

**MOST IMPORTANT TERMS AND CONDITIONS
(FOR BUILDER FINANCE/HOME LOANS/LOAN AGAINST PROPERTY)**

Dear Sir/ Madam,

We thank you for availing a Loan from **Hero Housing Finance Limited** (hereinafter referred to as "**HHFL**"/ "**the Company**"), a Housing Finance Company registered under the National Housing Bank Act, 1987 and having its registered office at '09,Community Centre, Basant Lok, Vasant Vihar, New Delhi- 110057'. In our endeavour to be transparent with our borrowers, we communicate the major terms and conditions agreed between the Company and the borrowers. Accordingly, we request you to please note the following major terms and conditions agreed by you and other borrowers (hereinafter collectively referred as '**the Borrower**' or '**you**') with the Company for the loan availed by you:

1. Loan Amount (Sanctioned Amount)	As detailed in the Loan Documents
2. Interest	
i) Type of Rate of Interest <i>(Appropriate one to be ticked depending on applicability)</i>	As detailed in the Loan Documents
ii) Applicable Rate of Interest	As detailed in the Loan Documents
iii) Moratorium or Subsidy	Any moratorium if given would be as specified in the Loan Documents Any subsidy offered under a Government schemes shall be subject to terms and conditions of such scheme.
iv) Date of Reset of Interest	As per the Company's internal policy on Rate of Interest.
v) Modes of Communications of changes in Interest Rate	<u>Any change in the Rate of Interest will be communicated through Letter/ SMS/ E-mail to the Borrower(s) or Information at branch or Notification on the Company's website.</u>
3. Instalments Types	Equated Monthly Instalment as detailed in Loan Documents
4. Loan Tenure (in months)	As detailed in Loan Document
5. Purpose of Loan	Loan is availed for the purpose as mentioned in the Loan Documents
6. Fee and Other Charges- The fee and charges do not include GST, any cess & other taxes, levies etc. prescribed by the Government of India or that of respective state. The fee and charges may be revised by HHFL at its sole discretion and such change would be published on the Company's website under Schedule of Charges. The Borrower(s) are requested to refer to the Schedule of Charges published on the Company's website for latest applicable charges and more details.	
i) At the time of Application and Documentation	
a) Processing Fee (PF) for Home Loan*	Cheque Salaried: Up to 1% Others: Up to 3%
b) PF for Loan Against Property/ Non-Housing Loans*	Cheque Salaried: Up to 1% Others: Up to 3%
c) Charges to be paid to CERSAI	Rs. 500
d) Stamp Duty and Registration Charges	As per the State laws (state of origination of the loan)
<i>* Out of the PF, non-refundable initial amount of Rs 2500 to 5000 + GST to be paid along with application. Balance to be paid after sanction.</i>	
ii) Charges during the term of loan	
a) Disbursement Cheque Cancellation	₹ 500
b) Cheque dishonour charges/rejection of	₹ 1000

ECS/NACH Mandate (per instrument)/Non-payment of EMI through NACH	
c) Cheque / Cash Collection Charges	₹ 500
d) Income Tax Certificate for current year	Nil
e) Statement of Account	₹ 500 (Nil for Soft Copy)
f) List of Documents	NIL for LOD request within 6 months of disbursal ₹ 500 after that
g) Document Copy Retrieval	₹ upto 2000 for documents copies in HHFL custody
h) Original Document Retrieval for specific activity like production at SRO or Development Authority or Endorsement	Upto ₹ 5000 (Not applicable for endorsement of Share Certificate in Maharashtra)
i) Switch to Lower Rate	Up to 2% of principal outstanding
j) Change in Repayment Mode / EMI Cycle change	₹ 500 in case of ACH to PDC (NIL in case of ACH to ACH or PDC to ACH)
k) Penal Interest	2% per month on overdue payment
l) Legal & Incidental expenses	As per actual
iii) On Foreclosure/ Pre-Payment/ Part-Payment	
a) Housing/ Non-Housing Loan on floating rate disbursed to an Individual provided any non-individual entity is not part of loan structure as borrower or co-borrower	Nil
b) Housing Loan on fixed rate closed by an individual through own sources (<i>the term "own sources" shall mean any source other than by borrowing availed off by the Borrower from a Bank, Housing Finance Company, Non-Banking Financial Company and/or a financial institution</i>)	Nil
c) Housing Loan on fixed rate closed through Balance Transfer or money received from sources other than 'own sources'	Tenor served 1 month – 12 Months: 3% Tenor served > 12 months: 2%
d) Housing Loan on floating rate / Fixed Rate where a non-individual entity is part of loan structure as borrower or co-borrower	Tenor served 1 month – 12 Months: 3% Tenor served > 12 months: 2%
e) Non-Housing Loan on fixed rate disbursed to an Individual provided any non-individual entity is not part of loan structure as borrower or co-borrower	Tenor served 1 month – 36 Months: 3% Tenor served > 36 months: 2%
f) Non-Housing Loan on floating / fixed rate where a non-individual entity is part of loan structure as borrower or co-borrower	Tenor served 1 month – 36 Months: 3% Tenor served > 36 months: 2%
g) Recovery of proportionate actual expenses, in case of pre-closure of Loan within twelve months from disbursement date(s), from individual borrower(s)	₹ 2 to 3%
h) Documents handling charges post closure of loan	Nil
iv) On Part-Payment of Loan: Minimum payment: 3*EMIs / Rs.50, 000 (whichever is higher)/ Maximum 4 part-payments allowed in a year.	

i) Housing/ Non-Housing Loan on floating rate disbursed to an Individual provided any non-individual entity is not part of loan structure as borrower or co-borrower	Nil
j) Housing/ Non-Housing Loan on fixed rate disbursed to an Individual provided any non-individual entity is not part of loan structure as borrower or co-borrower	2%
k) Housing loan / Non Housing loan on floating rate / Fixed Rate where a non-individual entity is part of loan structure as borrower or co-borrower	2%
v) Refund of Processing Fee if loan not sanctioned/ disbursed	Non Refundable
vi) Conversion Charges for switching from floating to fixed interest and vice-versa; Re- Pricing / Conversion Charges (If Offered)	Up to 2% of the Principal Amount Outstanding

7. Security / Collateral for the loan

i) Mortgage

Secured by Equitable / Registered mortgage/extension of mortgage of the following property:

(Details of Property to be mortgaged to be provided here)

ii) Guarantor

(Name of the Guarantor to be given, if any)

iii) Other Security

(Details of Other securities if any)

8. Utilisation of the Loan

The amount of the Loan shall be utilized strictly for the purpose detailed in the Borrower's application form and in the manner prescribed. The construction of the house/ flat or the modification/ extension proposed by the borrower in the existing house/ flat should be strictly according to the plan approved by the Local Authorities/Town Planning and Development authorities. Any modification desired in the plan as originally approved, can be undertaken only after express sanction for it has been obtained from the appropriate authority.

9. Insurance of Property/ Borrowers

It will be the Borrower's responsibility to ensure that the property offered as security is duly and properly insured against fire and other hazards for the outstanding loan amount with HHFL as sole beneficiary. The evidence thereof shall be given to HHFL whenever asked for by HHFL.

The terms & conditions including claims & coverage will be governed by the issuer of such insurance policy. Please note that the role of HHFL with respect to the insurance policy, at maximum, would be that of a facilitator and the decision to cover and settle any future claim under the insurance policy would solely rest with the insurance company. Insurance is the subject matter of solicitation and the Borrower(s) may choose insurance company at their own discretion.

10. Major Conditions for Disbursement of the Loan

- a) Submission of all relevant documents as mentioned by HHFL in the sanction letter/ loan agreement.
- b) Clear, marketable title of the property in favour of the Borrower.
- c) All the security documents prescribed have been executed by the Borrower/ co-borrower(s)/ guarantor/s.
- d) A valid mortgage (equitable or registered if equitable mortgage is not possible) has been created in favour of the HHFL as per the laws of the respective state government.

- e) Wherever creation of mortgage is likely to be delayed for any valid reason, suitable security including third party guarantee, has been taken for the interim period.
- f) The loan will be disbursed in stages where a loan for construction is desired or purchase is through payment to seller in instalments.
- g) Submission of all relevant documents as mentioned by HHFL in the Sanction Letter, the Loan Agreement and other transaction documents (collectively referred to as the “**Loan Documents**”) executed by you with reference to your Loan with HHFL.
- h) Clear Legal & Technical report after assessment of the title/ property.
- i) Payment of own contribution by the Borrower (total cost of flat less the loan amount), as specified in the Sanction Letter.
- j) Providing adequate utilization proof of the Loan.
- k) Undertaking by the Borrower to regularly provide HHFL information, including details regarding progress / delay in construction, any major damage to the property, change in employment/ contact details, non-payment of taxes pertaining to property, etc.
- l) The construction is being undertaken as per the approved plans.
- m) The Borrower has satisfied himself/herself that required approvals for the project have been obtained by the developer.
- n) All required approvals for the property have been obtained and are available with the seller in case the property is being purchased in resale.

11. Repayment of the Loan & Interest

The Loan will be repayable through the Equated Monthly Instalments (“EMIs”) on the monthly due date mentioned in the Loan Documents. The EMIs shall be calculated on the amount actually disbursed. The amount and no. of EMI shall be subject to the applicable rate of interest.

Consequent upon any change/revision in applicable rate of interest, HHFL shall have the right and sole discretion to revise the EMIs or to revise repayment period or both and accordingly fresh set of Post Dated Cheques (“PDCs”)/ ECS mandate/ Payment Instrument shall be required to be given by you, *suo moto*, for revised EMIs.

Pre-EMI Interest (“PEMII”) would be required to be paid, on monthly basis on the due date mentioned in the Disbursement Letter. It shall be charged from the date of the first disbursements to the date of commencement of EMI in respect of the Loan.

In case of delayed payment, overdue interest for the delayed period will be charged at rates as determined by HHFL from time to time.

Without limiting to the generality of the aforesaid, the Borrower shall provide such number of PDC’s as mandated by HHFL from time to time for the amounts specified by HHFL towards repayment of the Loan.

Amount of EMI:

Total number monthly instalments:

Procedure for advance intimation of the changes in the rate of interest/ EMI- Any change in the Rate of Interest will be communicated through Letter/ SMS/ E-mail to the Borrower(s) or Information at branch or Notification on the Company’s website.

12. Brief Indicative Process on Recovery of dues/ overdue amounts- On occurrence of any event of default as mentioned in the Loan Agreement (“Event of Default”), all outstanding amounts owned by the Borrower to HHFL shall become payable forthwith and HHFL reserves the right to undertake such necessary processes/measures to enforce its rights under the Loan Documents including but not limited to penal and other charges for the delayed payment, recovery of over dues by enforcing the Security in accordance with the remedy available under the Law. The actual procedure shall be determined by HHFL depending upon factual position relating the respective case.

13. Inspection- HHFL will have the right to inspect, at all reasonable times, the Borrower’s property by an officer of the HHFL or a qualified auditor or a technical expert as decided by the HHFL and the cost

thereof shall be borne by the Borrower. The Regulatory/ Supervisory Authority will also have right to carry such inspection.

14. Default- In the event of default i.e. if the amount due is not paid by due date, reminders will be sent to the Borrower from time to time for payment of any outstanding on his loan account, by post, fax, telephone, email, SMS or any other electronic message. Further, any third party may be appointed for collection purpose to remind, follow-up and collect dues. However, any third party so appointed, shall adhere to the code of conduct of the Company on debt collection.

15. Disclosure- HHFL is authorized to disclose from time to time any information relating to the loan to any Credit Information Company (“CIC”) authorised by the Reserve Bank of India without any notice to the Borrower. Further, HHFL is also authorized to make inquiries with any CIC the Credit Information Bureau of India (CIBIL) and get the applicants Credit Information Report.

16. Customer Services

Branch Visiting hours	10:00 AM to 6:00 PM (Monday to Friday). HHFL’s offices remain closed on Saturday, Sunday and Public Holidays.
Customer Care Contact details	Email: customer.care@herohfl.com _____ Phone No.: 1800-212-8800
Loan Account Statement Time Line	2 working days
Title documents Photocopy Time Line	10 working days
Return of original documents Time Line on closure/ transfer of the Loan	15 working days (post loan closure)
Turn Around Time (TAT) will start after completion of all the documents and submission of fee (if any). TAT does not include Saturday, Sunday and Holidays. The Borrower can obtain these services from HHFL’s office by providing Loan Account Number and Identity Proof. Alternatively, the Borrower can “Write to us”, under “Customer Care” section of its website, i.e., www.herohfl.com. Note: The turnaround time for each of the service request is subject to change at the company’s discretion.	

17. Grievance Redressal Mechanism (please refer to the Grievance Redressal Mechanism separately published on the Company’s website for the latest updated information)

Any customer having a grievance/ complaint/ feedback with respect to the product and services offered by **Hero Housing Finance Limited** (hereinafter referred to as ‘the Company’) raise complaint in writing, orally, electronically or over telephone:

How a complaint should be made:

In order to resolve queries and complaints/ grievances, the Company laid down the following Grievance Redressal Mechanism.

Level 1:

Modes of Raising Complaint: A customer may raise complaint in writing, orally, electronically or over telephone:

Complaint in Person	A complaint book is available at the branches. A customer can obtain it from the branch and record his /her grievances therein.
Call us	Complaints can also be logged at Call Centre on toll free number 1800-212-8800
Email	customer.care@herohfl.com
Website	www.herohousingfinance.com
Write to us	Grievance Redressal Cell, Hero Housing Finance Ltd, 7,

The customer is requested to necessarily provide Loan Account Number, Reference no. provided by the Company, details of Feedback/ Suggestion/ Complaint and valid phone no. & e-mail ID while communicating with the Company.

If a complaint is received from customer in writing, the Company shall send an acknowledgement/ response within a week. If more time is required, the Company will inform the customer expected timeline.

If the complaint is relayed over phone at the Company's designated telephone helpdesk or customer service number, the Company shall provide to the customer a complaint reference number and keep him/her informed of the progress within a week's time. If more time is required, the Company will inform the customer expected timeline.

After examining the matter, the Company will send final response or explain why the company needs more time to respond and shall endeavour to do so within 6 weeks of receipt of complaint and shall inform the customer mechanism to take the complaint further if he/ she is still not satisfied.

Level 2:

If the resolution of complaint provided at level 1 does not meet expectation or response is not received within the defined timescales; the customer can escalate complaint to customercarehead@herohfl.com

At this level, a complaint is expected to be responded within 7 working days of receipt of complaint.

Level 3:

If the resolution of complaint provided at level 2 does not meet expectation or response is not received within the defined timescales, such complaints may be escalated to the Grievance Redressal Officer of the Company whose details are as given below:

Mr. Gautam Munjal
Hero Housing Finance Ltd.
7, Community Centre, Basant Lok,
Vasant Vihar, New Delhi-110057
Email: gautam.munjal@herohfl.com
Phone: 011-40819810

At this level, a complaint is expected to be responded within 7 working days of receipt of complaint.

Level 4:

In case, a complaint is not redressed or the customer is dissatisfied with the response received, the customer may approach the Complaint Redressal Cell of the National Housing Bank by lodging its complaint in online mode at the link <https://grids.nhbonline.org.in> OR in offline/ physical mode by post, in prescribed format available at link <http://www.nhb.org.in/%20Grievance-Redressal-System/Lodging-Complaint-Against-HFCs-NHB%E2%80%25%2093Physical-Mode.pdf> to the following address:

The Complaint Redressal Cell,
Department of Regulation and Supervision,
National Housing Bank,
4th Floor, Core- 5A, India Habitat Centre,
Lodhi Road, New Delhi-110003

The above Grievance Redressal Mechanism will be displayed clearly in all of the Company's offices/ branches and on the website.

18. The sanction and/ or disbursal of the loan shall be at the sole discretion of Hero Housing Finance Limited.

19. Hero Housing Finance Limited shall be entitled to amend or modify the term and conditions of the loan, in accordance with the loan agreement and all such amendment or modification shall be deemed

to be effective and binding on you.

The Most Important Terms and Conditions ("MITC") for the loan availed by the Borrower from **Hero Housing Finance Limited** are to be read and understood in conjunction with the terms contained in the Sanction Letter, the Loan Agreement and other transaction documents which shall be executed with reference to your Loan with HHFL (collectively referred to as the "**Loan Documents**").

The MITCs mentioned above are only important terms and conditions and are not exhaustive. The Loan shall be governed by the Loan Documents. In the event of any gap/ difference between the terms and conditions set out herein and the Loan Documents, the terms and conditions mentioned in the Loan Documents shall prevail.

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For Hero Housing Finance Limited (Authorised Signatory)	Signature(s) or thumb impression of the Borrower (s)
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Date:
Place: