

AGENCY AGREEMENT

This Agency Agreement is entered into by and amongst:

- a) RANGDE.ORG, a trust having its operational office at Flat no. 1102 A, Ajmera Green Acres, Bannerghatta Road, Bangalore - 560076 acting through its Managing trustee Smita Satish, w/o Ramakrishna N. Krishnamurthy, aged about 29 years ("**Escrow Agent**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its respective successors in office and permitted assigns);
- b) __<PARTNER NAME>_____ (**Non- profit organization/Microfinance Institution**)
__<PARTNER Address>__ ("**Disbursement and Collection Agent**") acting through its
__<PARTNER Contact Person >, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its respective successors in office and permitted assigns); and
- c) Any person who agrees to lend to [•] (the "**Borrower**") through the Disbursement and Collection Agent, and further agrees to the terms of this Agency Agreement in the manner provided herein ("**Social Investor**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its respective successors in office and permitted assigns).

The Escrow Agent, the Disbursement and Collection Agent and Social Investor may also be referred to as Party, individually, and Parties, collectively. The Escrow Agent and the Disbursement and Collection Agent may also be referred to as Agent, individually, and Agents, collectively.

RECITALS

- A. Further to the execution of the loan agreement between the Borrower and the Social Investor ("**Loan Agreement**"), for operational convenience and to keep the transaction costs low, it is desirable for the Social Investor to appoint:
 - a) a disbursement and collection agent for disbursement of the loan and collection of repayments on a periodic basis, and
 - b) an escrow agent to receive the funds on its behalf.
- B. The Disbursement and Collection Agent is a training institute which is engaged in providing skill and vocational training in Karnataka. The Disbursement and Collection Agent, in accordance with and subject to the terms and conditions stated hereunder, agrees to facilitate disbursement of the loan amount under the Loan Agreement ("**Principal**") to the Borrower and collection of repayments from the Borrower, including interest computed in accordance with the Loan Agreement ("**Interest**").
- C. The Escrow Agent is a non-governmental organization, registered as a trust, which is engaged in facilitation of microfinance. As a part of its activities, the Escrow Agent, in its

- capacity as an agent for lenders, receives loan amounts from various lenders and disburses the same, either directly or through another agent, to respective borrowers, who are identified by the lenders, and also receives the repayments thereof (together with interest) from the borrowers, either directly or through another agent, for the purposes of repayment to the respective lenders. In order to facilitate the disbursement of the Principal to the Borrower and the repayments thereof (together with Interest) to the Social Investor, the Escrow Agent agrees to accept the Principal and the repayments thereof (together with Interest) in escrow in accordance with and subject to the terms and conditions stated hereunder.
- D. The Escrow Agent has identified the Disbursement and Collection Agent and suggested the same to the Social Investor for appointment as an agent of the Social Investor.

IT IS AGREED AS FOLLOWS: -

1. APPOINTMENT OF ESCROW AGENT AND DISBURSEMENT AND COLLECTION AGENT

- 1.1 The Escrow Agent shall act as an escrow agent of the Social Investor:
- a) to receive the Principal from the Social Investor, hold the same and disburse the Principal to the Borrowers, through the Disbursement and Collection Agent; and
 - b) receive on behalf of the Social Investor the repayments of the Principal (together with Interest) from the Borrowers, through the Disbursement and Collection Agent, hold such amount for the benefit of the Social Investor and disburse the same in accordance with the terms and conditions of this Agreement.
- 1.2 The Disbursement and Collection Agent shall act as an agent of the Social Investor to disburse the Principal received from the Social Investor, through the Escrow Agent to the Borrower and collect the repayments thereof (together with Interest) from the Borrower and transfer such repayments to the Escrow Agent in accordance with the terms and conditions of this Agreement.
- 1.3 The Escrow Agent and the Disbursement and Collection Agent shall at all times act as the agents of the Social Investor strictly in accordance with the scope of the powers, duties and functions agreed to hereunder.
- 1.4 The Parties agree and acknowledge that, notwithstanding anything to the contrary, the Escrow Agent and the Disbursement and Collection Agent are separate and independent entities, and the rights and obligations of each of the Escrow Agent and the Disbursement and Collection Agent shall be independent and separate from each other. For the avoidance of any doubt, a breach of any term of this Agreement or non-performance of any obligation or repudiation of this Agreement by either the Escrow Agent or the Disbursement and Collection Agent shall not amount to a breach or non-performance or repudiation by the other.

2. PROCEDURE FOR DISBURSEMENT OF THE PRINCIPAL

- 2.1 Upon agreeing to the terms and conditions contained hereunder, the Social Investor will

transfer the Principal to the designated escrow bank account of the Escrow Agent.

- 2.2 The Escrow Agent may hold the Principal until such time that it receives the entire funding required by the Borrower or [●] (being the date 25 days from the date on which the Borrower's profile was uploaded on the Escrow Agent's website), whichever is earlier, after which the Escrow Agent shall transfer the Principal to the Disbursement and Collection Agent. Provided that the Escrow Agent shall not transfer any amount to the Disbursement and Collection Agent under this Clause 2.2 until a promissory note for the Principal and Interest, under the terms of and in accordance with the Loan Agreement, is received by the Escrow Agent.
- 2.3 The Disbursement and Collection Agent shall immediately, and in no event later than 5 days from the date of receipt of the Principal from the Escrow Agent, disburse the Principal to the Borrower.

3. PROCEDURE FOR RECEIPT OF THE REPAYMENTS

- 3.1 The Disbursement and Collection Agent shall collect the repayments of the Principal from the Borrower together with Interest. The Disbursement and Collection Agent shall immediately, and in no event later than [end of the second week in case of joint liability groups/ end of the second month in case of self help groups] from the date of collection of any repayment, transfer such repayment to the Escrow Agent.
- 3.2 The Escrow Agent may either transfer the repayment received in the manner stated in Clause 3.1 to the Social Investor immediately or hold such repayments until the end of the term of the Loan Agreement ("**Term**") and transfer the same immediately upon the end of the Term to the Social Investor, as per directions issued by the Social Investor.

4. DUTIES AND OBLIGATIONS OF THE AGENTS

- 4.1 The duties and obligations of the Agents are purely ministerial and shall be limited to and determined solely by the provisions of this Agreement.
- 4.2 The Agents shall not have any authority to dispose off or otherwise deal with the Principal and/ or any repayment thereof (together with Interest), except as provided in this Agreement or as may be expressly agreed upon in writing between the Social Investor and the Escrow Agent and/ or the Disbursement and Collection Agent, as the case may be.

5. FEE¹

- 5.1 The Disbursement and Collection Agent shall be entitled to a fee, for the services rendered by it under this Agreement, which shall be 5.5% maximum per annum on the Principal ("**Collection Fee**") or as mutually decided upon. The Collection Fee shall be payable to the Disbursement and Collection Agent only in the manner stated in Clause 5.2 below.
- 5.2 The Disbursement and Collection Agent shall be entitled to withhold its Collection Fee from the repayments made by the Borrower only after it has transferred the whole of the Principal and

Interest less the Collection Fee to the Escrow Agent, in the manner stated in Clause 3.1. On the occurrence of any of the events of termination enumerated in Clause 11.2 hereof, the Disbursement and Collection Agent shall be entitled to only such proportion of the Collection Fee as is represented by the proportion of the Principal and Interest, transferred to the Escrow Agent in the manner stated in Clause 3.1, to the total amount of Principal and Interest.

6. NO LIEN

Except as may be provided under law and as expressly provided hereunder, the Agents shall neither have any lien on the Principal and/ or any repayment thereof standing to the credit of their accounts nor have any right to set off against such amount any other amount claimed by the Agents against any person including but not limited to the Borrower.

7. LIMITATION OF LIABILITY

7.1 **No Fiduciary Duty.** The Parties agree and acknowledge that under no circumstances will either of the Parties be deemed to be any other Party's fiduciary or a fiduciary of any other person, under this Agreement.

7.2 **Reliance.** The Agents shall not be liable for any action taken or not taken by it in accordance with the direction or consent of the Parties or their respective agents, representatives, successors, or assigns. The Agents shall not be liable for acting or refraining from acting upon any notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document, in each case provided in accordance with the terms of this Agreement and believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, without further inquiry into the person's or persons' authority provided that the Agent has acted in good faith and without gross negligence or willful misconduct.

7.3 **No Financial Obligation.** Except to the extent expressly provided hereunder, no Agent shall be required to risk or advance its own funds or otherwise incur any financial liability or potential financial liability in the performance of their duties or the exercise of their rights under this Agreement. For the avoidance of any doubt, it is stated that neither of the Agents provide any guarantee or any other similar undertaking for the repayment of the Principal, together with Interest, by the Borrower under the terms of this Agreement.

7.4 **Losses.** The Agents shall not be liable, directly or indirectly, jointly or singly, for any (i) damages, losses or expenses arising out of the services provided hereunder, or (ii) damages, losses or expenses suffered/ incurred by the Social Investor arising out of any transaction contemplated under the Loan Agreement, or (ii) special, indirect or consequential damages or losses of any kind whatsoever (including without limitation lost profits).

8. INDEMNITY

The Social Investor shall indemnify, defend and hold harmless the Agents from and against any and all losses, liabilities, costs, damages and other expenses, including, without limitation, attorneys' fees and expenses or other professional fees and expenses which they may suffer or incur by reason of any action, claim or proceeding brought against one or both the Agents, arising out of or relating in any way to this Agreement or any transaction to which this

Agreement relates, unless such loss, liability, cost, damage or expense shall have been finally adjudicated to have been caused by the willful misconduct or gross negligence of such Agent(s). The provisions of this Clause 8 shall survive the termination of this Agency Agreement under Clause 11.

9. EXCLUSIVITY

The Disbursement and Collection Agent agree with the Social Investor and the Escrow Agent that during the continuance of this Agreement, or **until the last borrower has repaid the amount** (together with Interest), whichever is later, Disbursement and Collection Agent shall not enter into any partnership, agency, joint venture or any other business association with any other person engaged in providing online platform for borrowing or lending in India.

The Parties further acknowledge that in the event of any breach of this clause 10, damages shall not be adequate remedy.

10. CONFIDENTIALITY

The Parties acknowledge that during the term of this Agreement, each Party has acquired proprietary information about the business of the other Parties. Accordingly, each Party agrees and undertakes with the others that under no circumstances, during the continuance of and at any time after the expiry of this Agreement, it **shall** share, exchange, distribute or otherwise pass on documents, agreement and other materials, or any other information passing through it, or that it may have become privy to by virtue of the relationship set out in this Agreement to any other person. The Parties further agree that they shall not without the prior written consent of the other Parties, divulge any such confidential information to any Person or use such confidential information, trade secret or business techniques relating to the other party, except for the purpose of performing the terms of this Agreement. Where such disclosure to the employees or agents becomes imperative for the purposes of performance of this Agreement, such information shall be disclosed only on need to know basis and on the written undertaking from the recipient that such information shall not be disclosed to any third party.

The Parties further acknowledge that in the event of any breach of this clause 10, damages shall not be adequate remedy.

11. TERMINATION

11.1 Upon transfer of all the repayments received by the Escrow Agent immediately upon the end of the Term or transfer of whole of the Principal and Interest, whichever is earlier, by the Escrow Agent to the Social Investor, (as provided for in Clause 3 hereof) this Agency Agreement shall terminate and have no effect.

11.2 This Agreement may be terminated:

- (i) by the Social Investor, acting in its sole discretion, by a written notice to the other Parties;
- (ii) by any Party if any condition applicable to such Party's obligations hereunder becomes incapable of fulfillment through no fault of such Party and is not waived by the other Party or Parties;
- (iii) if there shall be any law or regulation that renders the consummation of the transactions contemplated hereby illegal or otherwise prohibited or if consummation of the transactions contemplated hereby would violate any order, decree or judgment of any court or governmental body having competent jurisdiction.

Upon the occurrence of any of the abovementioned termination events, the Social Investor may declare, such amounts as are held by the Agents under the terms of this Agreement, by notice to the Agents and such amounts shall thereupon forthwith become, due and payable, without demand, protest or other notice of any kind to the Agents.

10. MISCELLANEOUS

- 10.1 **Merger or Consolidation.** Any corporation or association into which either of the Agents may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which such an Agent is a party, shall be and become the successor agent under this Agreement and shall have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act.
- 10.2 **Attachment; Compliance with Legal Orders.** In the event that any of the sums held by either or both the Agents is attached, garnished or levied upon by any order of a court or any other governmental authority including the income tax authorities, or the delivery thereof is stayed or enjoined by an order of a court or any other governmental authority including the income tax authorities, or any order, judgment or decree is passed or issued by any court or any other governmental authority including the income tax authorities affecting such sums in any other manner, the Agent(s) in question is/ are hereby expressly authorized, in its/ their sole discretion, to respond as it/ they deem appropriate or to comply with any writ, order or decree so passed or issued. In the event that the Agent(s) in question obey(s) or comply(ies) with any such writ, order or decree it/ they shall not be liable to the Social Investor or to any other person, should, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.
- 10.3 **Successors and Assigns.** This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns. No assignment of the interest of any of the Parties shall be effective or binding unless specifically permitted by the other Parties (such permission not to be unreasonably withheld). No other persons shall have any rights under this Agreement.
- 10.4 **Escheat.** The Parties are aware that under applicable state law, property which is presumed abandoned may under certain circumstances escheat to the relevant state. The Agents shall

have no liability to the Social Investor, its respective heirs, legal representatives, successors and assigns, or any other party, should any or all of the amounts as are held by the Agents under the terms of this Agreement escheat by operation of law.

- 10.5 **Conclusion of the Agreement and Effective Date.** This Agreement shall be concluded by the Agents by way of physical execution hereof and by the Social Investor by expressing consent to the terms of this Agreement, after perusal, in any manner whatsoever which shall give a clear indication of his consent. The date on which this Agreement shall come into effect shall be the date on which the Social Investor consents to the terms of this Agreement
- 10.6 **Best Efforts.** Subject to the terms and conditions of this Agreement, each Party will use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate the transactions contemplated herein. Each Party agrees to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be necessary or desirable in order to consummate or implement expeditiously such transactions.
- 10.7 **Governing Law; Jurisdiction.** This Agreement and the rights and obligations of the Parties hereunder shall, be construed in accordance with and be governed by the laws of India. All disputes arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts at Bangalore.
- 10.8 **Entire Agreement.** This Agreement contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes all prior agreements and understandings both oral and written between the Parties with respect to such subject matter.
- 10.9 **Amendment; Waiver.** No modification or amendment of this Agreement shall be valid or binding unless made in writing and agreed to by the Parties. No failure or delay of the Social Investor to insist upon the strict performance of any of the terms, conditions and provisions of this Agreement shall be construed as a waiver or relinquishment of future compliance therewith nor shall any single or partial exercise thereof include any other or further exercise thereof or the exercise of any other right, power or privilege and the terms, conditions and provisions of this Agreement shall remain in full force and effect unless and until waived in writing by the Social Investor.
- 10.10 **Severability.** In case any provision in this Agreement shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

11. NOTICES

- 11.1 All notices, replies, requests, reports, financial statements, demands or other communications required or permitted under this Agreement shall be in writing, effective upon receipt, and shall be transmitted by either (a) an overnight courier, or (b) facsimile with telephone confirmation of receipt, or (c) registered or certified mail, return receipt requested, postage prepaid; or (d) by electronic mail; addressed as per the details furnished by the Parties to one another in pursuance hereof.

11.2 Any Party may, from time to time, change its address for receipt of notices, or other communications provided for in this Agreement, by giving the other Parties not less than fifteen (15) days prior written notice.

12. RULES OF INTERPRETATION

In this Agreement, unless the subject, context or meaning otherwise requires:

12.1 headings to any of the Clauses of this Agreement are only for the sake of convenience and shall not affect the interpretation of any such Clauses which shall be solely interpreted in the light of the contents thereof;

12.2 where a word or phrase is defined by description between inverted commas, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;

12.3 words importing the singular shall include the plural and vice versa;

12.4 any reference to any gender includes a reference to all the genders; and

12.5 in the event of any dispute as to the interpretation of any definition, or any other provision of this Agreement it is unconditionally agreed by and between the Parties that the Social Investor's interpretation of such definition or other provision shall be final and binding on the Parties.

Name
Managing Trustee
Rang De

Name
Designation/Seal
Field Partner