under-construction property is disbursed in tranches and only interest will be levied on the loan amount disbursed till the time property is completed or upto 3 years from the date of disbursal of the first tranche, whichever is earlier.
- 4.4 On completion of the property or post 3 years from the date of first disbursal of the tranche, whichever is earlier, loan will get automatically converted from Interest servicing loan to EMI servicing loan without taking any consent of whatsoever nature from the Borrower(s). Conversion will happen without downsizing the sanctioned loan amount.



- 4.5 If loan is auto converted as mentioned in the clause 4.4, the EMI will be calculated as follows -
- 4.5.1 Normal Home Loan - the EMI will be calculated on the sanctioned loan amount. However, the interest will only be charged on the disbursed amount. The excess amount collected will be apportioned towards the principal outstanding which will lead to faster principal prepayment and closure of the loan
- 4.5.1 Smart Home Loan - the EMI will be calculated on the disbursed amount and not the sanctioned loan amount
- 4.6 Once the loan is auto converted the Bank will intimate the customer with revised EMI amount and loan tenure.
- 4.7 The standing instruction given by the borrower(s) to debit his/her/their savings/current account to recover the Pre- EMIs at time of disbursement of the first tranche will be used to recover the EMI post auto conversion of the loan from Pre-EMI to EMI Servicing.
- 4.8 After conversion of the loan to EMI Servicing loan, if the Borrower(s) wish avail further tranche disbursement or wish to downsize the loan, he/she/they need to inform the Bank in writing along with necessary documents as requested by Bank from time to time.
- In case of future tranche disbursement post conversion to EMI Servicing, for smart home loan the account limit as well as the outstanding of the loan will increase by the tranche amount disbursed. This will lead to an increase in the EMI of the loan.
- 4.9 In case you wish to convert your loan to EMI servicing before property completion or 3 years from the disbursement of the first tranche (whichever is earlier) you should inform the Bank about the same in writing and instruct the Bank to convert the Pre-EMI to EMI. You will be required to produce no dues pending towards the builder for the conversion.

#### **Article 5: Home Loan amount, Repayment, Cancellation**

- 5.1 **Home Loan amount** - The Borrower(s) agrees to borrow from the Bank and the Bank agrees to lend to the Borrower upon the terms and subject to the conditions mentioned in this Agreement, the Home Loan amount as stated in Annexure herein.
- 5.2 **Repayment**
- 5.2.1 The Home Loan will be repaid by the Borrower(s) by way of EMIs and at the Rate of Interest, arrived in accordance with the terms and conditions of this Agreement. The Borrower(s) shall also pay such processing fees, other costs, charges and expenses as detailed hereinafter. Each EMI shall be calculated on the basis of the monthly rests and the Bank shall be entitled to vary/modify the EMI including increasing the amount of one or more EMIs in the event of changes in the ROI on the Home Loan.
- 5.2.2 No notice, reminder or intimation will be given to the Borrower(s) regarding his obligation to pay the EMIs regularly on each due date. It shall entirely be Borrower(s) responsibility to ensure prompt and timely payment to the Bank. Any delay or default in payment of any EMI shall make the Borrower liable to pay to the Bank, Penal Interest as mentioned in the Annexure A herein (for the period of such default) besides constituting an Event of Default thereby making all sums under the Loan Agreement due and payable to the Bank forthwith.
- 5.3 **Cancellation**
- (a) The Borrower(s) shall not be entitled to cancel the Home Loan granted under this Agreement or refuse to accept the disbursements or make withdrawals under the present Agreement. Any cancellation of the Home Loan granted under this Agreement shall be subject to the terms and conditions levied by the Bank from time to time.
- (b) The Bank shall be at liberty not to grant additional limits at its sole discretion after review of the account and facilities.

#### **Article 6: Pre-Payment of the Home Loan**

- 6.1 For processing prepayment requests, Borrower(s) is required to send the Bank a written instruction communicating Borrower's desire to prepay the Home Loan with intent to reduce the Home Loan tenure or EMI. In case no clear instruction is received to reduce Home Loan tenure or EMI, the Bank shall by default reduce the Home Loan tenure based on the prepayment amount received keeping the EMI constant.
- 6.2 In case excess funds are received towards the loan account without any written instructions to prepay, the amount will be credited to the Smart Home account which will impact the available balance in the account.

#### **Article 7: Security**

The Borrower(s) shall create a security towards the Home Loan as required by the Bank and in such form and manner as determined by the Bank in its sole discretion to secure due repayment and discharge by the Borrower(s) to the Bank of the said Home Loan together with interest, additional interest, liquidated damages, commitment charges, costs, charges, expenses and other monies payable by the Borrower(s) to the Bank. The Bank shall have the right to prescribe the type of security and the place, timing and the manner of its creation.

- 7.1 The Bank may during the term of this Agreement also require for the Borrower(s) to create additional security and the Borrower(s) undertakes to create or cause to create such additional security as and when called upon by the Bank. Without prejudice to the above, the Borrower shall create such additional security (a) in the event of the Dues being more than the market value of the Security or otherwise in accordance with the margin requirements of the Bank; and(b) in the event of destruction or damage or depreciation or fall in value of any Security given to the Bank or the title of any such Security being unclear, unmarketable or encumbered in the opinion of the Bank or affecting the value of the Security in any manner whatsoever.
- 7.2 The Borrower(s) shall not sell, charge, lease, surrender, assign, transfer, let, further encumber or otherwise howsoever alienate, transfer, create interest in favour of any other person or deal with/in the said property/security so created or any part thereof or permit any charge, encumbrance or lien of any kind whatsoever to be created over such property/security during the continuation of the obligations under this Agreement.



- 7.3 The Borrower shall ensure that the Property shall be insured with an insurance company at all times during the loan tenure against Fire, Lightning, Implosion / Explosion, STFI (Storm / Tempest / Flood / Inundation), Impact Damage due to Accident, RSMD (Riot / Strike & Malicious Damage), Subsidence & Landslide including Rockslide, Aircraft Damage, Missile Testing, Bush Fire, Bursting of Water Tanks, Leakage from Automatic Sprinklers, Earthquake & Terrorism with the Bank as the beneficiary. The relevant municipal taxes, dues to the government and outgoings of the co-operative society and all kinds of dues connected with the said Property would be paid in time by the Borrower(s) and nothing shall be done which will adversely affect the security in any manner whatsoever.
- 7.4 All security furnished by the Borrower(s) to the Bank shall remain a continuing security to the Bank binding upon the Borrower(s) and shall:
- 7.4.1 Not be discharged by any intermediate payment by the Borrower(s) or any settlement of accounts by the Borrower(s);
- 7.4.2 Be in addition to and not in derogation of any other security which the Bank may at anytime hold in respect of the Borrower(s)'s dues;
- 7.4.3 Be available to the Bank until all accounts between the Bank and the Borrower(s) are ultimately settled.

#### **Article 8: Charges Payable to the Bank**

- 8.1 The Borrower(s) shall pay or reimburse to the Bank all types of taxes, charges, duties, processing fees, stamp duties, and penalties, if any, registration charges, etc., as are payable in connection with the Home Loan and this Agreement and the security created or to be created in connection with the Home Loan availed of by the Borrower(s) from the Bank.
- 8.2 The Borrower(s) will give suitable standing instructions to debit his/her/their savings/current account to recover the EMIs and the said standing instructions shall be irrevocable during the tenure of the Home Loan. The Borrower(s) shall be duty bound to pay the EMI on the due dates. Any delay in payment of the EMI on the due dates shall authorise the Bank to charge from the Borrower(s) a penal interest as per the policy of the Bank.
- 8.3 The Borrower(s) will further furnish at his/their own cost and expenses, all pre-disbursal and post-disbursal documents as required by the Bank, for the Home Loan granted/to be granted including the No Objection Certificate, the resolutions passed by the society, the lien letters issued by the co-operative housing society and the letters of guarantee, if any, in this regard. In the event, the Borrower(s) does/do not submit the required post disbursal documents as and when called upon by the Bank, the Bank shall be authorised to levy penal charge as specified by the Bank from time to time.
- 8.4 In the event the Borrower(s) being desirous of shifting/switching from a particular type of Home Loan agreed by the Borrower(s) and the Bank earlier to another type of Home Loan or a combination of other type of interest rate, or otherwise, the Borrower(s) may do so if so permitted by the Bank at such time and on execution of such supplemental documents as may be required by the Bank and on payment of the conversion charges (if any).
- 8.5 The Bank may, in its discretion, after providing notice to the Borrower(s) levy new fees/ charges or revise the current fees/ charges for use of any or all the Facility provided the Bank.
- 8.6 The Borrower(s) acknowledges the right of the Bank to charge additional interest, charges as deemed appropriate from time to time or recall the Home Loan along with interest, costs, charges, etc., in the event of the Borrower(s) failing to submit all/any Post Disbursal Documents.
- 8.6.1 The Borrower(s) shall deposit the title documents relating to the property as may be required by the Bank, within 30 days from the date of closure of the Home Loan of erstwhile Bank in BT cases or from the date of demand by the Bank.
- Without prejudice to the Bank's other rights, in case of any delay by the Borrower(s) beyond 60 days to comply with the aforesaid requirement, the Borrower(s) shall be liable to pay additional interest of 1% over and above the prevailing interest charged on the Home Loan. In case of delay beyond 90 days the additional interest shall be 2% over and above the prevailing interest charged on the Home Loan. The Bank will charge such additional interest till the date of submission of the required documents by the Borrower(s) and issuance of acknowledgment receipt by the Bank. Such additional interest shall be deemed to form part of the outstanding Home Loan. The Borrower(s) acknowledges the right of the Bank to charge additional interest in the event of Borrower(s) failing to submit required documents as mentioned above. The right to charge additional interest will not restrict the Bank from taking other actions or remedies as available and mentioned in this Agreement.
- 8.6.2 In case of Under Construction properties, if the registration of the property does not take place at the time of sanction and/ or disbursement of the Home Loan, but takes place upon completion of construction; the Borrower shall take possession and register the property within 45 days from the date of possession advised by the builder and/or receiving the date of an intimation from the Bank that the property is ready for possession, whichever may be earlier, and hereinafter referred as the 'Due Date'. The Borrower(s) shall deposit with the Bank all title documents with respect to the mortgage property as required by the Bank and in such a form and manner as the Bank may in its sole discretion determines to submit. Without prejudice to the Bank's other rights, if the Borrower(s) delays the submission beyond 90 days from the Due Date, the Bank will charge additional interest of 1% over and above the prevailing Rate of Interest on the Home Loan. If the Borrower delays the submission beyond 120 days from the Due Date, the bank will charge additional interest of 2% over and above the prevailing interest rate on the Home Loan. The Bank will charge such additional interest till the date of acknowledgment issued by the Bank for the submission of the registered sale deed by the Borrower(s). Such additional interest will be deemed as part of the outstanding Home Loan. The Borrower(s) acknowledges the right of the Bank to charge additional interest when the Borrower(s) fails to submit the required documents as mentioned above. The right to charge additional interest will not restrict the Bank from taking other actions or remedies as available and mentioned in this Agreement.

## **Article 9: Authorisation to Bank**

9.1 The Borrower(s) hereby authorises the Bank to do the following acts:

- 9.1.1. To create a charge and security of the Borrower(s)'s right, title and interest in such of the assets of the Borrower(s) as mentioned in article 6 of this Agreement and for this purpose to execute such documents for and on behalf of the Borrower(s) and pay all the necessary stamp duty, and penalties, if any, to the government and to do all such acts, deeds and things, including approaching all the necessary authorities and/or persons, whether government, semi- government or otherwise, as may be required in this regard.
- 9.1.2 To sign further MOUs, Agreements, sale deeds, deeds of transfer, deeds of modification/confirmation, share transfer forms and other documents for and on behalf of the Borrower(s) to enforce the security and complete the sale without any specific orders and decrees.
- 9.1.3 To do all other deeds, matters and things incidental to and connected with the creation of security for the Home Loan as the Bank may consider necessary.

## **Article 10: Representation and Warranties**

The Borrower(s) hereby represents and warrants that:

- a) The information provided is true and accurate in all material respects, is not misleading and does not omit any material details;
- b) The Borrower(s) has not taken any other Home Loan, advance, facility or debt of any nature whatsoever from any other bank/financial institution and if taken the same has been disclosed correctly and the Borrower(s) is not a Guarantor or given any security to any Home Loan, advance, facility or debt of any nature whatsoever granted by any bank/financial institution to any other person(s) and if given, the same has been disclosed correctly to the Bank in writing;
- c) There is no mortgage, charge, lien, attachments, demand or other encumbrance or legal dispute of any nature on the Borrower(s) or the whole or any part of the Security. The Borrower(s) has a clear and marketable title to the Security;
- d) That the Borrower(s) has paid and will pay when due all public demands such as income tax, property taxes and all other taxes and revenue payable to the government or any local body/authority. There are no proceedings pending against the Borrower(s) or any of the Borrower(s)'s properties under the provisions of the Income Tax Act, 1961;
- e) The Borrower(s) has verified the original title deeds with developer/seller and made necessary inquires/searches at concerned government offices in respect of the Property being purchased by the Home Loan amount;
- f) The Borrower(s) has verified and is satisfied with the building plan, commencement certificate and all the requisite permissions pertaining to the Property and that the Construction is as per the approved plans and of a satisfactory and of standard quality;
- g) That apart from the Title Deeds submitted with the Bank there are no other title documents pertaining to the Property and if any title deeds are found/received in respect of the Property the Borrower(s) will submit the same with the Bank within 2 days from the date of receipt of the same.

## **Article 11: Covenants**

Borrower(s) hereby covenants with the Bank that –

- a) The Borrower(s) shall utilize the Home Loan for the purpose for which Home Loan is availed of and as stipulated in Key Term Statement and Annexure A.
- b) The Borrower(s) shall notify the Bank of change in the residential address, mobile number within seven (7) days from the said changes.
- c) The Borrower(s) shall notify the Bank of the change in his residential/non-residential status within seven (7) days from the said changes.
- d) The Borrower(s) shall maintain the Security at his/her/its own cost, in good order and condition and that the Borrower(s) will ensure that the value of such Security does not diminish.
- e) The Borrower(s) shall notify details of any addition to or alterations in the security which might be proposed to be made.
- f) The Borrower(s) shall notify the Bank any event or circumstances or knowledge of any event or circumstances which might delay/cancel/vitiate the completion of construction, transfer, repair, reconstruction of the Property for which the Home Loan is availed.
- g) The Borrower shall not let out, lease or give on leave and license or otherwise howsoever part with the possession/use of the Property or any part thereof.
- h) The Borrower(s) shall not sell, charge, lease, surrender, transfer or create interest in favour of other person in the Security or any part thereof.
- i) The Borrower(s) shall allow any person authorised by the Bank to have an access to the Property for the purpose of inspection of the Property.

## **Article 12: Event of Default, Recovery and Remedies of Bank**

If one or more of the events specified in this Article shall have happened, then the Bank by a written notice to the Borrower(s) may declare that the principal, all accrued interest and all other amounts payable by the Borrower(s) shall become payable forthwith by the Borrower(s) to the Bank under or in terms of this Agreement, and upon such declaration the same shall become due and payable forthwith and the Security, created in favour of the Bank for the Loan shall become enforceable.



## 12.1 Events of Default

- 12.1.1 Breach (including but not limited to payment default) has occurred in the performance of any covenant, condition or arrangement under this Agreement.
- 12.1.2 Failure by the Borrower(s) to furnish to the Bank such information/documents as may be required by the Bank from time to time.
- 12.1.3 Breach of any terms and conditions of the Agreement for Home Loan or any another standard documents related to the Home Loan availed by the Borrower(s).
- 12.1.4 Property so secured with the Bank is liable to be confiscated, attached, taken into custody by any official, authority, or is subject to any execution proceedings.
- 12.1.5 Property is endangered or has suffered total loss/damage due to any accident or the Property goes under redevelopment.
- 12.1.6 If a Receiver is appointed in respect of the whole or any part of the property/assets of the Borrower(s)
- 12.1.7 If the Property for which loan is availed is destroyed beyond repair for any reason whatsoever;
- 12.1.8 The Borrower(s) is unable or has admitted in writing its inability to pay any of its indebtedness as they mature or when due.
- 12.1.9 If it becomes unlawful for the Borrower(s) or any person (including the Bank) to perform any of their respective obligations under this Agreement.
- 12.1.10 If the security is in jeopardy or ceases to have effect.
- 12.1.11 Any event which is likely to have the effect of the Borrower(s) not being in position to service the Home Loan.
- 12.1.12 An event of default, howsoever, described (or any event which with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition or any combination of the foregoing would constitute an event of default) occurs under any other Agreement or document relating to any indebtedness of the Borrower(s) with the Bank or if, any other lenders of the Borrower(s) including financial institutions or banks with whom the Borrower(s) has entered into Agreements for financial assistance or any part thereof.
- 12.1.13 If at any time the Property for which the Home Loan is availed is used for any illegal or unlawful purpose.
- 12.1.14 Any other event, which in the Bank's sole opinion is likely to have materially adverse effect on the ability of the Borrower(s) to make payments under this Agreement.

The decision of the Bank as to whether or not an event of default has occurred shall be final and binding upon the Borrower(s).

## 12.2 Rights of the Bank:

- 12.2.1 To recall the entire outstanding amount of the Home Loan disbursed at any time at its own discretion, without prejudice to any other rights, if it has reason to believe that the Home Loan was procured by improper declaration/information or the security offered is inadequate or affected in anyway due to non-payment of dues, improper maintenance or for any other reason of whatsoever nature.
- 12.2.2 To assign the debt, whether in full or part along with the underlying security, in favour of one or more entities on such terms and conditions at the Bank's discretion, without seeking consent of the Borrower(s).
- 12.2.3 To declare all sums outstanding amount under the Home Loan including the principal, interest, costs, charges, expenses to become due and payable forthwith, if the value of the Property or any security (including the guarantees) created or tendered by the Borrower(s), in the sole discretion and the decision of the Bank, depreciates entitling the Bank to call for further security and if the Borrower(s) fails to give such security.
- 12.2.4 To insure against by Fire, Lightning, Implosion / Explosion, STFI (Storm / Tempest / Flood / Inundation), Impact Damage due to Accident, RSMD (Riot / Strike & Malicious Damage), Subsidence & Landslide including Rockslide, Aircraft Damage, Missile Testing, Bush Fire, Bursting of Water Tanks, Leakage from Automatic Sprinklers, Earthquake & Terrorism the Property offered as security against any eventuality on behalf of the Borrower(s) and recover the premium and other associated charges paid by the Bank to the insurance company from the Borrower(s).
- 12.2.5 To recover from the Borrower(s) any or all types of taxes, charges, duties, processing fees, PDD penal interest and penalties, if any, registration charges, etc., as are payable in connection with the Home Loan and this Agreement and the security created or to be created in connection with the Home Loan availed by the Borrower(s) from the Bank and paid by the Bank.
- 12.2.6 In an event of default or non-repayment of monthly EMI, borrower accounts shall be flagged as overdue and classified as Special Mention Account (SMA) or Non-Performing Asset (NPA) as per the prevailing RBI guidelines.  
Example: If due date of a loan account is March 31, 2021, and full dues are not received before the day-end process for this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2021 i.e. upon completion of a month of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2021.  
Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021.  
Bank may change the classification logic basis the regulatory guideline from time to time.
- 12.2.7 To forthwith call upon the Borrower(s) to repay the Home Loan and all outstanding amounts to the Bank in the event of default or any event which after a lapse of time is capable of becoming an event of default and in such case it shall be the obligation of the Borrower(s) to immediately repay the outstanding amounts to the Bank. In case of default by the Borrower(s) to immediately repay the outstanding amounts, the Bank shall be entitled, without prejudice to the other rights and remedies available to the Bank under this Agreement and/or in law, to enforce security created by the Borrower(s) in favour of the Bank in terms of this Agreement. The Bank may give a reasonable period to the Borrower(s) for repayment of the outstanding amounts as per its internal policies.



- 12.2.8 To and shall have absolute power and authority to use its discretion to sell and dispose of the security or any part thereof by private treaty or public auction, without (as far as may be) the intervention of the court, as and when the Bank may, in its absolute discretion, deem fit and to apply the net proceeds of such sale in satisfaction of the outstanding amounts.
- 12.2.9 The Borrower(s) hereby agrees and undertakes not to raise any dispute as to the value at which the security is sold and transferred by the Bank and the decision made by the Bank shall be final and binding on the Borrower(s). The Bank shall not be liable for any loss arising due to the sale or transfer of the security under this clause.
- 12.2.10 In the event of death of the Borrower(s) during the continuance of this Agreement, (i) the Borrower(s)'s estate, effects, heirs, executors, administrators and legal representatives will jointly and/or severally continue to be bound by this Agreement, (ii) the Borrower(s)'s estate, effects, heirs, executors, administrators and legal representatives will jointly and/or severally continue to be liable for full repayment of all the monies payable and or due hereunder by the Borrower(s), and (iii) the Bank shall have the right to terminate the facility and/or recall all or any portion of the facility balance.
- 12.3 The terms of this Agreement shall continue to be binding on the Borrower(s) till such time that all outstanding amounts are not repaid to the Bank.

### **Article 13: Repossession**

#### **(a) Notice**

In the event of default by the Borrower(s) notice would be issued for recovery of the outstanding dues on the Home Loan account in accordance with the provisions of applicable laws for debt recovery in the country. The notice will be sent to the mortgaged Property address and other addresses provided by the Borrower(s) via physical deliver, postal delivery or through e-mail to the customer on his registered e-mail ID.

#### **(b) Circumstances under which the notice period can be waived:**

The Bank shall be entitled to recall the entire outstanding of the Loan disbursed at anytime at its own discretion without assigning any reason and without prejudice to any other rights, if it has reason to believe that the Loan was procured by improper declaration/information or the Property offered is inadequate or affected in anyway due to non-payment of dues, improper maintenance of the Property, breach of any internal policies of the Bank, or for any other reason of whatsoever nature.

#### **(c) The procedure for taking possession of the Property**

The Bank would follow the procedures laid down under the debt recovery laws including but not limited to The Securitisation And Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 (SARFAESI), Debt Recovery Tribunal Act, Civil Procedure Code, etc. (Debt Recovery Laws) or laid down under any statute/regulation for taking possession of the Property and attaching and selling the Property.

#### **(d) A provision regarding final chance to be given to the Borrower(s) for repayment of Home Loan before the sale/ auction of the Property**

The Bank/competent authority appointed under the extant applicable laws shall issue a notice to the Borrower(s) as prescribed hereunder and/or under the applicable laws giving the Borrower(s) an opportunity to repay the Home Loan amount before the sale/auction of the Property.

#### **(e) The procedure for giving repossession to the Borrower**

In the event the outstanding dues are paid in full prior to the sale of the Property under the recovery proceedings, the Bank shall handover possession of the Property back to the Borrower(s). The Property documents will be released to the Borrower(s) within 30 days of receipt of the outstanding dues.

#### **(f) The procedure for sale/auction of the Property**

The Bank/appropriate authority would follow the due procedure as prescribed under the various Debt Recovery Laws for the sale and auction of the Property which has been repossessed by the Bank.

### **Article 14: Cross Default**

The Borrower(s), unconditionally and irrevocably, agree(s), confirm(s) and acknowledge(s) that any default by the Borrower(s) under any other credit facility Agreement or arrangement with the Bank or its successors-in-interest or with any of the affiliates or group companies of the Bank, shall be deemed to be a default under this Agreement for this present Home Loan and vice versa entitling the Bank to recall this facility and/or all other fund based or non-fund based Facilities advanced to Borrower(s). The Bank shall in the event of such default be entitled to exercise any or all its rights under this Agreement and/or other Agreements entered into by Borrower(s) with the Bank.

### **Article 15: Cross Collateralisation**

Any Security furnished by the Borrower(s), under any other Agreement entered into/to be entered into with the Bank, shall be deemed to be the Security under this Agreement.

The Borrower(s) hereby agree(s) and accept(s) that in the event of default in respect of any credit facilities granted by the Bank to the Borrower(s), all securities provided under this Agreement or under any other Agreement entered into/to be entered into with the Bank shall operate as a continuing security for all the obligations/facilities extended to and availed by the Borrower(s) from the Bank and that the same shall continue to vest in the Bank till the time any of the said obligations/facilities have not been closed/liquidated or confirmed by the Bank as closed/liquidated notwithstanding the existence of a credit balance in the said account or partial payment or fluctuation of accounts.



## **Article 16 Insolvency**

If the Borrower(s) commit(s) an act of insolvency or if the Borrower(s) is/are declared insolvent or bankrupt or if a liquidator, receiver or official assignee is appointed in respect of any Property or estate of the Borrower(s) or if the Borrower(s) make(s) any application for declaring himself/herself insolvent or if an application for declaring the Borrower(s) as an insolvent/bankrupt is made or any order is passed by any court, tribunal, quasi-judicial authority or any other competent authority for taking the Borrower into insolvency, then, in any of these events the entire outstanding amount under the facility shall forthwith become due and payable by the Borrower(s) to the Bank.

## **Article 17: Lien and Set Off**

- 17.1 Notwithstanding anything herein contained, the Bank shall have an overriding lien over all the Security/Monies of the Borrower(s) which are in the control/possession of the Bank. This right of lien shall not be affected by any reason whatsoever.
- 17.2 The Borrower(s) hereby authorise the Bank to apply any credit balance to which the Borrower(s) may be entitled under any Home Loan/facility(ies), in satisfaction of any sum due and payable herein but remaining unpaid. The Bank shall also have the right of set off in respect of any amount standing to the credit of Borrower(s) in any/all of the Home Loan/facility(ies) availed/to be availed from the Bank.
- 17.3 It is hereby agreed and understood that in the event the Borrower(s) default(s) in payment of the outstanding amount and other charges mentioned herein, then without prejudice to the right of termination provided herein, the Bank shall be entitled to set off its dues against any monies in its possession/control and due from it to the Borrower(s) whether by way of deposits or otherwise.

## **Article 18: Effective Date of the Agreement for Home Loan**

- 18.1 This Agreement shall not create any right, duty or obligation of whatsoever nature unless the same has been accepted by the Bank. The Bank shall be deemed to have accepted its rights, duties and obligations contained herein upon execution of this Agreement by the Bank.
- 18.2 The Agreement shall be binding on the Borrower(s) and the Bank on and from the date of execution hereof. This Agreement shall be deemed to be in full force and effect till such time as all monies due and payable to the Bank under this Agreement have been repaid in full together with all interest, costs, charges due and payable thereon.

## **Article 19: Miscellaneous**

### **19.1) Electronic Alerts and Information**

- 19.1.1 The Bank may at its sole discretion make available or discontinue the provision of alerts and other electronic information through electronic media, whether by way of Short Messaging Services (SMS), e-mail or other such means, to the Borrower(s) in connection with his/her Home Loan account. The Borrower(s) agrees that in case any such facilities are provided to the Borrower(s), the Bank's then applicable rules and regulations, by whatsoever name called, shall be applicable for such facilities and shall be deemed to be incorporated herein Home Loan.
- 19.1.2 The Borrower(s) acknowledges that the Bank may use the services of third party service providers, such as cellular service providers for the purposes of sending the electronic information, and accordingly authorises the Bank to make available information relating to the Borrower(s) and his/her Home Loan account to such third party service providers.
- 19.1.3 The Borrower(s) acknowledges that the facility as mentioned above, is dependent on the services of the third party service providers and that the Bank neither makes any representation nor provides any warranty with respect to the quality of the service provided by such third party service providers nor does it guarantee the timely delivery, accuracy or security of the contents of the electronic information.
- 19.1.4 The Bank shall not be liable for any non-delivery, delays, errors, loss, distortions, interception or misuse of the information by unauthorised persons, during or after the transmission of the electronic information to the Borrower(s) and shall not be liable for any non-performance by the third party service providers.
- 19.1.5 The Borrower(s) acknowledges and understands that the electronic information will be provided only in India and in case of SMS alerts only to the subscribers of certain select cellular service providers at certain select regions.
- 19.1.6 The Borrower(s) understands and acknowledges that any miscommunication or failure in receipt of any electronic information shall not be deemed to be a waiver or modification of the obligations of the Borrower(s) as per the terms and conditions of this Agreement. The Borrower(s) shall independently verify the authenticity and accuracy of the contents of any electronic information from the Bank.

### **19.2) Sharing of information -**

- 19.2.1 The Borrower(s) agree(s), that the Bank shall be at any time and in any manner free to disclose his/her/their name(s) and/or other details to person(s)/agency(ies)/bureaus (including credit bureaus specified by Reserve Bank of India) situated in India or abroad which are duly authorised by the Bank to assist in the Bank's operations or for offering of services/products or for prevention of fraud (directly/indirectly) or to Credit Information Companies (CICs) or any other licenced/authorised bureaus, and any other agency authorised in this behalf by the regulator, to the regulator, or to entity(ies) engaged in debt collection/recovery or to legal practitioner(s), and to whomsoever the Bank in its interest, deems it fit and appropriate.
- 19.2.2 The Borrower(s) acknowledge that the Bank remains entitled to assign any activities to any third party agencies/service providers at its sole discretion. The Borrower(s) further acknowledge the right of the Bank to provide details of my/our account and sharing or transfer of information, which will be on a confidential basis, to HSBC Group offices or other third party agencies/service providers, whether located in India or overseas, including but not limited for the purpose of availing support services of any nature by the Bank. The Bank also may disclose information, if required or permitted by any law, rule or regulation or at the request or direction of any public or regulatory authority, or if such disclosure is required for the purposes of preventing fraud, without any further specific consent or authorisation from me/us.



- 19.2.3 If any of the Borrower(s) is a Non-Resident Indian/PIO, the Borrower(s) shall abide by and fulfil the provisions of Foreign Exchange Management Act, 1999, as amended from time to time and all other applicable laws with respect to purchasing, retaining, using, selling immovable property in India and repatriating proceeds outside India and the Borrower(s) shall indemnify and keep indemnified the Bank in that behalf.
- 19.2.4 Exchange Rate Warning: If at any time your mortgage is in a currency that is different from the currency in which you are paid or from which you repay your mortgage, then there is a risk that changes in the exchange rate will affect the amount you owe and the amount of your interest and principal payments. If this applies to you, you should regularly check the exchange rate to ensure that you are still comfortable with the amount you owe and with the amount of interest and principal you pay. If you are not comfortable then you may want to consider reducing the amount of your mortgage, re-financing the mortgage or repaying it early. You should consider speaking with an independent financial adviser before making changes to your mortgage arrangements.
- 19.2.5 The Borrower(s) declares that all the amounts including the amount of own contribution paid/payable in connection with the Property as well as the security for the Home Loan facility is/shall be through legitimate source and does not/shall not constitute an offence of money laundering under the Prevention of Money Laundering Act, 2002.

**Article 20: Stamp Duty**

The Borrower(s) hereby agrees that the Bank shall have the authority to debit any of the Borrower’s account(s) with the Bank to recover the amounts incurred by the Bank towards any payments made by the Bank, such as stamp duty, additional stamp duty, penalty, registration charges and/or any other charges and duties on and in relation to the Agreement, the security documents or any other documents, whether at the time of execution or thereafter.

**Article 21: Governing Law and Jurisdiction**

This Home Loan Agreement shall be governed by the laws of India and in all matters arising out of this Agreement the Borrower(s) hereto submit to the exclusive jurisdiction of the court at the place of the Bank’s Branch office given in the Schedule herein. This shall not however restricts or limit the rights of the Bank to take proceedings in any other court or forum or tribunals of competent jurisdiction or proceed against the Borrower(s) and/or Property, under law or otherwise.

In witness whereof the Borrower(s) has/have executed these presents on the \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

Signed and delivered by the  
Within named Borrower(s)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
_____	_____	_____	_____
Signature of the Borrower	Signature of the Borrower	Signature of the Borrower	Signature of the Borrower

Signed and delivered  
By The Hongkong and Shanghai Banking Corporation Limited, India  
(Authorised signatory)

\_\_\_\_\_





**Schedule I**  
**APPLICABLE TO SMART HOME CREDIT FACILITY (SHCF)**

**I Definitions**

Following definitions will be added to the Article 1A of the Agreement.

1. **'Limit Outstanding'** means the principal portion (limit defined on system) that is outstanding as of that day. This is not inclusive of any interest or principal portion of the ledger balance that is overdue for payment. The limit is reduced on monthly basis in line with the principal payment expected.

Following definitions will be added to the Article 1A of the Agreement

2. **'Non-utilisation/Commitment Fee'** means in the event if the Excess Funds in the SHCF account are more than 25% of the SHCF sanctioned amount ('Threshold Limit'), then the Bank may at its sole discretion charge a Non-utilisation/Commitment fee as more particularly mentioned in the Annexure A herein on the balance amount maintained over and above the Threshold limit.
3. **'SHCF Account'** means the Current Account opened in the name of the Borrower(s) by the Bank.
4. **'Smart Home Credit Facility' (SHCF)** means a type of Home Loan being offered to the Borrower(s) under this Agreement and on the terms and conditions set out hereinafter, including the terms and conditions set out in Schedule herein and Annexure A hereunder.

**II Interest**

1. Equated Monthly Instalment (EMI) and interest calculation: The EMI of the Home Loan is calculated based on 372 days in a year. The interest will be computed on the outstanding ledger balance on a monthly basis on the actual number of days. The Principal amount will be the difference between the EMI and the interest amount calculated for the month.
2. Interest recovery – The interest will be computed based on the outstanding ledger balance on monthly basis. This interest amount will be debited to the SHCF account itself thereby recovering the interest component of the EMI. Excess funds over and above the EMI deposited by the Borrower(s) into the account ('Excess Fund') will result in saving of interest as the account will compute interest only on the net debit/ledger balance on a daily basis. This interest offset enables the customer to reduce the interest paid and thereby resulting in a reduced tenure of the SHCF. If the Borrower(s) had not deposited any funds into the SHCF account for EMI recovery, then the interest debited will show as an unauthorised overdraft and the account will be shown as a delinquent account.

Notwithstanding anything contained herein above in the event the Excess Fund in the SHCF account is more than the 'Threshold Limit' then the Bank may at its sole discretion charge Non-utilisation/Commitment fee as particularly mentioned in Annexure A herein.

The Borrower(s) acknowledges that the Bank has discretion to change Non-utilisation/Commitment fee or 'Threshold Limit' basis internal review with prior notification to the customer.

3. Principal recovery – The principal amount of the EMI will be recovered by auto reducing the SHCF limit on a monthly basis. The principal amount will be the difference between the EMI and the interest amount calculated for the month.

These sub clauses shall be a new sub-clause to be inserted, in the Article 2 (Interest) of the Agreement as Article 2.6, 2.7 and 2.8.

**III Pre-payment**

In case excess funds are received towards the loan account without any written instructions to prepay, the amount will be credited to the Smart Home account which will impact the available balance in the account.

**IV Miscellaneous Provisions**

- i. This Schedule shall be deemed to be an integral part of the Agreement and the provisions there-under shall be binding and effective on the parties.
- ii. Capitalised terms used but not specifically defined herein shall have the same meaning assigned/attribution to them under the Agreement.
- iii. The Agreement along with the Schedules shall become binding on the Parties on and from the date mentioned in the Agreement. It shall remain in force until all monies due and payable under the Agreement are fully paid off to the satisfaction of the Bank and No Due Certificates have been issued by the Bank to the Borrower(s).
- iv. In the event of any conflict between the terms of Agreement and the provisions hereunder, the latter shall prevail.
- v. The Borrower(s) undertake not to use the credit facility being availed herein for remittances for capital account transactions under the Liberalised Remittance Scheme (LRS).

The terms and conditions of this Schedule shall be in addition to and not in substitution of the Agreement and Annexure I thereto, and shall be read in conjunction with and as a part of the Agreement.

In witness whereof the Borrower(s) has/have executed these presents on the \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

Signed and delivered by the

Within named Borrower(s)



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower





**Schedule II**  
**APPLICABLE TO STAFF HOME LOAN**

**I Definitions**

For the purpose of Staff Home Loan herein, the definition of Rate of Interest in the Article 1(A)(d) of the Agreement shall mean HGLR (as defined below) plus Margin.

1. **HSBC Group Lending Rate or 'HGLR'** means the interest rate announced by the Bank from time to time as its Group Lending Rate.

**II Interest**

1. Interest rates on Floating Rate Home Loan for Staff Home Loan is linked to HGLR and any change in the HGLR would impact Interest payable by Borrower(s).
2. In the event of Borrower's resignation/termination/discontinuation from the services of the Bank for whatever reason during the pendency of the Home Loan, the interest rate of Borrower(s) Floating Rate Home Loan will be linked to the then prevailing RLLR benchmark of the Bank from the date of Borrower(s) ceasing of employment with the Bank, and any revision in the prevailing RLLR benchmark will impact your interest rate from that time.
3. The rate of interest charged on the Borrower's Home Loan will be revised from the HGLR to RLLR being offered to non-staff Borrower(s) from the date of the Borrower(s) ceasing to be in employment with the Bank. Home Loan converted from HGLR to RLLR by the Bank will get reset at an interval of then prevailing RLLR benchmark. It will be reset against the RLLR published by the Bank in the month of reset. The reset will be done by the 7th calendar day of the month. A revision in the applicable Rate of Interest will lead to a revision in the EMI or the Home Loan tenure at the Bank's discretion.

Sub clause 2.1 of the Article 2 (Interest) of the Home Loan Agreement will get replaced with above clauses 1, 2 and 3.

**III Miscellaneous Provisions**

- i. This Schedule shall be deemed to be an integral part of the Agreement and the provisions there-under shall be binding and effective on the parties.
- ii. Capitalised terms used but not specifically defined herein shall have the same meaning assigned/attribution to them under the Agreement.
- iii. This Agreement along with the Schedules shall become binding on the Parties on and from the date mentioned in the Agreement. It shall remain in force until all monies due and payable under the Agreement are fully paid off to the satisfaction of the Bank and No Due Certificates have been issued by the Bank to the Borrower(s).
- iv. In the event of any conflict between the terms of the Agreement and the provisions hereunder, the latter shall prevail.

The terms and conditions of this Schedule shall be in addition to and not in substitution of the Agreement and Annexure I thereto, and shall be read in conjunction with and as a part of the Agreement.

In witness whereof the Borrower(s) has/have executed these presents on the \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

Signed and delivered by the  
Within named Borrower(s)



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower





**Schedule III**  
**Applicable To Staff Smart Home Credit Facility (SHCF)**

**I Definitions**

For the purpose of Staff Home Credit Facility herein, the definition of Rate of Interest in the Article 1(A)(d) of the Agreement shall mean HGLR (as defined below) plus Margin.

**HSBC Group Lending Rate or 'HGLR'** means the interest rate announced by the Bank from time to time as its Group Lending Rate.

Following definitions will be added to the Article 1A of the Agreement.

1. **'Limit Outstanding'** means the principal portion (limit defined on system) that is outstanding as of that day. This is not inclusive of any interest or principal portion of the ledger balance that is overdue for payment. The limit is reduced on monthly basis in line with the principal payment expected.
2. **'Non-utilisation/Commitment Fee'** means in the event if the Excess Funds in the SHCF account are more than 25% of the SHCF sanctioned amount ('Threshold Limit'), then the Bank may at its sole discretion charge a Non-utilization/Commitment fee as more particularly mentioned in the Annexure A herein on the balance amount maintained over and above the Threshold Limit.
3. **'SHCF Account'** means the Current Account opened in the name of the Borrower(s) by the Bank.
4. **'Smart Home Credit Facility' (SHCF)** means a type of Home Loan being offered to the Borrower(s) under this Agreement on terms and conditions set out hereinafter, including the terms and conditions set out in Schedule herein and Annexure A hereunder.

**II Terms and Conditions**

**1 Interest**

- 1.1 Interest rates on Floating Rate Home Loan is linked to HGLR and any change in the HGLR would impact Interest payable by the Borrower(S).
- 1.2 The EMI of the Home Loan is calculated based on 372 days in a year. The interest will be computed on the outstanding ledger balance on a daily basis on the actual number of days. The Principal amount will be the difference between the EMI and the interest amount calculated for the month.
- 1.3 Interest recovery - The interest will be computed based on the outstanding ledger balance on monthly basis. This interest amount will be debited to the SLCF account itself thereby recovering the interest component of the EMI. Excess funds over and above the EMI deposited by the customer into the account ("Excess Fund") will result in saving of interest as the account will compute interest only on the net debit/ledger balance on a daily basis. This interest offset enables the customer to reduce the interest paid and thereby resulting in a reduced tenure of the SLCF. If the customer had not deposited any funds into the SLCF account for EMI recovery, then the interest debited will show as an unauthorised overdraft and the account will be shown as a delinquent account.

Notwithstanding anything contained herein above. In the event the Excess Fund in the SLCF account are more than the Threshold Limit then the Bank may at its sole discretion charge Non-utilization/Commitment fee as mentioned in Annexure A.

The Borrower(s) acknowledges that the bank has discretion to change Non-utilization/Commitment fee or 'Threshold Limit' basis internal review with prior notification to the customer.

- 1.4 Principal recovery - The principal amount of the EMI will be recovered by auto reducing the SLCF limit on a monthly basis. The principal amount will be the difference between the EMI and the interest amount calculated for the month.
- 1.5 In the event Borrower(S) resignation/termination/discontinuation from the services of the Bank for whatever reason during the pendency of the Home Loan, the interest rate of Floating Rate Home Loan will be linked to the then RLLR benchmark rate of the Bank from the date of your ceasing of employment with the Bank, and any revision in the RLLR will impact your interest rate from that time.
- 1.6 The Rate of Interest charged on the Borrower's Home Loan will be revised from the HGLR to the prevailing RLLR being offered to non-staff Borrowers from the date of the Borrower(s) ceasing to be in employment with Bank. Home Loan converted from HGLR to RLLR by the Bank will get reset at an interval of then prevailing benchmark from the month of interest rate conversion. It will be reset against the RLLR published by the Bank in the month of reset. The reset will be done by the 7th calendar day of the month (refer Example below). A revision in the applicable rate of interest will lead to a revision in the Equated Monthly Instalment (EMI) or the Home Loan tenure at the Bank's discretion.
- 1.7 The Borrower(s) undertake not to use the credit facility being availed herein for remittances for capital account transactions under the Liberalised Remittance Scheme (LRS).

Sub clause 2.1 of the Article 2 (Interest) of the Home Loan Agreement will get replaced with above clauses 1, 2, 3, 4, 5 & 6.

Signed and delivered by the  
Within named Borrower(s)



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



**III Pre-payment**

In case excess funds are received towards the loan account without any written instructions to prepay, the amount will be credited to the Smart Home account which will impact the available balance in the account.

**IV Miscellaneous Provisions**

- i. This Schedule shall be deemed to be an integral part of the Agreement and the provisions there-under shall be binding and effective on the parties.
- ii. Capitalized terms used but not specifically defined herein shall have the same meaning assigned/attribution to them under this Agreement.
- iii. The Agreement along with the Schedules shall become binding on the Parties on and from the date mentioned in the Agreement. It shall remain in force until all monies due and payable under the Agreement are fully paid off to the satisfaction of the Bank and No Due Certificates have been issued by the Bank to the Borrower(s).
- iv. In the event of any conflict between the terms of Agreement and the provisions hereunder, the latter shall prevail.

The terms and conditions of this Schedule shall be in addition to and not in substitution of the Agreement and Annexure I thereto, and shall be read in conjunction with and as a part of the Agreement.

In witness whereof the borrower(s) has/have executed these presents on the \_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_.

Signed and delivered by the  
Within named Borrower(s)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
_____	_____	_____	_____
Signature of the Borrower	Signature of the Borrower	Signature of the Borrower	Signature of the Borrower



## Annexure A

1.	Place of Execution of Agreement:	
2.	Date of Execution of Agreement:	
3.	Address of the concerned Branch Office of the Bank	
4.	Name and Address of Borrower(s)	<div style="border-bottom: 1px solid black; padding: 5px;">                     (i) Applicant:                      Add 1:                      Add 2:                      Add 3:                      City: <span style="float: right;">PIN Code:</span>                      State:                 </div> <div style="border-bottom: 1px solid black; padding: 5px;">                     (ii) Co-Applicant:                      Add 1:                      Add 2:                      Add 3:                      City: <span style="float: right;">PIN Code:</span>                      State:                 </div> <div style="border-bottom: 1px solid black; padding: 5px;">                     (iii) Co-Applicant:                      Add 1:                      Add 2:                      Add 3:                      City: <span style="float: right;">PIN Code:</span>                      State:                 </div> <div style="padding: 5px;">                     (iv) Co-Applicant:                      Add 1:                      Add 2:                      Add 3:                      City: <span style="float: right;">PIN Code:</span>                      State:                 </div>
5.	Loan Amount (numbers and words):	In Number: ₹ _____ /- Words: Rupees _____ _____ Only
6.	Tenure of Loan:	_____ months
7.	Security:	Creating such security as may be required by the Bank from time to time.



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



8.	Details of the Property: Address of the collateral	
9.	Interest rate type:	
10.	Current interest rate	RLLR/HGLR + _____% p.a. (Margin) = _____% p.a.
11.	RLLR/HGLR	
12.	Equated Monthly Instalment	
13.	Late payment charges	
	a) Cheque dishonour charges	A penal charge of ₹250 per month is payable in case of delayed Instalments on account of cheque or Standing Instruction (SI) dishonour
	b) Penal interest	Penal interest of _____% p.a. over and above the regular interest charged as specified by the Bank on the delayed instalments/overdue amounts on account of cheque or Standing Instruction (SI) dishonour.
14.	Other Charges Payable	
	a) Processing Fees	
	b) Conversion Charges	0.50% of limit outstanding or current account limit whichever is higher plus applicable taxes are payable at the time of converting the loan from Normal to Smart, Smart to Normal or within different variants of Smart loan
	c) Non-utilisation fee/Commitment Fee	<p>_____ % p.a fees on amount above the _____ % of the SHCF sanctioned amount.</p> <p>In the event if the Excess Funds in the SHCF account are more than _____ % of the SHCF sanctioned amount (Threshold limit), then the Bank may at its sole discretion charge a Non-utilization/Commitment Fee fee of ___ % p.a. on the balance amount maintained over and above the Threshold.</p> <p>Example – If Non-utilization fee/Commitment fees is 1%, original sanctioned SHCF amount is ₹20,00,000/- and limit defined as 25% i.e. ₹500,000/- In this scenario if the fund in the SHCF account is ₹600,000, then the Non-utilization fee/Commitment fees of 1% will be charged on ₹100,000. (This is for illustration purpose only)</p>
	d) Prepayment charges	NIL (For Floating Rate Loans)



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower



Signature of the Borrower











