

## **DECLARATION CUM TERMS AND CONDITIONS**

I/We hereby agree to abide by the following terms and conditions:

1. All particulars/information given in the application form are true and complete and no material information has been suppressed/withheld. I/we acknowledge that South Indian Bank Limited ("the bank") shall have no liability for any consequences arising out of any erroneous details provided by me/us. I /We authorize the Bank to carry out such credit checks and at such credit checks and at such time as it may deem necessary. The Bank may sanction this Loan at its sole discretion.
2. WHEREAS at my/our request to extend UPI (Unified Payments Interface) Line of credit (Secured FD) (Hereinafter referred to as the loan facility) against the security of deposit/s, repayable with interest more fully described in the Application Sanction cum Lien Letter.
3. Now in consideration of The South Indian Bank Ltd. having extended or agreed to extend the loan facility specified as per the Application Sanction cum Lien Letter, I/We hereby create Lien/charge over the deposit(s) mentioned in the Application Sanction cum Lien Letter, as security for the due repayment of amount due under the said facility. The lien/Charge created by me/us over the deposit/s mentioned in the sanction letter / application shall operate as a continuing security for the loan availed and that may be availed in future.
4. I/We understand that, the facility will be disbursed to the borrower within the limit allowed by the Bank. Credit line will be a Single operative account. If security deposit is E or S account, credit line can be opened in the name of either of the account holders with the consent of both the account holders.
5. I/We understand that, this agreement shall be valid and binding on the Borrower for the ultimate balance with interest thereon to become payable upon the said loan account including all moneys lent, advanced, paid or incurred together with interest, discount, commission and other banking charges as fixed by the bank from time to time and other costs, charges and expenses which may become payable in connection therewith.
6. I/We hereby agree that, notwithstanding anything contained in this agreement or in any other agreement executed or to be executed by the Borrower in favour of the Bank, the Borrower agrees to pay the Bank on demand being made by the Bank the balances then outstanding and owing to the Bank under the operating loan credit facilities, inclusive of all interest up to the date of payment, together with any service charges, commitment charges, commission, discount, costs, charges and expenses and all other moneys debited or which may be debited to the operating loan account(s).
7. The Borrower agrees to repay the loan ON DEMAND and to pay interest at the rate specified under schedule of this agreement, with the rests mentioned therein. Also, I/We hereby agree as follows: The "material terms and conditions" of the facility sanctioned is classified into financial and non- financial covenants and the non- compliance of "material terms and conditions" will attract the penal charges as stipulated in Annexure A attached herewith.
  - a) Interest specified in the Application Sanction cum Lien Letter or any other provision in the Transaction Documents will be computed from the respective date of drawal and shall become payable upon the footing of compound interest with monthly rests or such other rests as may be prescribed by the Bank from time to time.
  - b) Interest on the outstanding amounts under the Facilities / discount or other charges when debited to the relevant Account by the Bank, shall be calculated on the daily debit balance of

such Account. In the event of remittance being made into the account after the normal business hours (i.e. beyond 4 hours from the commencement of business hours), but within the extended business hours, the Bank will have the discretion to value date such remittance on the next succeeding business day for the purpose of calculation of interest.

- c) Interest, commission, discount and all other charges shall accrue from day to day and shall be computed on the basis of 365 days a year for rupee Facilities and 360 days for foreign currency Facilities, and the actual number of days elapsed.
  - d) , The Borrower agrees that Bank will have absolute liberty and discretion to reset the rate of interest on any day after the time specified in Schedule II of the agreement or from the date of previous interest rate reset date, as the case may be, and the Borrower undertakes to pay such revised rate of interest. Notwithstanding the above, the Borrower agrees that the Rate of Interest may increase on account of the change of policy/directives of Reserve Bank of India/ variation in Repo Rate Plus and/or Operating Cost and/or and /or Spread and in that case the Borrower agrees to pay such revised rate of interest.
  - e) The principal amount under the respective Facilities shall always include and/or shall deem to and include also the interest calculated and debited to the loan account with rests mentioned hereinabove as well as all other charges, costs etc. debited in the account of the Borrower from time to time cumulatively.
  - f) I/WE also agrees to service the interest as and when debited in the account.
  - g) I/WE also agrees to pay to the Bank non-refundable fee and other charges as specified in the sanction letter.
  - h) I/We hereby declare and agree that in addition to the other terms and conditions stated in this Agreement, the General Conditions and the other Transaction Documents, the Borrower shall also comply with the special/ additional terms and conditions specified in Application Sanction cum Lien Letter.
8. I/We hereby agree that, this Agreement shall become binding on the Borrower and the Bank on and from the date mentioned in Application Sanction cum Lien Letter.
9. I/We hereby agree that the Facility together with all interest, all fees, commitment charges, costs, charges, expenses and other monies whatsoever stipulated in or payable under this Agreement and the other Transaction Documents shall be secured by Primary/ Collateral Security as specified in Application Sanction cum Lien Letter.
10. I/We hereby agree that, Borrower/ Security Provider hereby create Lien/charge over the deposit(s), as security for the due repayment of amount due under the said facility. The lien/Charge created by Borrower/ Security Provider over the deposit/s shall operate as a continuing security for the loan availed and that may be availed in future.
11. I/We hereby further declare and agree that in the event of my/our requiring the Bank to advance any loan and or to extend financial facility/ies at any time hereafter and the Bank granting such loans and/or financial facility/ies, it is hereby understood and accepted that such facility/ies were extended on the basis of this letter of Lien as mentioned above. Bank may apart from my/our personal liability, hold the outstanding credit balance in the deposit account/s including interest accrued thereon as security for repayment of all or any amounts that may be outstanding at any time and from time to time, until this letter is cancelled by the Bank, after Borrower complies with all the requirements as may be required by the Bank.
12. I/WE agree to keep sufficient margin as specified in the Application Sanction cum Lien Letter for the continuance of loan. I/WE hereby authorize the Bank to increase the rate of margin at its discretion from time to time and I/WE hereby agree to remit on demand made by the Bank, the

amount required to maintain the stipulated margin. I/WE also agree that failure on my/our part to remit the amount required for complying the margin stipulated, Bank is fully authorized to forthwith demand repayment of entire loan amount as if same is due for payment and to adjust the proceeds of the schedule mentioned deposits to the credit of loan account, without further notice to me/us.

13. I/We hereby agree that, Linked Deposit maintained with the Bank will be closed and adjusted to the loan account if the loan is in overdue status for more than 60 days.
14. I/We hereby also agree for auto renewal of the deposit on maturity.
15. Notwithstanding anything to the contrary contained hereinbefore or in any agreement or otherwise, it is specifically agreed that Bank shall always be entitled to have General Lien over/right of set off/net off against the deposit/s or on the deposits (including Fixed Deposits) held/ balances lying in any account of the Borrower and on any monies, securities, bonds and all other assets, documents, deeds and properties held by/ under the control of the bank/ their trustees or agents (whether by way of security or otherwise pursuant to any contract entered/ to be entered in to by the borrower in any capacity) , to the extent of all outstanding dues, whatsoever, arising as a result of any of the Bank's services extended to and/ or used by the Borrower, whether as borrower or co-obligant or guarantor. The Lien hereby created shall not in any way affect or prejudice Banker's Lien and Bank shall always be entitled to exercise the Lien.
16. I/We hereby agree that the said deposit/s has/have not been encumbered or assigned or pledged elsewhere and is free from all encumbrances.
17. I/We hereby agree that in the event of premature closure of deposit/s for set off towards the amount due to the Bank, the interest rate applicable for the period up to the date of premature closure only may be paid on the deposit/s, irrespective of the higher rate mentioned in the deposits receipts/s.
18. I/We hereby agree that, if, at any time during the subsistence of this Agreement, the Bank is of the opinion that the security provided for the Facility has become inadequate to cover the Facility then outstanding, then, on the Bank advising the Borrower to that effect, the Borrower shall procure, provide and furnish to the Bank, to the satisfaction of the Bank such additional security as may be acceptable to the Bank to cover such deficiency.
19. I/We hereby waive all his/ her/their rights inconsistent herewith which the Borrower(s)/ Applicant(s) may otherwise be entitled to claim and enforce in respect thereof.
20. I/We hereby agree that Application Sanction cum Lien Letter shall be valid and binding on the Borrower/ Security Provider(s) till the ultimate balance with interest thereon to become payable upon the said loan account including all moneys lent, advanced, paid or incurred together with interest, discount, commission and other banking charges as fixed by the bank from time to time and other costs, charges and expenses which may become payable in connection therewith.
21. I/WE am/are personally liable for any balance that may become due to the Bank under the loan account or any account whatsoever from time to time.
22. /WE agree as a precondition of the loan/advances given to him/them by the bank, I/We hereby agree and give consent to the disclosure by the Bank of all or any such (a) information and data relating to me/us, (b) the information or data relating to any credit facility availed of/to be availed by me/us and (c) default, if any, committed by me/us in discharge of my/our such obligation as the Bank may deem, appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Ltd (CIBIL) or any other agency authorised in this behalf by RBI. I/We also declares that the information and data furnished by me/us to the bank are true and correct. I/We undertake that (a) the Credit Information Bureau (India) Ltd. (CIBIL) or any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and (b) the Credit Information Bureau (India) Ltd. (CIBIL) or any other agency so authorised may

furnish for consideration, the proposed information and data or products thereof prepared by them, to any Banks/Financial Institutions and other credit grantors or registered users, as may be specified by Reserve Bank of India in this behalf.

23. The Bank shall have the right to appoint an auditor to conduct audit at the discretion of the Bank in the event of the Borrower's account being classified as red flagged account. The purpose of such audits is to ensure compliance with regulatory norms of RBI vide circular ref - RBI/DOS/2024-25/118 DOS.CO.FMG.SEC.No.5/23.04.001/2024-25 dated 15.07.2024. Further in cases where the audit report submitted remains inconclusive or is delayed due to non- cooperation by the Borrower, Bank shall conclude on status of the account as a fraud or otherwise based on the material available on record basis the internal investigation/ assessment of the Bank.