

KEY-UNDERSTANDING UNDER THE LOAN AGREEMENT

NAME OF BORROWER	MTN NIGERIA LIMITED
NAME OF LENDER	Sterling Bank Limited
INVOICE NUMBER/DETAILS	MTN-80-20-27
LOAN AMOUNT	INR 2125000
INTEREST APPLICABLE	22 %
TERM OF THE LOAN	47 Days
INTEREST AMOUNT	INR 60198.63
PLATFORM FEES	INR 4250.0
TOTAL AMOUNT REPAYABLE	INR 2069051.37

LOAN AGREEMENT

This Agreement ("**Loan Agreement**") is executed at 2019-07-21 by and between:

MTN NIGERIA LIMITED ("Seller"), bearing PAN MTNRC3468D, incorporated under the Companies Act, 2013, having its registered office at PLOT 2222 BMG PLAZA SFAX CLOSE WUSEZ N.4;

AND

Sterling Bank Limited (" Lender"), bearing PAN SSSSS1111S incorporated under the Companies Act, 2013, having its registered office at Sterling Towers, 20 Marina, Lagos Island, Lagos;

AND

Fiducia Labs Private Limited, a company registered under the Companies Act, 2013 and having its registered office at 1st Floor, Tiffany Building, Hiranandani Estate, Thane (West), Maharashtra - 400610 ("**Company**") as a **Confirming Party**.

The Borrower and Lender are duly registered on the online platform <https://www.getunion.io> ("**Platform**") and avail the Service (*defined below*) provided by the Company over the Platform, subject to the terms and conditions contemplated herein.

The Borrower and Lender may hereinafter be referred to individually as "**Party**" and collectively as "**Parties**".

The expression Borrower, Lender, and the Company unless repugnant to the context, shall mean and include their legal representatives, permitted assignees, successors, legal heirs (wherever applicable) nominee(s) and administrators. Unless otherwise provided, the terms defined in this Loan Agreement shall have the meaning given under **Annexure-A (Definitions)**.

BACKGROUND OF THE AGREEMENT

- A. The borrowers are micro, small, and medium enterprises, facing a shortage of funds due to deferred payment on invoices by blue-chip companies/end customers, and therefore require short-term loans to meet immediate business needs.
- B. The lenders are NBFCs, Banks, and Financial Institutions that are willing to provide short-term loans to the said borrowers based on the unpaid invoices that they upload on the Platform.
- C. The Company owns and maintains the Platform to enable lenders to identify and select borrowers, provide loans to the said borrower by the lenders subject to Applicable Laws and do all such necessary activities for the facilitation of loan between the borrowers and the lenders ("**Services**").
- D. Pursuant to the above, on the basis of the Service, the Lender has identified and selected the Borrower, and is desirous of providing the Loan (*defined*

below) to the said Borrower; and the Borrower is desirous of availing the Loan from the Lender in accordance with the terms contained herein.

Therefore, this Loan Agreement witnesses that in consideration of the grants, mutual covenants, representations and warranties, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. GRANT OF LOAN AND TERMS OF LOAN

- 1.1. The Lender has agreed to grant the Borrower with the Loan based on the Invoice uploaded by the Borrower on the Platform. The Borrower hereby agrees and undertakes that the Loan will be utilised only for the Purpose (*defined below*) as approved and stated at the time of registration.
- 1.2. The Loan will be disbursed by the Lender vide the Payment Account (*defined below*) to the Borrower for a term/period of 47 [days], commencing from the Disbursal Date ("**Loan Term**") provided that Interest payable to the Lender as provided in Clause 1.3 below is deducted upfront
- 1.3. All payments (in relation to the Interest and any fee payable hereunder) to be made by the Seller/Lender (as the case may be) to the Lender/Platform (as the case may be) under this Agreement shall be made clear and without deduction for or on account of taxes unless the Seller/Lender (as the case may be) is required to make such payments subject to the deduction or withholding of taxes, in which case the sum payable by the Seller/Lender (as the case may be) in respect of which deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after making the required deduction or withholding, the Lender/Platform (as the case may be) receives and retains (free from liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding was made or required to be made, except if the deduction or withholding was made in respect of any taxes calculated with reference with respect to the Lender/Platform (as the case may be) in accordance with Applicable Law, provided that the Seller/Lender (as the case may be) delivers tax deduction or withholding certificates (or copies thereof) to the Lender/Platform (as the case may be) within 30 (thirty) days in respect of such withholding or deduction evidencing that the amounts deducted and/or withdrawal have been paid and/or deposited with the relevant governmental authority.
- 1.4. In addition to the repayment of the Loan, the Lender will be entitled to:
 - (i) an amount calculated at 22 % per annum of the Loan ("**Interest**") from the Borrower as interest on the Loan. Provided, *however*, the Interest shall be deducted upfront by the Lender before the disbursement of the Loan to the Borrower in accordance with the terms contained herein; and
 - (ii) an additional charge from the Borrower in the event there is delay or any default by the Borrower in repayment of the Loan equivalent to an

amount calculated at 10 % of 22 % per annum of the Loan ("**Additional Interest**"). This is without prejudice to the other rights of the Lender available as per this Loan Agreement and under Applicable Law. Provided, *however*, the obligation to pay Additional Interest shall not entitle the Borrower to set up a defence that no Event of Default as mentioned under Clause 8 (*Event of Default*) has occurred. It is clarified that Additional Interest, if applicable, will be deducted in accordance with Clause 2 (*Re-Payment of Total Amount*).

- 1.5. The Lender shall be entitled to change the Interest and/or Applicable Interest applicable on the Loan in the event of a change in Applicable Law, and the Borrower agrees to accept and pay such revised Interest and/or Additional Interest from time to time.
- 1.6. The Borrower will be required to pay any fees or additional stamp duty, registration charges and other incidental expenses incurred or levied by the Lender in connection with the Loan.
- 1.7. In consideration of the Loan being provided by the Lender, the Borrower agrees to abide by and observe all the terms and conditions contained herein.

2. RE-PAYMENT OF TOTAL AMOUNT

- 2.1. The primary obligation to re-pay the Loan, applicable Interest and Additional Interest (if any) ("**Total Amount**") to the Lender, and payment of Borrower Platform Fee to the Platform will be discharged by the Borrower upon the expiration of the Loan Term ("**Due Date**"), Termination or occurrence of an Event of Default, whichever is earlier.

For this purpose, the Borrower shall provide post-dated cheques or any payment instrument or any payment instruction (as may be approved by the Lender) as a condition precedent under Clause 4 (*Condition Precedents*).

- 2.2. For the disbursement of Loan, the Lender shall pay a total amount comprising of: (i) the Loan; and (ii) Lender Platform Fee, into the Collection Account, provided that the Interest be deducted upfront as per the terms provided herein.

It is hereby clarified that only after the payment of the Lender Platform Fee to the Platform, the Loan shall be paid to the Lender.

- 2.3. The Borrower may notify (including but not limited vide an email) the End Customer (*defined below*) to directly pay the Invoice Amount (*defined below*) in the Collection Account (*defined below*) at least 4 (four) working days before the Due Date. The Invoice Amount deposited into the Collection Account shall be used to pay the Loan (including Additional Interest, if any), and the balance amount (if any) shall be distributed amongst the Parties in accordance with the terms provided in this Agreement.

It is clarified that in the event the Borrower notifies the End Customer to pay the Invoice Amount as provided above, it shall send a copy of the said notice (including via electronic medium) to the Lender and the Platform so that any information required for the transfer of monies is provided to the End Customer without any delay.

2.4. On Due Date: (i) the Lender may opt to encash the post-dated cheques, or any payment instrument provided by the Borrower, and deposit all the monies in the Collection Account for distribution of funds; or (ii) the Borrower may notify (in writing or vide electronic medium) to the Lender at least 4 (four) working days before the Due Date that the End Customer shall be making the payment of the Invoice Amount in accordance with the terms contained herein.

2.5. In the event that the:

(i) Borrower is making the repayment, then it will pay a total amount comprising the:

(a) Loan (including Additional Interest, if any); and

(b) Borrower Platform Fee, into the Collection Account, provided that the Interest be deducted upfront as per the terms provided herein.

It is hereby clarified that only after the payment of the Borrower Platform Fee to the Platform is made, the Loan shall be deemed to be repaid to the Lender.

(ii) End Customer is making the repayment, then it shall pay the Invoice Amount into the Collection Account, and the said amount will be distributed in the following manner:

(a) Loan (including Additional Interest, if any) will be paid to the Lender (provided that the Interest be deducted upfront as per the terms provided herein);

(b) The Borrower Platform Fee will be paid to the Platform; and

(c) The balance (if any) will be paid to the Borrower.

It is hereby clarified that the End Customer may opt to make payments vide auto debit facility or any other format as may be facilitated by the Platform from time to time.

Provided, *however*, the End Customer will not be required to pay any amount over and above the Invoice Amount, and the liability to discharge all obligations under this Loan Agreement rests solely and exclusively with the Borrower at all times. It is hereby clarified that any amount such as Additional Interest, stamp duty etc. will be paid by the Borrower, and the End Customer will not be liable to make any payments in relation thereof.

2.6. The Borrower agrees and undertakes that the liability of the Borrower shall only be discharged once the Total Amount is paid to the Lender by the Borrower. Provided, *further*, the Lender may, at its sole discretion, notify the Borrower to discharge immediately its obligations under this Loan Agreement in the event the End Customer fails to pay the Invoice Amount as per the terms contained herein.

2.7. The Parties acknowledge and agree that the Total Amount shall not be deemed payable if paid in instalments or part payments. The Borrower

shall have an obligation to re-pay the entire Total Amount on the Due Date.

- 2.8. The Parties agree that time is the essence of this Loan Agreement.
- 2.9. The Borrower shall not be entitled to make the payment of Total Amount before the Due Date, except with the prior written permission of the Lender.
- 2.10. Any dispute being raised about the Loan due or the computation of Interest or/and Additional Interest will not enable the Borrower to withhold re-payments under this Clause 2 (*Re-payment of Total Amount*). Further, it is clarified that in the event there is any discrepancy between the Borrower and the Lender in relation to the Total Amount due and payable under this Loan Agreement, the statement of account sent by the Lender or its authorised representative shall be conclusive proof of the correctness of any such claim.

3. FLOW OF FUNDS

- 3.1. The Parties shall fulfil their payment obligations under Clause 1 (*Grant of Loan and Terms of the Loan*) and Clause 2 (*Re-Payment of Total Amount*) through the nodal bank accounts administered and maintained solely to facilitate the disbursement process between the Parties by the Escrow Bank.
- 3.2. The Company via the Platform shall issue instructions to the Escrow Bank for and on behalf of the Lender, for disbursement of Loan or repayment thereof between the Borrower and Lender.
For this purpose, the:
 - (i) Lender authorizes the Company/Platform to use the Payment Account and/or Collections Account (as the case may be) to disburse the Loan and/or receive Borrower repayments (as the case may be) on its behalf; and
 - (ii) Borrower authorizes Company/Platform to receive disbursement of Loan and/or repayments (as the case may be) into the Payment Account and/or Collections Account (as the case may be) on its behalf.
- 3.3. The obligation of the Parties under Clause 1 (*Grant of Loan and Terms of the Loan*) and Clause 2 (*Re-Payment of Total Amount*) shall be deemed fulfilled only upon the successful receipt of the funds by the Lender and/or the Borrowers as the case may be.
- 3.4. The Borrower will receive the Loan from the Lender through a payment account maintained by the Escrow Bank, which is solely used to facilitate the disbursement process ("**Payment Account**").
- 3.5. The repayments to the Lender will be routed through a collections account maintained by the Escrow Bank, which is used solely for the purpose of collecting the repayments ("**Collection Account**").
- 3.6. The Company/Platform does not have any transaction rights for the Payment Account and/or the Collection Account, or earn any interest on balances held in this account. It is further agreed that the Company/Platform is not obliged to pay any interest to the Lender on any unused amount in the said account(s).

4. PAYMENT OF PLATFORM FEE

- 4.1. The Borrower shall pay to the Platform a fee equivalent to the amount calculated at 0.2 % of the Invoice ("**Borrower Platform Fee**"). The Borrower Platform Fee shall be paid to the Platform before the Loan is repaid to the Lender in accordance with Clause 2 (*Re-Payment of Total Amount*).
- 4.2. The Lender shall pay to the Platform a fee equivalent to the amount calculated at % of the Invoice ("**Lender Platform Fee**"). The Lender Platform Fee shall be paid in addition to the Loan and at the time when the Loan is disbursed to the Borrower as provided in Clause 1.2 (*Grant of Loan and Terms of the Loan*) above.

5. CONDITION PRECEDENTS

- 5.1. The Lender shall have the discretion not to disburse the Loan unless the following conditions are complied with to its satisfaction:
 - (i) the Borrower has completed all the registration/activation of the Seller/Borrower Union Account related formalities on the Platform including but not limited to procuring a confirmation from the End Customer confirming: (a) authenticity of the invoices; (b) that there is no dispute in relation to the Invoice; and (c) the invoice amount as on the date of the confirmation is still unpaid;
 - (ii) the Borrower submits to the Lender, post-dated cheques or any payment instrument (as may be approved by the Lender) towards the re-payment of the Total Amount;
 - (iii) the Borrower submits to the satisfaction of the Lender all such documents for verification as are required to be provided to the Lender as it requires at its sole discretion, and/ or under Applicable Law; and
 - (iv) no Event of Default, as specified under Clause 8 (i) to (v) (*Event of Default*), shall have occurred till such date of disbursement.

6. REPRESENTATIONS AND WARRANTIES

- 6.1. The Borrower represents and warrants that:
 - (i) it has the adequate legal capacity, authorizations, approvals, consents, licenses and permissions as required, to enter into and execute this Loan Agreement;
 - (ii) it is not restricted in any manner or prevented in any manner under any Applicable Law, judgment, decree, ruling, contract or otherwise from executing and undertaking the obligations in the manner provided in this Loan Agreement;
 - (iii) it is in strict compliance with all Applicable Laws, and shall be solely and absolutely liable for any violation of the Applicable Law, including any direction or guidelines issued by the RBI;
 - (iv) the Invoice is not subject to any sale, assignment, transfer, discounting or factoring arrangement, charge against working capital borrowings and no encumbrance of any nature or any lien exists over the Invoice presented by the Borrower over the Platform;
 - (v) there are no pending or threatened actions, which might have a materially adverse effect upon the validity or enforceability of this Loan Agreement;
 - (vi) it has not provided any information which is incorrect or materially impairs the decision of the Lender to enter into this loan transaction through the Platform;

- (vii) all information provided by the Borrower to the Lender under this Loan Agreement is correct and true;
 - (viii) the Loan shall not be utilized for any purpose other than the Purpose stated herein under;
 - (ix) it shall not close or change its bank account (details as provided at the time of registration) without the prior written permission of the Lender; and
 - (x) it will only use bank accounts from banks regulated by RBI for making or receiving payments related to this Loan Agreement.
- 6.2. The Lender represents and warrants that it:
- (i) is a registered NBFC/Bank/Financial Institution, authorised by the RBI, to engage in the business of providing finance to a wide range of customers including small and medium enterprises;
 - (ii) has the adequate legal capacity, authorizations, approvals, consents, licenses and permissions as required, to enter into and execute this Loan Agreement;
 - (iii) is not restricted in any manner or prevented in any manner under any law, statute, judgment, decree, ruling, contract or otherwise from executing and undertaking the obligations in the manner provided in this Loan Agreement;
 - (iv) is in strict compliance with all Applicable Laws, and shall be solely and absolutely liable for any violation of the Applicable Law, including any direction or guidelines issued by the RBI; and
 - (v) will only use bank accounts from banks regulated by RBI for making or receiving payments related to this Loan Agreement.

7. LIMITED ROLE OF PLATFORM

- 7.1. The Parties agree and acknowledge that the Company/Platform is only a Confirming Party to this Agreement, and has assisted in identification and selection of the Borrower for the purposes of facilitating the disbursement of the Loan, and Company/Platform is in no manner responsible towards either loss of money or breach of privacy or leakage of any Confidential Information of the Parties. Provided, *however*, the Company/Platform may charge fees (including Platform Fee) from the Lender and/or the Borrower (as the case may be) for any services rendered for the purpose of this Loan Agreement, such as KYC fee, legal fee etc. provided from time to time.
- 7.2. The Lender is advised to assess all apparent risks and expected benefits before disbursement of the Loan to the Borrower. The Company/Platform is only a facilitative platform that assesses and lists borrower(s) profiles for all types of lenders with varying risk appetites. It highlights all relevant facts provided by a borrower. It is hereby clarified that the final decision of granting the Loan to the Borrower solely rests with the Lender.
- 7.3. The Platform shall ensure that a memorandum of understanding/undertaking is executed between the Platform and with the End Customer authorising the Platform to receive payments in relation to an Invoice (against which a loan may have been procured)

directly into the loan repayment system (details of which shall be provided by the Platform from time to time).

8. EVENTS OF DEFAULT

- 8.1. The following event(s), either singly or together shall constitute an **"Events of Default"**:
- (i) any non-compliance by the Borrower of the terms & conditions of this Loan Agreement or any other agreement entered into in respect of this Loan or any other financial assistance availed of by the Borrower from the Lender;
 - (ii) insolvency, winding up, dissolution of the Borrower or inability of the Borrower to repay the Total Amount due to such event;
 - (iii) any concealment of any material document or event by the Borrower;
 - (iv) the Invoice is found to be forged or from invalid transactions;
 - (v) the Invoice is found to be subject to any form of factoring, discounting, assignment, transfer or any other encumbrance; or
 - (vi) failure of the Borrower to repay the Total Amount on the Due Date as per the terms of this Loan Agreement.
- 8.2. On the occurrence of any Event of Default, all of the obligations of the Borrower to the Lender hereunder shall immediately become due and the Lender shall be entitled to take any steps as provided under this Loan Agreement including presentation of cheques provided to the Lender in accordance with Clause 2 (*Re-payment of Total Amount*) of this Loan Agreement.

9. ASSIGNMENT

- 9.1. The Parties hereby agree that the neither Party shall not assign or transfer any of its rights, duties or obligations (in whole or in part thereof) under this Loan Agreement except with the prior written permission of the other Parties.

10. EXPIRATION AND TERMINATION

- 10.1. This Loan Agreement shall become effective on the Effective Date, and shall stand expired on the date the Borrower has re-paid the Total Amount and any other charges or fee it is obligated to pay under the terms contained herein.
- 10.2. The Lender may in its sole discretion terminate this Loan Agreement and recall the Total Amount due, without any prior intimation to the Borrower, if in the opinion of the Lender:
- (i) any Event of Default, as mentioned under Clause 8 (*Events of Default*) has occurred or is likely to occur;
 - (ii) it has become unlawful for the Lender to disburse or continue the grant of the Loan to the Borrower; or
 - (iii) it has become unlawful for the Borrower to comply with any of its obligations under this Loan Agreement.

- 10.3. The Lender shall provide a written notice of [5 (five)] days in the manner provided under Clause 11 (*Notice*) to effect termination of this Loan Agreement under this Clause 10 (*Expiration and Termination*).
- 10.4. It is clarified for the avoidance of doubt, that this Loan Agreement shall be in full force and effect, till:
- (i) the Total Amount is duly remitted and received by the Lender; and
 - (ii) all outstanding charges to be paid by the Borrower to the Platform have been paid.
- 10.5. It is further clarified that no Termination of this Loan Agreement shall release the Borrower from any liability, which at the time of such termination has already accrued, nor affect in any way the survival of any right or obligation in relation to this Loan Agreement.

11. NOTICE

- 11.1. Every notice, request, demand or other communication under this Loan Agreement shall be in writing or vide electronic medium or any other mode as acceptable by both Parties.
- 11.2. The notice shall be deemed to have been received by the Borrower/Lender when delivered during business hours on a business day.
- 11.3. The notice shall be sent to the Borrower/Lender at the following address mentioned below, or to such other address as either Party may in writing or vide electronic medium notify to the other Party.

To

the Borrower:

Name: **MTN NIGERIA LIMITED**

Address: PLOT 2222 BMG PLAZA SFAX CLOSE WUSEZ N.4;

Phone: +91 None

E-mail: mustapha.suberu@lbs.net.ng

To the Lender:

Name: **Sterling Bank Limited**

Address: Sterling Towers, 20 Marina, Lagos Island, Lagos;

Phone: +91 8894561238

E-mail: amiteng123@gmail.com

To the Platform:

Name: **Kamal Anandani**

Designation: Director

Address: 1st Floor, Tiffany Building, Hiranandani Estate, Thane (West), Maharashtra - 400607, Maharashtra - 40067

Phone: +91 7021990204

E-mail: kamal@getunion.io

- 11.4. Subject to Clause 10.3, the Lender has a right, but not a legal obligation, to send SMS or/and e-mail reminders to the Borrower intimating it regarding the dues payable and may call the Borrower to pay any dues that are outstanding under this Loan Agreement in accordance with the terms contained herein.
- 11.5. The cost of sending the notice, including the postal charges applicable thereon, shall be borne by the Party sending the notice to the other Party.

12. DISCLOSURES

- 12.1. The Borrower hereby agrees and gives consent for the disclosures by the Lender of all or any such:
- (a) information and data furnished by it;
 - (b) the information or data relating to any credit facility availed/to be availed by it; or
 - (c) default if any committed by it in discharge of such obligation, as the Lender may deem appropriate and necessary to disclose and furnish to credit information agencies and any other agency authorised in this behalf by RBI.
- 12.2. The Borrower declares that the information and data furnished by it to the Lender are true and correct.
- 12.3. The Borrower undertakes that:
- (i) the credit information agencies and any other agency so authorised may use or process the information and data of the Borrower disclosed by the Lender or by the Platform in the manner as deemed fit by them; and
 - (ii) the credit information agencies and any other agency to authorised to furnish for consideration, the processed information and data or products thereof prepared by them to Banks/Financial Institutions, and other credit grantors or registered users as may be specified by the RBI in this behalf. Provided, *however*, the Lender and the Borrower will maintain confidentiality of the personal information of either Parties which is disclosed in this Loan Agreement and any unauthorised disclosure will make the discloser liable for damages.

13. CONFIDENTIALITY

- 13.1. The Parties shall not disclose or permit access of Confidential Information to any third-party without the prior written consent of the Platform.
- 13.2. The Parties are permitted to disclose the Confidential Information to its/their employees, agents, advisors and sub-contractors ("**Representatives**") on a need-to-know basis, provided the Parties ensure that the Representatives agree to be bound by similar non-disclosure obligations.
- 13.3. A Party shall be responsible for any breach of this Loan Agreement by their respective Representatives and further agree to indemnify the other Parties at all times for any loss suffered on account thereof. It is hereby clarified that the Company/Platform is a Confirming Party to this

Agreement and shall not be liable in any manner under this Loan Agreement.

- 13.4. The Parties shall take all reasonable measures to maintain the confidentiality of all such Confidential Information of the other Party and the Platform in its possession or control, which shall in no event be less than the measures it uses to maintain the confidentiality of its own information of similar importance.
- 13.5. Notwithstanding the foregoing, the obligation of confidentiality shall not apply to any disclosure of information that:
- (i) enters the public domain other than by reason of a breach by a Party;
 - (ii) was in the possession of the receiving Party prior to disclosure under this Loan Agreement, except to the extent that such information was unlawfully appropriated; or
 - (iii) has been independently procured/developed as a result of the efforts of receiving Party, and not as a direct or indirect result of the disclosure of Confidential Information by the disclosing Party.
- 13.6. The Parties hereby agree, upon receiving a request from the Platform (in writing or vide electronic medium) or on expiry or Termination as provided in Clause 10 (*Expiration and Termination*) they shall promptly deliver to the relevant Parties, or destroy all Confidential Information, including all copies, reproductions, summaries, analyses, memoranda, notes or extracts thereto or based thereon in its possession or control.

14. PUBLICITY

- 14.1. The Parties shall not issue any external communications, concerning this Loan Agreement, or the relationship between the Parties and the Platform, without the prior written consent of the Platform, which consent shall not be unreasonably withheld.
- 14.2. For the purpose of this provision, the term “external communications” shall include, without limitation, press releases, advertisements, articles appearing in any form of media, as the case may be or other public announcements.

15. RELATIONSHIP BETWEEN THE PARTIES

- 15.1. This Loan Agreement is being entered into on a principal-to-principal basis between the Lender, and the Borrower. It is hereby clarified that the Company will only be a Conforming Party to this Loan Agreement.
- 15.2. The Company and/or Platform has no beneficial or proprietary interest in the transaction under this Loan Agreement, except for the limited interest of receiving the Platform Fee as contemplated herein.
- 15.3. Nothing in this Loan Agreement or in any document referred to in it shall constitute any of the Parties a partner of the other, nor shall the execution, completion and implementation of this Loan Agreement confer on any Party any power to bind or impose any obligation on any other Party or to pledge the credit of any other Party.

16. INDEMNIFICATION

16.1 The Borrower shall indemnify and keep indemnified and hold harmless the Lender its directors, officers, employees, agents, affiliates and subcontractors and assignees, ("**Indemnified Party**") from and against any and all losses, claims, damages, liabilities and fees, expenses and disbursements (including the fees, expenses and disbursements of counsel), (collectively, "**Losses**"), which may be suffered or incurred directly, but not consequentially, by the Lender as a result of or in connection with any act or omission undertaken in relation to this Loan Agreement, negligence, fraud or wilful default of the Borrower; and any breach of any of representations and warranties made by the Borrower.

16.2 The Parties hereby agree and acknowledge that the Company/Platform is a Confirming Party to this Agreement and shall not be liable in any manner under this Loan Agreement. Further, the Parties agree and undertake that in case of any loss or damage to the Company due to any act of commission or omission, directly or indirectly by any one, Lender or the Borrower, each of them, as the case maybe, shall indemnify the Platform/Company.

16.3 Without prejudice to the foregoing, the Lender hereby admits and accepts that since the Company is only operating the Platform, which has only assisted the Lender in identifying and selecting the Borrower, and is otherwise not responsible or liable for the conduct of the Borrower in any manner, the Lender will not under any circumstances hold the Company/Platform responsible or liable if the Borrower defaults on any of its obligations towards the Lender howsoever and wherever prescribed, in any manner whatsoever. Further, the Lender recognises that the Company has not made any representation about the Borrower or its creditworthiness, and that the Lender will lend/has lent the monies to the Borrower, only on its own assessment about the Borrower and relying on the representations made by the Borrower. The Platform also disclaims any liability with respect to information communicated between the Parties including any information communicated on the Platform.

17. LIMITATION OF LIABILITY

17.1. Except for any liability which cannot by law be excluded or limited, no Party shall be liable to the other Party or any other third party, for indirect, incidental, special, punitive or exemplary or consequential damages, including without limitation, damages for loss of profits, business interruption, loss of goodwill incurred by the other Party arising out of, or relating to this Loan Agreement whether framed as a breach of warranty, in tort, contract, or otherwise even if a Party has been advised of the possibility of such damages. Provided, *however*, the Lender shall not be liable for any losses arising out of or relating to any of its actions or omissions to act under this Loan Agreement, except to the extent that any such losses are caused by the Lender's wilful misconduct, fraud or gross negligence.

17.2. In any case, notwithstanding anything contrary contained herein, the liability of the one Party to the other Party (against any risk or damage that may be incurred under or in relation to this Loan Agreement shall not exceed the Loan (excluding Interest and Additional Interest, if applicable) provided under this Loan Agreement. It is hereby agreed and undertaken by the Parties that the Platform is only a Confirming Party, and shall not be liable in any manner whatsoever under this Loan Agreement.

17.3 The limitations of this provision shall not apply to:

- (i) breach of representation and warranties;
- (ii) breach of confidentiality obligations; and
- (iii) indemnification obligations.

17.4 The provisions of this clause shall survive the termination of the Loan Agreement.

18. UNDERTAKING BY THE BORROWER

The Borrower unconditionally and irrevocably undertakes that: (i) it shall ensure that all of his loans under this Loan Agreement will be repaid *pari passu* at any time with any other debts owed by the Borrower to any other creditors now or thereafter, except for: (a) any lien created under laws, (b) any secured debt of the Borrower existing at the execution of this Agreement, and (c) any other secured debt created or renewed with prior written consent of the Lender; (ii) it shall use the loan for the Purpose as specified herein under; (iii) it shall comply with all Applicable Laws; (iv) it shall notify the Lender upon occurrence of any Events of Default, and/or any other circumstance, which may affect its ability to perform any of its obligation as provided in this Loan Agreement

19. PERSONAL GUARANTEE BY THE PROMOTER OF THE BORROWER¹

19.1 The Promoter guarantees to the Lender punctual performance by the Borrower(s) of all the Borrower's obligations under the Loan Agreements and in the event of the Borrower(s) failing to perform any of its obligations under the Loan Documents, the Promoter as guarantor shall, on first demand by the Lender (such notice to be conclusive proof of the default) and without any demur, contest or delay, shall pay to the Lender all amounts due and payable under this Agreement, and in addition thereto shall also pay all interest, additional interest(s), delayed payment charges, costs, charges, expenses payable by the Borrower(s) to the Lender under the Loan Agreement, or any part thereof.

19.2 This Guarantee shall be enforceable against the Promoters notwithstanding that any security or securities comprised in any

¹ This will be made of the General Conditions and hence the Promoter will be required to sign the Loan Agreement (GTC) only once.

instrument(s) executed or to be executed in favour of the Lender shall, at the time when the proceedings are taken against the Promoters on Effective Date, be outstanding or unrealized or lost. This guarantee provided by the Promoters is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.

- 19.3 The rights of the Lender against the Promoter(s) remain in full force and effect notwithstanding any arrangement which may be reached between the Lender and any person related to this Loan Agreement if any, or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other guarantor(s) may cease for any reason whatsoever to be liable to the Lender, the Lender shall be at liberty to require performance by the Promoter(s) of their obligations hereunder to the same extent in all respects as if the Promoter(s) had at all times been solely liable to perform the said obligations.

20. WAIVER

- 20.1. No delay or omission of either Party in exercising any right, power or remedy accruing to the Parties upon any default hereunder shall impair any such right, power or remedy or be construed to be a waiver thereof.
- 20.2. The rights and remedies of the Parties herein provided are cumulative and not exclusive of any rights or remedies provided by Applicable Law and in equity.
- 20.3. A waiver or consent granted by either Party under this Loan Agreement will be effective only if given in written format (which may be executed electronically), and be applicable only in the instance and for the purpose for which it is given.

21. AMENDMENTS

- 21.1. No modification or amendment of this Loan Agreement, except the revision in Interest and/or Additional Interest as provided under Clause 1 (*Grant of Loan and Terms of the Loan*), shall be valid or binding unless made in written format, and duly executed (including via electronic medium) by the Lender and the Borrower.
- 21.2. This Loan Agreement, along with terms and conditions of the Platform, integrates the entire agreement and understanding between the Parties, and supersedes all oral negotiations and prior agreements in respect of the subject matter hereof. Provided, however, in case of any conflict between the terms and conditions of the Platform and this Loan Agreement, the terms of this Loan Agreement shall supersede and be binding on the Parties.

22. SEVERABILITY

- 22.1. Every provision contained in this Loan Agreement shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable in

any respect under any law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way be affected or impaired thereby.

- 22.2. The Parties shall use best efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement, which most nearly reflects the Parties' intent in entering into this Loan Agreement.

23. ENTIRE AGREEMENT

- 23.1. The Parties acknowledge that this Loan Agreement is the complete understanding between the Parties and supersedes all proposals, prior arrangements or undertakings, oral or written, and all other communications between the Parties relating to the subject matter of this Loan Agreement.

24. ARBITRATION AND DISPUTE SETTLEMENT

- 24.1. Subject to Applicable Law, all disputes, differences and/or claims, arising out of this Loan Agreement, whether during its subsistence or thereafter, shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall be conducted by a sole arbitrator to be appointed by the Lender. The seat of arbitration shall be in Mumbai and the proceedings shall be conducted in English language.
- 24.2. The Award given by the arbitrator shall be final and binding on the Parties to this Loan Agreement. The cost of the arbitration shall be borne by the Party against whom the Award is passed by the sole arbitrator.

25. GOVERNING LAW AND JURISDICTION

- 25.1. Subject to Clause 22 (*Arbitration and Dispute Settlement*), this Loan Agreement shall be governed and construed in accordance with the substantive laws of India and the parties hereto submit to the exclusive jurisdiction of the courts at Mumbai.

26. OTHER GENERAL TERMS

- 26.1. All calculations and determinations made by the Lender in connection with this Loan Agreement (including any calculations or determinations set out in any demand on the Borrower) shall be conclusive in the absence of manifest error.
- 26.2. Any amounts which would fall due for payment by the Escrow Bank under this Loan Agreement on a day other than a Business day shall be payable on the succeeding Business day.
- 26.3. Notwithstanding anything contained in this Loan Agreement, the Escrow Bank shall not be obligated to accept or take any action in respect of any Loan/Invoice which it believes would breach any Applicable Law, rule, regulation, sanction or internal policy applicable to it.
- 26.4. The intellectual property rights of the respective Parties shall continue to remain with them. The Platform shall continue to own all intellectual property of and related to the provision of Service, and this Loan Agreement does not constitute and shall not be construed as an

- assignment or sale or transfer of the trademark rights or any other intellectual property right in relation thereof in any manner whatsoever.
- 26.5. A Party will not be liable for any failure of or delay in the performance of this Loan Agreement for the period that such failure or delay is beyond its reasonable control, materially affecting the performance of any of its obligations under this Loan Agreement, and could not reasonably have been foreseen or provided against, but will not be excused for failure or delay resulting from only general economic conditions or other general market effects.
- 26.6. The Borrowers, Promoters and the Lenders (as the case may be) undertake that this Loan Agreement shall be binding upon the their respective executors, administrators and permitted assigns and shall not be affected by any change in their constitution by reason of the winding up, merger or amalgamation of the Borrower(s) or the Lender with any other company, firm, corporation or concern.
- 26.7. There are no implied licenses or other implied rights granted under this Loan Agreement.
- 26.8. The obligation of the Parties under Clause 6 (*Representations and Warranties*), Clause 9 (*Assignment*), Clause 11 (*Notice*), Clause 13 (*Confidentiality*), Clause 14 (*Publicity*), Clause 15 (*Relationship between the Parties*), Clause 16 (*Indemnification*), Clause 17 (*Limitation of Liability*), Clause 18 (Undertaking by the Borrower), Clause 19 (Personal Guarantee by the Promoter of the Borrower), Clause 20 (*Waiver*), Clause 21 (*Amendment*), Clause 22 (*Severability*), Clause 23 (*Entire Agreement*), Clause 24 (*Arbitration and Dispute Settlement*) and Clause 25 (*Governing Law and Jurisdiction*) and Clause 26 (*Other General Terms*) shall survive any expiration, or termination of this Loan Agreement.
- 26.9. The Parties undertake that they have read the entire Loan Agreement, constituting all clauses contained herein and Annexures attached hereto.

Private and Confidential

BORROWER: MTN NIGERIA LIMITED

COMPANY: KAMAL ANANDANI

LENDER: STERLING BANK LIMITED

**ANNEXURE-A
DEFINITIONS**

“Applicable Law” shall mean all laws, statutes, constitutionf, treaties, rules, codes, ordinances, regulations, rulings, whether federal, state, local, foreign, international as may be applicable, and all orders, judgments, injunctions, decrees, permits, certificates and licenses of any governmental authority, and all interpretations of any of the foregoing by a governmental authority having jurisdiction or any arbitrator or other judicial or quasi-judicial tribunal.

“Award” shall have the meaning assigned to it under the Arbitration and Conciliation Act, 1996.

“Borrower Platform Fee” shall have the meaning ascribed to under Clause 4.1 of this Loan Agreement.

“Business Hours” shall mean a time between 8:00 AM and 6:00 PM on a Business Day.

“Business Day” shall mean any day other than a Sunday or any day when the scheduled banks in India are closed.

“Collection Account” shall have the meaning ascribed to it under Clause 3.5 of this Loan Agreement.

“Confidential Information” shall mean all information whether in written, oral, or electronic format which relates to the operational, technical, financial and business affairs, service providers, intellectual property, know-how and personnel of the Platform and/or the Parties which is disclosed to or otherwise learnt by either Party in the course of or in connection with this Loan Agreement, and that should be reasonably understood by either Party to be proprietary and confidential.

“Disbursal Date” shall mean the date on which the Borrower will receive the Loan from the Lender through a payment account maintained by the Escrow Bank.

“Effective Date” shall mean the date on which this Loan Agreement has been executed.

“End Customer” shall mean the buyer and/or the seller (as the case may be) who is liable to pay monies to the Borrower as stated in an Invoice.

“Escrow Bank” means RBL Bank Limited, a company incorporated under the Companies Act 2013, and a banking company under the Banking Regulation Act, 1949 having its registered office at SHAHUPURI, KOLHAPUR, KOLHAPUR MH 416001 IN and includes its successors and permitted assigns, which facilitates the Parties to remit the sums due under this Agreement through the Payment Account and Collection Account.

“Events of Default” shall mean the events provided in Clause 8.1 of this Loan Agreement.

“Invoice” shall mean an invoice raised by the Borrower on an End Customer for

providing certain services and/or goods, as the case may be.

"Invoice Amount" shall mean the amount due and payable in relation to the Invoice by the End Customer to the Borrower.

"Loan" shall mean an amount of INR 2125000 which shall be an amount calculated at 22 % of the Invoice Amount provided by the Lender to the Borrower under the terms of this Loan Agreement.

"Loan Term" shall have the meaning ascribed to it under Clause 1.2 of this Loan Agreement.

"Lender Platform Fee" shall have the meaning ascribed to it under Clause 4.2 of this Loan Agreement.

"Payment Account" shall have the meaning ascribed to it under Clause 3.4 of this Loan Agreement.

"Platform Fee" shall collectively mean Borrower Platform Fee and Lender Platform Fee.

"Purpose" shall mean that the purpose for which the Loan shall be used as stated by the Borrower as stated at the time of registration on the Platform, and that the Loan shall not be utilised for any other purpose.

"RBI" shall mean the Reserve Bank of India.

"Representatives" shall have the meaning ascribed to it under Clause 13.2 of this Loan Agreement.

"Service" shall have the meaning ascribed to it under Recital C of this Loan Agreement.

"Total Amount" shall have the meaning ascribed to it under Clause 2.1 of this Loan Agreement.

"Termination" shall mean a termination of Loan Agreement under Clause 10 (*Expiration and Termination*).