

[SANCTION LETTER NO]

Date: ___/___/20__

SANCTION LETTER

To,
[NAME AND ADDRESS OF BORROWERS]

Sub: General (Personal) / Prime Personal Loan of Rs. []/- (Rupees [] only)

Dear Sir/Madam,

1. Please refer to application for General/ Prime Personal Loan ("**Application Form**") 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 General/ Prime Personal Loan ("**Facility**" or "**Loan**"), for an amount of Rs. [•] (Rupees [•] only).
3. The Facility shall be made available to you, through [•] branch of Shinhan Bank. You agree that 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 Most Important Terms and Conditions specified hereunder (collectively, "**Loan Terms**").
4. 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 (Seven) days from the date of receipt of this Sanction Letter¹.
5. 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/Loan Terms and compliance/acceptance of the terms and conditions specified therein.

**Yours sincerely,
For Shinhan Bank**

Authorised Signatory

¹ Please ensure that the Borrower and Guarantors (if applicable) signs on every page of this Sanction Letter.

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.

PARTICULARS OF BORROWER	
NAME OF BORROWER	_____
AGE OF BORROWER <i>(in years, as on Execution Date)</i>	
IDENTIFICATION DOCUMENTS (KYC documents)	
CURRENT RESIDENTIAL ADDRESS	
CURRENT OFFICE ADDRESS	
E-MAIL ADDRESS	
PARTICULARS OF BORROWER / CO-BORROWER / GUARANTOR <i>(strike-off, if not applicable)</i>	
NAME OF BORROWER	_____
AGE OF BORROWER <i>(in years, as on Execution Date)</i>	
IDENTIFICATION DOCUMENTS (KYC documents)	
CURRENT RESIDENTIAL ADDRESS	
CURRENT OFFICE ADDRESS	
E-MAIL ADDRESS	

AGREED AND CONFIRMED BY:

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

Annexure I

SANCTION LETTER, INCLUDING THE MOST IMPORTANT TERMS AND CONDITIONS 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	General (Personal)/ Prime Personal Loan
4.	Facility Amount	Rs. [•]/- (Rupees [•] only)
5.	Purpose	[INTERNAL NOTE FOR BANK: Please specify as applicable]
6.	Validity Period (for Disbursement of Facility)	[•] days from the date of this Sanction Letter.
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.	Repayment / EMI/ EMI Due Date	[INTERNAL NOTE FOR BANK: Please retain, as applicable] The Facility shall be repaid in the following manner: <u>Bullet Repayment:</u> The Facility, together with the interest thereon, shall be payable by way of lump-sum Bullet Repayment Amount at the end of the Tenure i.e. an amount of INR [•] shall be payable by the Borrower(s) on _____ (date of repayment), towards the following: a) INR [•] towards Interest; b) INR [•] towards Principal. The Bullet Repayment Amount specified above shall be subject to revisions based on changes in the applicable Interest Rate (as applicable). <u>EMI Fixed Installment Amount:</u> a) EMI of INR [•] i.e. Indian Rupees [in words] payable on [•] day of every month (EMI Due Date), towards Interest, and b) Bullet Repayment Amount of INR [•] payable on _____ (date of repayment), towards Principal. The EMI specified above shall be subject to revisions based on changes to the applicable Interest Rate (as applicable). <u>EMI Fixed Principal Amount:</u> a) EMI of INR [•] i.e. Indian Rupees [in words] payable on [•] day of every month (EMI Due Date), towards Principal, and b) Bullet Interest Payment of INR [•] payable on _____ (date of repayment), towards Interest. The Bullet Interest Payment specified above shall be subject to revisions based on changes to the applicable Interest Rate (as applicable). <u>General Notes:</u> a) The Borrower/s shall provide [•] post-dated cheques/ Electronic Clearance Service (ECS) mandate/ Standing Instruction (SI) mandate towards the entire EMI/ Bullet Repayment Amount/ Bullet Interest Payment (as applicable). b) The last EMI/ Bullet Repayment Amount/ Bullet Interest Payment amount shall

		be payable on the last date of the Tenure.
10.	Rate of Interest (% p.a.)	<p>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.</p> <p><u>FLOATING INTEREST RATE FOR ENTIRE TENURE OF LOAN:</u></p> <p>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:</p> <p style="padding-left: 40px;">Interest Rate = Repo Rate + Spread</p> <p>b) The Interest shall be computed on the basis of a year of 365 days.</p> <p>c) It is agreed that the EMI/ Bullet Repayment Amount/ Bullet Interest Payment (as applicable) shall stand revised on the basis of any changes to the Interest Rate.</p> <p><u>Note:</u></p> <p>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.</p> <p>2) Any change in interest rate due to reset or RBI changing the interest rate methodology or otherwise, will result in adjustments being made to the EMI / Bullet Repayment Amount/ Bullet Interest Payment (as applicable) and/or Facility tenure at the sole discretion of the Bank.</p>
11.	Repo Rate	<p>As on the date, the Repo Rate is: [●]%</p> <p>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.</p>
12.	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</p>

		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 (www.shinhanbank.com) and the Borrower is liable to pay such revised rate of interest.
13.	Mode of communication of changes in Interest Rate	(i) Rate of interest mentioned herein is indicative in nature and is subject to change as per prevailing interest rate guidelines and other factors. The applicable Interest Rates will be displayed on the website of the bank i.e. https://in.shinhanglobal.com and/or notice at Shinhan branches. Further, Shinhan Bank may, at its discretion, periodically communicate such information to the Borrower(s) by way of e-mail at the address as specified in the Application Form – notwithstanding, it shall be the Borrower's responsibility to keep itself apprised about changes in the Interest Rate by verifying the same on the website as indicated above and/or by way of seeking confirmation from the Bank's branch which has sanctioned this Facility.
14.	Date on which annual outstanding balance statement will be issued	[Note: Please retain if applicable]
15.	Overdue Charges	<p>Upon any delay in payment of an EMI/ Bullet Interest Payment/ Bullet Repayment Amount (as applicable) (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> <p>(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</p> <p>(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> <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>
16.	Guarantee & Demand Promissory Note (DPN) [INTERNAL NOTE FOR BANK: Please retain/ add as applicable]	<p>The repayment of 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 need to be secured by the following:</p> <ol style="list-style-type: none"> 1. Guarantee by a guarantor (either corporate or personal), wherever applicable. 2. Demand promissory note(s). 3. Undated Cheque/s (UDC)s 4. Any additional security (in the form and manner acceptable to the Bank) as required by the Bank.
17.	List of charges	<ol style="list-style-type: none"> 1. Prepayment charges: <ol style="list-style-type: none"> (i) The prepayment of the Facility shall be subject to the consent of the Bank and its internal policies. (ii) In case of prepayment of Facility, the Borrower(s) shall give a written notice of at least thirty (30) days expressing the intention to prepay the Facility. (iii) The Borrower(s) shall be liable to pay prepayment charges as may be specified by the Bank at the time of making any Prepayment. The prepayment charges as updated on the website of Shinhan Bank from time to time for information to public at large, can be revised at any time

		<p>at the sole discretion of the Bank in accordance with the applicable Law and the Borrower(s) shall be bound to pay the same. [Note: bank to confirm if prepayment charges will be updated on website or specified here]</p> <p>2. On foreclosure of Facility: [•]</p> <p>3. [INTERNAL NOTE FOR BANK: Please mention all applicable charges]</p>
18.	Expenses	<p>The Borrower/s shall reimburse the Bank for all charges and expenses incurred 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 Borrower/s shall reimburse expenses incurred by Shinhan Bank in connection with the performance, enforcement and realization of the Loan Documents and other documents/ instruments executed in pursuance hereof and also other charges incurred by Shinhan Bank on account of standing instructions, electronic clearing system, salary deductions and other miscellaneous charges in relation to the Facility.</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 Loan Documents in accordance with the standard format and to the satisfaction of the Bank. 2. Disbursement is subject to the satisfactory credit verification. 3. [INTERNAL NOTE FOR BANK: Please mention all relevant pre-conditions]
20.	Special Condition	[INTERNAL NOTE FOR BANK: To be inserted at the discretion of the Bank, as applicable]
21.	Event of Default	<p>On occurrence of any event of default as mentioned in the General Terms and Conditions (“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 dues 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.</p>
22.	Customer service and grievance redressal	<p>For any Facility-related issue, customers can get in touch with the Bank by:</p> <p>(ii) Visiting a Bank branch;</p> <p>(iii) Placing a request online by logging onto our official website: https://in.shinhanglobal.com under contact us.</p> <p>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.</p>
23.	Governing Law & Dispute Resolution	<p>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.</p> <p>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.</p>
24.	Capitalised Terms	<p>Capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the General Terms and Conditions, as annexed hereto.</p>

Signature and stamp of Branch official

Date: _____

Place: _____