

SANCTION LETTER

To,
[BORROWER'S DETAILS
NAME: _____
ADDRESS: _____
_____]

Subject: Sanction of Housing Loan of Rs. [_____]/- (Rupees [_____] only)

Dear Sir/Madam,

1. Please refer to application for Housing Loan (top-up) dated ___/___/_____ made by you:
 - a) [INSERT NAMES OF ALL BORROWER/S]
 - b) [INSERT NAMES OF ALL BORROWER/S]mentioned as the Borrower/s under the Application Form ("**Borrower/s**").
2. We are pleased to inform you that Shinhan Bank ("**Shinhan Bank**" or "**Bank**") has, at your request, sanctioned top-up housing loan facility ("**Facility**"), for an amount of Rs. [●] (Rupees [●] only) in respect of the property located at [_____] (admeasuring [_____]) ("**Property**").
3. The Facility shall be made available to you, through [_____] branch of Shinhan Bank. You agree that the Facility shall be secured by the Property and other assets as specified in this Sanction Letter, and the Facility shall be subject to terms of the loan documents executed by and between you and Shinhan Bank, including the General Terms and Conditions annexed hereto and the Loan Agreement (collectively, "**Loan Terms**").
4. Please note that this Facility is a top-up to the existing loan facility of INR [_____] ("**Original Facility**") granted by the Bank under the sanction letter dated _____ bearing reference number _____. While this Facility is a distinct loan facility governed in terms of the Loan Terms as specified above, however, this Facility, the Original Facility and the respective outstanding amounts thereunder shall all be secured by the Property and such other assets (as specified in the Loan Terms) on a *pari passu* basis. Further, at its sole discretion and for the purpose of ease of transaction and/or administrative reasons, the Bank may:
 - a) Issue single communication (whether by email, letter and/or notice) in respect of both this Facility and the Original Facility;
 - b) seek from the Borrower(s) a single standing instruction regarding the payment of the EMI under this Agreement and the EMI under the Original Loan Documents; and/or
 - c) Effectuate revisions, if any, to each of the aforesaid EMIs together.
5. Please convey your acceptance of the above (including the Loan Terms) by returning a duplicate copy of this Sanction Letter duly signed in token of your acceptance within 7 days from the date of receipt of this Sanction Letter.
6. Please note that issuance of this Sanction Letter and your acceptance thereof does not bind Shinhan Bank to process and disburse the Facility, which shall be subject to the execution of the loan documents and compliance of the terms specified therein.

**Yours sincerely,
For Shinhan Bank**

Authorised Signatory

ACCEPTANCE:

I/We, [INSERT NAMES OF ALL BORROWER/S], hereby acknowledge, approve and accept the terms and conditions specified in this Sanction Letter, as well as the Loan Terms and irrevocably agree to be bound by the same and further declare that I/We are duly authorised to avail of the Facility.

<hr/> [BORROWER]	<hr/> [BORROWER]
<hr/> [BORROWER]	<hr/> [GUARANTOR]
Place: Date:	

Annexure I

SANCTION LETTER - KEY TERMS OF THE FACILITY

1.	Validity period of Sanction Letter	[•] days from the date of issue i.e. upto [•]
2.	Name of Borrower(s)	
3.	Facility	Housing loan
4.	Facility Amount	Rs. [•]/- (Rupees [•] only)
5.	Purpose	
6.	Availability Period (for Disbursement of Facility)	
7.	Processing fee (non-refundable)	[•] % of the Facility Amount + applicable GST, deductible from the Facility at the time of disbursement.
8.	Tenure	[•] months from the date of disbursement.
9.	Equated Monthly Installment (EMI)	INR [•] The EMI specified above shall be subject to revisions based on changes to the applicable Interest Rate (as applicable). The Borrower/s shall provide [•] post-dated EMI cheques / Electronic Clearance Service (ECS) mandate/ Standing Instruction (SI) mandate towards the EMI.
10.	EMI Due Date	EMI Due Date: [•] day of every month. For the sake of clarity, the first EMI Due Date shall fall on the month immediately succeeding the first date of disbursement. The last EMI shall be payable on the last date of the Tenor.
11.	Rate of Interest (% p.a.)	Please note that the Interest Rates mentioned below are indicative in nature and subject to change at the time of Disbursement, as per prevailing interest rate guidelines and other factors, as may be determined by the Bank at its sole discretion. <u>FLOATING INTEREST RATE FOR ENTIRE TENURE OF LOAN:</u> a) The Borrower(s) shall pay Interest on the Principal amount of the Loan (as outstanding from time to time) at the rate arrived at as per the following formula: Interest Rate = Repo Rate + Spread b) The Interest shall be payable on a [monthly] basis, together with the instalment towards repayment of the Principal amount. The EMI specified herein comprises of the Interest and the Principal instalment components. c) It is agreed that the EMI shall stand revised on the basis of any changes to the Interest Rate. <u>Note:</u> 1) Rate of interest mentioned herein is indicative in nature and is subject to change at the time of disbursement/ withdrawal as per prevailing interest rate guidelines and other factors. 2) Any change in interest rate due to reset or otherwise, will result in adjustments being made to the EMI amount / Interest amount and/or Facility tenure at the sole discretion of the Bank.
12.	Repo Rate	As on the date, the Repo Rate is: [•]% Please note that the Repo Rate is subject to change/ reset from time to time. In this regard, please refer to the notifications/ circulars/ intimations issued by the RBI from

		time to time, including on www.rbi.org.in . Upon such reset, the revised Repo Rate shall be considered for the purpose of determining the Interest Rate payable on the immediately succeeding Due Date (following such reset). As on date, the Repo Rate is revised/ reset on a quarterly basis, which is subject to changes.
13.	Spread	<p>As on Execution Date, the Spread is: [●]%. The rate of interest for each drawal of the Facility will be stipulated by the Bank at the time of disbursement of each drawal, which shall be sum of the Repo Rate*+ "Spread" per annum, plus applicable statutory levy, if any ("Interest Rate").The applicable Repo Rate shall be the rate prevailing one Business Day Preceding the date of each drawal. As on date the Repo Rate is 4% and Spread is 0.10% *Repo Rate" or "Policy Repo Rate" means the rate of interest published by the Reserve Bank of India ("RBI") on the RBI website from time to time as Repo Rate or Policy Repo Rate. The Repo Rate component of the Interest Rate shall be reset after every three months from the date of execution following the date of each drawal, plus applicable statutory levy, if any. The Bank shall have the right to modify the reset frequency and reset date from time to time in accordance with the extant RBI Guidelines. The Borrower further acknowledges that Interest Rate may change, upward or downwards, as the case may be, in line with change in the Repo Rate. The Bank reserves the right to reset the Spread at any time upon substantial change in the Borrower's credit assessment and/ or on account of deterioration in the credit risk profile. Any change in 'Spread' would be communicated by the Bank through either: (i) Letter (ii) E-Mail (iii) SMS (iv) Statements of Accounts (v) WhatsApp or any other suitable mode. The Borrower shall be deemed to have notice of changes in the Repo Rate when displayed on the notice board of the Branch or displayed on Bank's website (https://in.shinhanglobal.com) and the Borrower is liable to pay such revised rate of interest.</p>
14.	Overdue Charges	<p>Upon any delay in payment of an EMI (or part thereof) and/or any other outstanding amounts under the Facility, the Bank may, at its discretion, charge additional interest over and above the applicable Interest Rate as Overdue Charges (at the prevailing rate of Overdue Charges, as may be determined by the Bank from time to time):</p> <ol style="list-style-type: none"> (a) For first 1(One) month from the date of default, on the EMI amount (or part thereof) and/or the relevant outstanding amount in respect of which such delay has been caused; and (b) On and from 1 (One) month onwards from the date of default, the penal interest will be applied on the entire Amounts Due of the loan, till the payment thereof. <p>Please note that the Overdue Charges are subject to change from time to time as per the internal policies of the Bank.</p> <p>In order to regularize overdue account/ defaulted outstanding amounts, the Borrower(s) shall have to repay the defaulted/ overdue amounts plus the Overdue Charges.</p>
15.	Security	<p>The Facility, together with Interest, charges, costs, default interest, Overdue Charges, further interest, expenses and other obligations of the Borrower(s) under this Sanction Letter, loan documents and other financing documents will be secured by the following:</p> <ol style="list-style-type: none"> 1. A first and exclusive mortgage (in the form and manner acceptable to the Bank) over the Property. The Bank shall have the right to decide, in its sole discretion, the form, manner, type and the timing of creation of mortgage or any other security. 2. Guarantee by a guarantor (either corporate or personal), wherever applicable. 3. Demand promissory note(s). 4. Undated Cheque/s (UDC)s 5. Any additional security (in the form and manner acceptable to the Bank) as

		<p>required by the Bank.</p> <p>The Security interest shall be on a <i>pari passu</i> basis to secure the Original Facility and amounts outstanding thereunder. Accordingly, the Bank may, at its sole discretion, apply the proceeds of enforcement of such Security interest towards the outstanding amounts under this Facility and also in respect of the outstanding amounts under the Original Facility.</p>
16.	Description of Property	<p>Area:</p> <p>Address:</p>
17.	List of charges	<p>1. Prepayment charges:</p> <p>(i) The prepayment of the Facility shall be subject to the consent of the Bank and its internal policies.</p> <p>(ii) Please refer to the General Terms and Conditions for the terms and conditions applicable to prepayment of the Loan.</p> <p>2. [INTERNAL NOTE FOR BANK: Please mention all applicable charges]</p>
18.	Legal, Valuations charges and other expenses	<p>The Borrower/s shall reimburse to the Bank actual charges incurred by the Bank, including any taxes paid, in connection with legal inspection and valuation of the Property and all other charges and expenses in connection with the preparation, execution and amendment of any documents related to the Facility, including but not limited to legal costs, travel, and out-of-pocket expenses, and irrespective of the Facility being sanctioned or not. The charges shall either be paid by the Borrower at the time of disbursement of the Facility or can be deducted from the Facility disbursed by the Bank, at its sole discretion.</p>
19.	Pre-disbursement Conditions	<p>The Bank shall disburse the Facility only after satisfaction of the following conditions:</p> <ol style="list-style-type: none"> 1. Borrower accepting the Sanction Letter and executing the facility agreement and other loan documents as per the standard format and to the satisfaction of the Bank. 2. Disbursement is subject to satisfactory credit verification. 3. Disbursement is subject to legal and technical clearance/verification of the Property. 4. The Property shall be free from all encumbrances. The title search of the property by Shinhan Bank's empanelled lawyer and valuation report shall be furnished before disbursement. 5. Borrower to ensure that original documents including the original title deeds pertaining to the Property be handed over to Shinhan Bank at the time of disbursement. In case of takeover of Facility, such handover to be done within 30 days from the first Disbursement Date. 6. [INTERNAL NOTE FOR BANK: Please mention all relevant pre-conditions]
20.	Special Condition	<p>Borrower/s shall:</p> <ol style="list-style-type: none"> 1. Ensure perfection of security interest, including by way of publication of public notice (if required by laws of the relevant state and/or if required by the Bank), and submit evidence thereof with the Bank within ___ days from the Disbursement Date; 2. Procure relevant insurance for the Property, in terms of the General Terms and Conditions, and submit evidence thereof with the Bank within ___ days from the Disbursement Date; 3. Furnish to the Bank No-Objection-Certificate (NOC) from the transferee lender (applicable in case the Facility has been issued upon balance transfer/ takeover of home-loan by Shinhan from any other lender), within ___ days from the Disbursement Date; 4. Furnish to the Bank copy of NOC procured from housing society (if applicable), within ___ days from the Disbursement Date; 5. Furnish any other document as specified by the Bank within timelines as specified by the Bank.

		[INTERNAL NOTE FOR BANK: Additional conditions, if any, to be inserted at the discretion of the Bank, as applicable]
21.	Event of Default	On occurrence of any event of default as mentioned in the General Terms and Conditions and/or the facility agreement (“ Event of Default ”), all outstanding amounts owned by the Borrower(s) to the Bank shall become payable forthwith and the Bank reserves the right to undertake such necessary processes/measures to enforce its rights under the Loan Documents including but not limited to charging Overdue Charges for the delayed payment, recovery of over dues by enforcing the Security in accordance with the remedy available under the applicable law. The actual procedure shall be determined by the Bank depending upon the circumstances of each case.
22.	Customer service and grievance redressal	For any Facility-related issue, customers can get in touch with the Bank by: (i) Visiting a Bank branch; (ii) Placing a request online by logging onto our official website: https://in.shinhanglobal.com under contact us. If there are instances where the customer is not satisfied with the services provided by the Bank, to highlight such instances and/or register a complaint, the customer may refer to the grievance redressal policy displayed on our official website.
23.	Governing Law & Dispute Resolution	All matters relating to and/or arising in connection with the Facility and the Loan Documents, including validity, construction, performance and enforcement of the terms and conditions thereof, shall be governed by the laws of the Republic of India. All disputes relating to and/or arising in connection with the Facility and the Loan Documents, including validity, construction, performance and enforcement of the terms and conditions thereof, shall be subject to the jurisdiction of the courts of law as specified in the General Terms and Conditions, and resolved in the manner as specified in the said General Terms and Conditions.
24.	Capitalised Terms	Capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the General Terms and Conditions, as annexed hereto.

Signature and stamp of Branch official

Date: _____

Place: _____