

LOAN AGREEMENT

(Reverse Mortgage Loan)

LOAN AGREEMENT

THIS LOAN AGREEMENT made at _____ this the _____ day of _____, 200 _____

BETWEEN

1. **Limited**, a company within the meaning of the Companies Act, 1956 and having its registered office at _____ and a branch office at _____ (hereinafter referred to as “**the Lender**” which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the **one part**;

OR

1. a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered /head office at and a branch office at _____ (hereinafter referred to as “**the Lender**” which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the **One part**;

AND

2(i) MR./Mrs./Ms. S/o W/o D/o aged about residing at (hereinafter referred to as “**the Borrower**” which expression shall unless it be repugnant to the subject or context thereof, include his /her heirs, executors, administrators and permitted assigns) of the **Other part**.

OR

2(ii) Mr./Mrs./Ms. S/o W/o D/o aged about and Mr./Mrs./Ms. S/o W/o D/o aged about both residing at (hereinafter collectively referred to as “**the Borrower**” which expression shall unless it be repugnant to the subject or context thereof, include their heirs, executors, administrators and permitted assigns) of the **Other part**.

WHEREAS

(A) The Borrower (or where the Borrower includes spouse, one of them) is a Senior Citizen as hereinafter defined and is the absolute owner of a self acquired and self occupied house property more particularly described in Schedule I hereto (hereinafter referred to as “**the residential property**”) and has applied to the Lender for a loan of Rs. _____ against the security of the said residential property for the purposes described in Article 2 of this Loan Agreement;

(B) The Lender, on the basis, inter alia, of the application has agreed to grant the loan to the Borrower upon terms and conditions hereinafter set forth;

NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:

**ARTICLE –1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this Agreement, the following capitalized words shall have the following meanings:

“Agreement” means this Loan Agreement together with the Schedules and Annexures attached hereto as may be amended from time to time in accordance with its terms.

“Annexure” means the Annexure(s) or Schedule(s) to this Agreement

“Borrower” means a single or two borrowers (husband and wife) as the context may require.

“Business Day” means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Mumbai.

“Encumbrance” means a mortgage, charge, lien, pledge hypothecation or security interest of any description whatsoever and also "negative lien" and "non-disposal" undertakings, if any given by the Borrower.

“Loan” means the amount of the loan agreed to be made available under this Agreement as described in Article 2 and shall wherever the context so requires include the outstanding principal amount of the loan..

“Loan Amount” means the amount of the Loan and includes outstanding interest, fees, charges, levies, expenses, claims, costs and/or other dues payable to the Lender in relation thereto.

“Outstanding Amount” means the amount outstanding to be repaid under the Loan which amount shall include the principal, interest and such other expenses as are agreed to be borne by the Borrower under this Agreement.

“Parties” means the Lender and the Borrower.

“Prepayment” means premature repayment as per the terms and conditions laid down by the Lender in that behalf and in force at the time of prepayment.

“Residential Property” means the residential property (a house or a flat) located in India and more particularly described in **Schedule I** hereto which is self acquired and self occupied by the Borrower and owned by the Borrower but shall not include commercial property.

“Right of Rescission” means the Borrower’s right to cancel the loan within three Business Days of its closing.

“Senior Citizen” means a person who is not less than 60 years of age as on the date hereof;

1.2 Other Terms

Other terms may be defined elsewhere in the text of this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

1.3 Interpretation

- (i) Wherever the context so requires, any reference to the singular includes the plural and any reference to the plural includes the singular respectively;
- (ii) Words of any gender are deemed to include the other gender;
- (iii) The arrangement of clauses shall have no bearing on their interpretation;
- (iv) Words denoting a person shall include an individual, corporation, company, partnership trust or other entity; provided however that clause specifically applicable to a company or body corporate shall not apply to any other entity;
- (v) Heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- (vi) Reference to the word include or including shall be construed without limitation;
- (vii) Schedules, sub-schedules and Annexure to this Agreement shall form an integral part hereof.

1.4 The terms and expressions not herein defined shall where the interpretation and meaning have been assigned to them in terms of the General Clauses Act, 1897, have that interpretation and meaning.

**ARTICLE 2
PURPOSE OF THE LOAN**

2. Purpose of the Loan

2.1 Purposes for which the Loan to be used

The Loan under this Agreement shall be used for one or more of the following purposes, namely:-

- (a) Up-gradation, renovation and extension of residential property;
- (b) Uses associated with home improvement, maintenance/insurance of residential property;
- (c) medical, emergency expenditure for maintenance of family;
- (d) supplementing pension/ other income
- (e) repayment of an existing loan taken for the residential property: and
- (f) meeting any other genuine need as may be specified by the Borrower and agreed to by the Lender.

2.2 Purposes for which the Loan cannot be used

The Loan under this Agreement shall not be used for speculative, trading or business purposes.

**ARTICLE 3
AGREEMENT AND TERMS OF THE LOAN**

3.1 Amount of Loan

The Lender agrees to lend to the Borrower and the Borrower agrees to borrow from the Lender for the purposes specified in Article 2 hereof and on the terms and conditions contained herein, a sum not exceeding Rs. _____/- (Rupees _____ only). The said sum is hereinafter referred to as “the Loan”.

The Lender reserves the right to revalue/ cause to revalue the residential property mortgaged to it to secure the Loan at intervals of every _____ years and revise the quantum of Loan based on such revaluation. Revaluation shall be done by _____ method.

The Borrower shall have the option to accept the revised amount of Loan. In the event of the Borrower not agreeing to the revised Loan, where such revised loan is lower than

the amount agreed earlier, the Loan disbursed before revaluation will be the amount of the Loan agreed between the parties and shall continue to carry interest at the agreed rate, and the Lender shall not be required to make any further disbursements.

3.2 Disbursement of Loan

- (a) The Loan shall be disbursed at monthly/ quarterly / half yearly / yearly intervals / or in lumpsum or as a committed line of credit / or in any combination of the above as may be mutually agreed between the Lender and the Borrower. In the event of the demise of the Borrower, the un-disbursed amount of the Loan shall be disbursed to the surviving spouse. Except in cases where the Loan is to be used for (a) retirement of existing debt (b) payment to contractor for repairs of the residential property (c) payment of property taxes or (d) payment of insurance premium of the residential property where the Loan shall be disbursed directly by the Lender to the concerned party, the Loan shall be disbursed by crediting the disbursements of the Loan in a Bank Account designated by the Borrower or by the surviving spouse for the purpose.
- (b) The Loan will be disbursed in the manner stated above subject to the Borrower complying with the provisions of this Agreement and the Lenders' scheme for financing of senior citizens against mortgage of residential property (Reverse Mortgage Loan Scheme) a copy whereof has been given to the Borrower and the disbursement procedure stipulated by the Lender.
- (c) The Borrower hereby acknowledges having received a copy of the Reverse Mortgage Loan Scheme and undertakes to comply with the said Scheme and the disbursement procedure stipulated by the Lender.

3.3 Mode of Disbursement

All disbursements to be made by the Lender to the Borrower under or in terms of this Agreement shall be made by a cheque duly crossed and marked "A/c Payee Only" and the collection charges, if any, in respect of all such cheque will have to be borne by the Borrower and the interest on Loan will begin to accrue in favour of the Lender as and from the date of delivery/dispatch of the cheque irrespective of the time taken for transit/collection/realization of the cheque by the Borrower or his bank.

3.4 Interest

- (a) The principal amount of the Loan outstanding from time to time shall carry interest at the rate of _____ per annum .

OR

- (a) The principal amount of the Loan outstanding from time to time shall carry variable rate of interest to be fixed by the Lender at intervals of _____. The variable rate shall be computed _____ (the manner of computation of the variable interest to be given by the Lender).

- (b) The interest shall be debited to the Loan account of the Borrower monthly/quarterly and shall carry further interest at the rates specified in clause (a) above upon the footing of interest becoming part of the principal with rest taken or made monthly/quarterly.
- (c) Any amount paid or payable by the Lender to the Central or State Government on account of any tax levied on interest on the Loan by the Central or State Government shall be borne by the Borrower and unless reimbursed by the Borrower shall be deducted by the Lender from the Loan.

3.5 Computation of Interest

The computation of interest or any other charges which shall have accrued under this Agreement shall be made on daily basis using a 365 day factor.

3.6 Period of Disbursement of Loan

The disbursement under the Loan shall be for a maximum period of 15 years.

3.7 Prepayment of the Loan

The Borrower may at his option prepay the Loan together with the interest and other charges due thereon at any time without any prepayment levy/penalty/charges for such prepayment.

3.8 When the Loan, Interest etc. becomes due

The Loan together with interest and other charges due thereon shall become due and payable:-

- (a) on the death of the Borrower.
- (b) where the Borrower is survived by spouse, on the death of the spouse.
- (c) on the sale or likely sale of residential property by the Borrower or surviving spouse.
- (d) where the Borrower or the surviving spouse, as the case may be permanently moves out of the residential property.

Explanation : A person is deemed to have permanently moved out of the residential property if he has not lived in the property for one year or do not intend to live continuously in the property and conveys his intention to the Lender.

3.9 Recovery /Settlement of Loan, Interest etc.

The Loan together with interest and other charges due and payable under this Agreement shall be recovered from the sale of the residential property mortgaged as security for the Loan.

Provided that no sale of property shall be effected for a period of two months from the date when the Loan becomes due and payable to the Lender to enable the Borrower or his spouse or his heirs to repay/pay the Loan Amounts without the sale of the property.

3.10 Appropriation of Payment/ Realisations

Unless otherwise agreed to by the Lender, any amount paid by the Borrower/ his spouse or legal heir or realized from the sale of residential property shall be appropriated towards such dues in the order they appear herein below:

- (a) Costs, charges and other monies / expenses;
- (b) Interest on cost, charges, expenses and other monies;
- (c) Interest payable in terms of this Loan Agreement;
- (d) repayment of principal amount of the Loan; and
- (e) The excess, if any, shall be paid to the Borrower / surviving spouse/ legal heirs of the Borrowers.

The Lender agrees that if the value of the residential property mortgaged as security for the Loan falls below the value of the Outstanding Amount due under this Agreement, the Lender's claim shall be limited to the value of the residential property.

3.11 Recourse against Residential Property

The Lender agrees that for recovery of the Loan, the recourse **shall be against the Residential Property.**

ARTICLE 4 SECURITY AND DISBUREMENT GUARANTEE

4.1 SECURITY

The Loan, together with interest, compound interest, cost, charges and monies whatsoever stipulated in this Agreement shall be secured by an exclusive mortgage of the residential property described in the Schedule I hereto. The Lender shall have the right to decide, in its sole discretion, the type of mortgage including the manner of its creation and the Borrower shall create the mortgage accordingly.

The Borrower shall make out a good and marketable title, free from encumbrances to his residential property to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose now or hereafter at any time during the pendency of the Loan.

4.2 DISBURSEMENT GUARANTEE

The Lender shall procure and furnish to the Borrower an irrevocable and unconditional guarantee from the National Housing Bank for due disbursement of the Loan in the event of its taking or suffering any action for its liquidation or on its being wound up.

ARTICLE – 5 CONDITIONS PRECEDENT TO DISBURSEMENT OF THE LOAN

The obligation of the Lender to make disbursement of the Loan or its continuance under this Agreement shall be subject to the observance and performance by the Borrower of all its obligations and undertakings to be observed and performed under this Agreement and to the satisfaction, prior to making of such disbursement, or compliance by the Borrower of disbursement procedure as stipulated by the Lender, as also submission of information as stipulated by the Lender and of the compliance of the following further conditions:-

(a) Creation of Security:

The Borrower shall have created a security in favour of the Lender as stipulated in Article 4 hereof.

(b) Non-existence of event of default:

No event of default as defined in Article 8.2 hereof shall have happened and be continuing.

(c) Execution of all documents

The Borrower shall have executed all other agreement/s, document/s, undertaking/s, declaration/s etc. that may be required by the Lender.

(d) The Borrower shall have furnished a declaration to the effect that the Loan shall be used for the purposes specified in this Agreement and for no other purpose.

(e) Extra-ordinary Circumstances:

No extra- ordinary or other circumstances shall have occurred which shall make it improbable to the Borrower to fulfill his obligations under this Agreement.

(f) Pending Legal Proceedings:

The Borrower shall have furnished a declaration to the effect that there is no action, suit, proceedings or investigation pending or to the knowledge of the Borrower threatened by or against the Borrower before any Court of Law or Government authority or any other competent authority which might have a material effect on the financial and other affairs

of the Borrower or which might put into question the validity or performance of this Loan Agreement or any of its terms and conditions.

ARTICLE –6 BORROWER COVENANTS

6.1 Particular Affirmative Covenants

- (a) Utilization of Loan: The Borrower shall utilize the entire Loan for the purposes specified in this Loan Agreement and unless otherwise agreed to by the Lender in writing for no other purpose whatsoever.
- (b) Maintenance of Property : The Borrower shall maintain the residential property in good order and saleable condition and will make all necessary additions and improvements thereto during the pendency of the Loan.
- (c) Compliance with rules etc. and payment of maintenance charges etc: The Borrower shall duly and punctually comply with all the terms and conditions for holding the residential property and all the rules, regulations, bye-laws etc., of the concerned Co-operative Society, Association, company or other authority and pay such maintenance and other charges for the upkeep of the residential property as also any other dues etc., as may be payable in respect of the residential property or the use thereof.
- (d) Insurance: The Borrower at its own expense, insure and keep insured upto the replacement value thereof as approved by the Lender the residential property against fire, earth quake and other calamity or hazards and shall duly pay all premia and sums payable for that purpose. The insurance shall be taken in the joint name of the Borrower and the Lender. Unless otherwise agreed by the Lender, the Borrower shall deposit and keep deposited with the Lender the insurance policy and the renewal thereof.

The Borrower agrees that in the event of failure on his part to insure the property or to pay the premia, the Lender may, but shall not be obliged to, get the properties insured or pay the premia or other sum and the Borrower shall forthwith on receipt of a notice of demand from the Lender, reimburse them all sums so paid by it together with interest thereon at the same rate as specified in Clause 3.4 hereof and until such reimbursement by the Borrower, the same shall be debited to the Borrowers Loan account and shall stand secured under the Security created in terms of Article 4 hereof.

- (e) Loss/Damage by uncovered risk: The Borrower shall promptly inform the Lender of any material loss/damage to the residential property which the Borrower may suffer due to any force majeure or act of God, such as flood, explosion, storm, tempest, cyclone, civil commotion, war risk and other calamities etc against which the property may not have been insured.
- (f) Notify Additions, Alterations - The Borrower agrees to notify and furnish details of any additions to or alterations in the residential property which might be proposed to be made during the pendency of the Loan.

- (g) The Lender's Right to Inspect - The Borrower agrees that the Lender or any person authorised by it shall have free access to the residential property for the purpose of inspection at any time during the pendency of the Loan.
- (h) Information to be provided: The Borrower agrees that he own his own accord send to the Lender list of his legal heirs and also information on any person residing with him every year from the date hereof. However, the Lender shall have the right to require the Borrower to furnish such other information/ documents as the Lender deems necessary.
- (i) Will by the Borrower - The Borrower agrees to make a Will and handover a copy of the same to the Lender stating therein that the Borrower has availed of the Loan from the Lender on the security of the residential property and has executed the Will to enable the Lender to recover its Loan, interest and other dues after his death or on expiry of the term of the Agreement by the sale of the residential property.
- (j) Change in address - The Borrower shall inform the Lender forthwith as regards any change in his address for service of notice etc. .

6.2 Negative Covenants:

Unless the Lender expressly otherwise agrees:

- (a) Possession: The Borrower shall not let out or otherwise howsoever part with the possession of the residential property or any part thereof.
- (b) Alienation : The Borrower shall not sell, mortgage lease, surrender or otherwise howsoever alienate the residential property or any part thereof or create third party interests in the said property..
- (c) Agreements and Arrangements: The Borrower shall not enter into any Agreement or Arrangement with any person, institution or local or Government body for the use, occupation or disposal of the residential property or any part thereof during the pendency of the Loan.
- (d) Change of use: The Borrower shall continue to use the property as his primary residence and not change residential use of the residential property.
- (e) Merger: The Borrower shall not amalgamate or merge the residential property with any other adjacent property nor shall he create any right of way or any other easement on the residential property .
- (f) Testamentary Disposition: The Borrower shall not make any testamentary disposition of the residential property and even if the Borrower does so, it would be subject to the mortgage created in favour of the Lender. The Borrower shall make a testamentary disposition of the Mortgaged Premises in favour of his or her relatives subject to the discharge of the mortgage debt by such a legatee and a

statement that the heirs shall not be entitled to challenge the validity of the mortgage as also the right of the Lender to enforce the mortgage in the event of the death of the Borrower unless the legal representative is willing to undertake the responsibility for discharging in full the amount of the Loan and accrued interest other charges thereon.

ARTICLE –7
BORROWER’S WARRANTIES

- 7.1 The Borrower hereby warrants and undertakes to the Lender as follows:
- (a) Confirmation of loan application: The Borrower confirms the accuracy of the information given in his loan application made to the Lender and any prior or subsequent information or explanation given to the Lender in this behalf and such information shall be deemed to form part of the representations and warranties on the basis of which the lender has sanctioned the Loan.
 - (b) Disclosure of material changes: Subsequent to the said loan application there has been no material change which would affect the residential property or the grant of the loan as proposed in the loan application.
 - (c) Charges and encumbrances: The Borrower has absolute, clear and marketable title to the residential property and there are no mortgages, charges, lis pen dens or liens or other Encumbrances or any rights of way, light or water or other easements or right of support on the whole or any part of the residential property .
 - (d) Litigation: The Borrower is not a party to any litigation of a material character and that the Borrower is not aware of any facts likely to give rise to such litigation or to material claims against the Borrower.
 - (e) Disclosure of defects in property: The Borrower is not aware of any document, judgment or legal process or other charges or any latent or patent defect affecting the title of the residential property or of any material defect in the residential property or his title which has remained undisclosed and/or which may affect the Lender prejudicially.
 - (f) Public schemes affecting the Borrower’s property: The residential property is not included in or affected by any of the scheme of Central/State Government or of the improvement trust or any other public body or local authority or by any alignment, widening or construction of road under any scheme of the Central/State Government or of any Corporation, Municipal Committee, Gram Panchayat, etc.
 - (g) Infringement of local laws: That no suit is pending in the Municipal Magistrate’s Court or any other Court of Law in respect of the residential property nor has the Borrower been served with any Notice for infringing the provisions of the Municipal Act or any Act relating to local bodies or Gram Panchayat of Local Authorities or with any other process under any of these Acts.

- (h) Disclosure of facts: That the Borrower shall disclose all facts relating to the residential property to the Lender.
- (i) Due payments of public and other demands: The Borrower has paid all public demands such as Income Tax 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 revenue due and outstanding.
- (j) It shall be the Borrower's obligation to keep himself acquainted with the rules of the Lender, herein referred to, in force from time to time.

ARTICLE 8 REMEDIES OF THE LENDER

8.1 Foreclosure and Acceleration

If one or more of the events specified in this Article ("events of default") shall have happened, then, the Lender by a notice in writing to the Borrower, may declare the principal of and all interest accrued on the Loan under or in terms of this Agreement, as well as other charges and dues due for immediate payment and upon such declaration the same shall become due and payable forthwith and the security in relation to the Loan shall immediately become enforceable, notwithstanding anything to the contrary contained in this Agreement .

8.2 Events of Default

The following shall constitute an Event of Default:

- (a) Performance of Covenants: Default shall have occurred in the performance of any of the covenants, conditions or agreements on the part of the Borrower under this Agreement in respect of the Loan and such default shall have continued over a period of 30 days after notice thereof shall have been given by the Lender to the Borrower , or if the Borrower fails to inform the Lender of the happening of event of default.
- (b) Supply of misleading information: Any information given by the Borrower in his loan application to the Lender for the Loan is found to be misleading or incorrect in any material respect or any warranty referred to in Article 7 hereof is found to be incorrect.
- (c) Inability to Pay Debts: If the Borrower becomes bankrupt or insolvent.
- (d) Sale or Disposal of Security: If the security for the Loan is sold, donated, abandoned disposed of, charged, encumbered or alienated by the Borrower.

- (e) Attachment or Distraint on Property: If an attachment or distraint is levied on the residential property or any part thereof and/or certificate proceedings are taken or commenced for recovery of any dues from the Borrower.
- (f) Failure to furnish information/documents: If the Borrower fails to furnish information/ documents as required by the Lender.
- (g) Change in the Security: If the Borrower effects changes in the residential property that affect the security of the Loan for the Lender or enters into a lease contract or mortgage or creates a third party interest therein including adding a new owner to the house's title, or taking out a new debt against the residential property.
- (h) Public Use: If the government under statutory provisions seeks to acquire the residential property for public use or use of the government or condemns the use of the residential property for residential use for health or safety reasons.
- (i) Maintenance of Mortgaged Premises: If the Borrower fails to pay property taxes or maintain and repair the Mortgaged Premises or fails to insure the Mortgaged Premises thereto during the pendency of the Loan.

8.3 Notice to the Lender on the Happening of an Event of Default

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 the Lender notice thereof in writing specifying such event of default, or of such event.

8.4 Communication with third party, etc.

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. Also, representatives of the Lender shall be entitled to visit the property and/or any place of work of the Borrower.

ARTICLE –9 WAIVER

Waiver not to impair the rights of the Lender : No delay in exercising or omission to exercise, any right, power or remedy accruing to the Lender upon any default under this agreement, mortgage deed or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence by it in any default; nor shall the action or inaction of the Lender in respect of any default or any acquiescence by it in any default affect or impair any right, power or remedy of the Lender in respect of any other default.

ARTICLE 10 EFFECTIVE DATE OF AGREEMENT & RIGHT OF RECESSION

10.1 Agreement to become effective from the date of Execution:

The Agreement shall have become binding on the Borrower and the Lender on and from the date of execution hereof. It shall be in force till all the monies due and payable to the Lender under this Agreement are fully paid.

10.2 Right of Recession:

The Borrowers may cancel the transaction any time before the expiry of third Business Day from the date of execution of this Agreement (hereinafter referred to as the “right of rescission”). If the Loan has been disbursed, the entire Loan Amount will need to be repaid by the Borrower within three days period with such interest as may be advised by the Lender.

ARTICLE 11. GENERAL PROVISIONS

11.1 Variation

No variation of this Agreement shall be binding on any Party unless, and to the extent that such variation is recorded in a written document executed by such Party, but where any such document exists and is so signed such Party shall not allege that such document is not binding by virtue of an absence of consideration.

11.2 Severability

If any provision of this Agreement is invalid, unenforceable or prohibited by law, this Agreement shall be considered divisible as to such provision and such provision, shall be inoperative and shall not be part of the consideration moving from either Party hereto to the other, and the remainder of this Agreement shall be valid, binding and of like effect as though such provision was not included herein.

11.3 Force Majeure

Without prejudice to the provisions of this Agreement, the obligations of any Party under this Agreement shall be suspended while any such Party (the “Affected Party”) is prevented or hindered from complying therewith by any cause beyond the reasonable control of the Affected Party. In such event, the Affected Party shall give written notice of suspension as soon as reasonably possible to the other Parties (for the time being) to this Agreement stating the date and extent of such suspension and the cause and likely duration thereof. If within 48 (forty eight) hours from the receipt of such notice, a Party receiving the notice requests a meeting of the Parties (for the time being) to this Agreement, then such Parties shall forthwith and in any event within 14 (fourteen) Business Days meet and discuss the nature and likely duration of the circumstances and the extent to which performance of the obligations of the Affected Party shall be prevented or hindered and what action may be taken to ameliorate or remedy the position. Such Party shall take all reasonable steps within 30 (thirty) Business Days of the force majeure event unless the Parties agree to an extension of the said period to ameliorate or remedy the position and shall communicate the same to the other Party. Without prejudice to the foregoing generality the Affected Party shall not unreasonably withhold its consent to any action suggested by any of such other Parties. For the purposes of this Section, a Force Majeure event shall include:

- (a) acts of God, including without limitation fire, storms, floods, earthquake or lightning;
- (b) war, hostilities, terrorist acts, riots, civil commotion or disturbances, change in governmental laws, orders or regulations adversely affecting or preventing due performance by either party of its duties, obligations or responsibilities under this Deed, embargoes, actions by a government, central or state in India or overseas, or any agency thereof, sabotage, explosions;
- (c) strikes, lockouts or other concerted industrial action; or
- (d) any other acts, occurrences, events or circumstances beyond the reasonable control of the Party affected.

11.4 Notices

Any notice or other communication to be given by one Party to any other Party under, or in connection with, this Agreement shall be made in writing and signed by or on behalf of the Party giving it. It shall be served by letter or facsimile transmission (save as otherwise provided herein) and shall be deemed to be duly given or made when delivered (in the case of personal delivery), at the time of transmission (in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission and a hard copy of such notice or communication is forthwith sent by prepaid post to the relevant address set out below) or five days after being despatched in the post, postage prepaid, by the most efficient form of mail available and by registered mail if available (in the case of a letter) to such party at its address or facsimile number specified below, or at such other address or facsimile number as such Party may hereafter specify for such purpose to the other Parties hereto by notice in writing.

The Parties understand that some confidential information may be transmitted over electronic mail and there are risks associated with the use of electronic mail, which can include the risk of interception, breach of confidentiality, alteration, loss or a delay in transmission, and that information sent by this means may be susceptible to forgery or distortion and agree to accept the risks of distribution by electronic mail.

_____ **BANK**
 Address: _____
 Fax: _____
 E-mail: _____
 Attn: _____

OR
 _____ **Limited**
 Address: _____
 Fax: _____
 E-mail: _____
 Attn: _____

Borrower

Address: _____

Fax:

E-mail:

Attn:

11.5 Indemnification

Each Party hereto indemnifies and agrees to defend and hold the other parties harmless from and against all liabilities, obligations, losses, expenses, costs, claims and damages (including all legal costs), whether direct or indirect, asserted against, imposed upon or incurred by such party by reason of or resulting from any breach or inaccuracy of any representation, warranty or covenant of either party set forth in this Agreement and/or any breach of any provisions of this Agreement by the other party. The indemnification rights of each party under this clause are independent of, and in addition to, such rights and remedies as such party may have at law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

IN WITNESS WHEREOF the Borrower has executed this Agreement and a duplicate hereof on the day, month and year first hereinabove written and the Lender have caused the same and the said duplicate to be executed by the hand of Shri _____ its _____ and authorised official.

SIGNED AND DELEIVERED BY

Shri _____

the within named Borrower.

SIGNED AND DELIVERED by the

within named Lender by the hand of

Shri _____ its _____

and authorised official.

SCHEDULE – I

(Description of the residential property)

All that piece or parcel of land and hereditaments and premises situate at _____ bearing No. _____ and admeasuring _____ or thereabouts and bounded as follows:

On or towards the West : _____
On or towards the East : _____
On or towards the South : _____
On or towards the North : _____