

Save Solutions Private Limited, India

Indicative Term Sheet

Terms applicable to Non-Convertible Debentures ("NCD")

23 March 2021

This Indicative Term Sheet is a summary of the principal terms and conditions in relation to non-convertible debentures. The Issuer of the NCD is asked to appoint an Indian law firm to obtain legal advice in relation to the NCD transaction documents.

This document does not constitute a legally binding agreement or offer under any applicable law.

1. Issuer	Save Solutions Private Limited, India ("Save")
2. Purchasers of NCD	<p>50% of principal amount: AAV Sarl (Luxembourg), through its Indian custodian Deutsche Bank AG, Mumbai branch, in accordance with Foreign Portfolio Investment (FPI) regulations.</p> <p>50% of principal amount: Masala Investments Sarl (Luxembourg), through its Indian custodian Deutsche Bank AG, Mumbai branch, in accordance with Foreign Portfolio Investment (FPI) regulations.</p> <p>Note: the purchasers are "unrelated" to each another for purposes of the FPI regulations.</p>
3. Servicer	Symbiotics SA
4. Principal amount	INR 242,000,000
5. Maturity Date	31 March 2026
6. Issue Date (Deemed Date of Allotment)	31 March 2021
7. Issue Price	100.0%
8. Coupon	<p>12.15% p.a., fixed.</p> <p>Day Count Fraction: ACT/ACT</p>



	<p>The Coupon is gross of Indian withholding tax of 5% (and applicable surcharge thereon).</p> <p>If the Indian withholding tax is modified and increased above 5% (the "WHT Increase"), the Issuer shall – starting on the date when such WHT Increase becomes effective, and for as long as such WHT Increase remains effective – pay an additional amount corresponding to the shortfall, which the debenture holders would have incurred as a consequence of the WHT Increase had the Issuer not paid such additional amount.</p> <p>If the Indian withholding tax is modified and decreased below 5% (the "WHT Decrease"), the Issuer shall – starting on the date when such WHT Decrease becomes effective, and for as long as such WHT Decrease remains effective – deduct an amount corresponding to the excess amount, which the debenture holders would have received as a consequence of the WHT Decrease.</p>
9. Coupon Payment Dates	<p>Semi-annually, on 13 March and 13 September in each year, and on the Principal Redemption Date, and on Maturity Date.</p> <p>In relation to each Coupon Payment Date and in relation to each date when any other payment is due by the Issuer under the NCD (each, a "Relevant Payment Date"), the Issuer undertakes to:</p> <ul style="list-style-type: none"> - Send, by e-mail, to the Purchasers or their designated agent, a scan of the duly completed and signed Form 15 CA/CB on the Relevant Payment Date; and - Courier to the Purchasers (or their designated agent), within 3 Business Day after a Relevant Payment Date the original of the duly completed and signed Form 15 CA/CB.
10. Principal Redemption	<p>99.99% of the Principal amount will be repaid on 31 March 2024 (the "Principal Redemption Date").</p> <p>00.01% of the Principal amount will be repaid on Maturity Date.</p>
11. Use of Proceeds	General corporate purposes
12. Up-Front Fee	An up-front fee equal to 1% of the Principal Amount will be payable by the Issuer of the NCD to the Purchasers of the NCD on or about the Issue Date. Up-front fee is subject to gross-up for withholding tax. This fee will be invoiced as due diligence fee for the tenure of the NCD payable up-front.

Pankaj



	<p>All costs relating to the issuance of the NCD (legal advice, financial advice, rating etc.) will have to be met by the Issuer of the NCD.</p> <p>[Note: this will not be a term of the NCD]</p>
13. Listing	Not Applicable
14. Ranking	Obligations by the Issuer under the NCD shall rank pari passu with all other senior obligations of the Issuer.
15. Security	<p>The obligations of the Issuer under the NCD will be secured by a hypothecation of loans (and/or other assets) in the form of a fixed charge, whereas the cumulative amount of all assets subject to the hypothecation shall be, at any time, not less than 100% of the outstanding amounts under the NCD.</p> <p>Eligibility criteria in relation to assets that form part of the hypothecation, at time of inclusion, are:</p> <ul style="list-style-type: none"> - Must be a loan receivable or deposit; - Must be fully paid-in; - Must be secured over assets of the borrower (subsidiary) with a security cover ratio of at least 100% at any time. <p>The Issuer shall create the security on Deemed Date of Allotment. The Issuer shall perfect the security by making the required filings no later than 30 calendar days after Deemed Date of Allotment.</p> <p>The Issuer shall report, on a monthly basis, of the specific assets which are subject to the hypothecation.</p>
16. Early Redemption	<p>Early redemption is possible subject to (a) applicable law; and (b) the prior written approval of the Purchasers of the NCD; (c) must occur on any Coupon Payment Date, but not on any other date, and (d) is subject to a prepayment penalty of 2% of outstanding principal amount.</p> <p>However, any time after 31 March 2024 an early redemption can be made on any day and it is not subject to a prepayment penalty of 2% of the outstanding principal amount.</p> <p>The prepaid principal amount must be of not less than INR 60,000,000.</p>
17. Conditions precedent to NCD purchase	<ul style="list-style-type: none"> - No event or potential event of default - Compliance with all representations and warranties - All governmental and third party approvals or consents - Satisfactory due diligence and internal credit scoring by the Servicer

Paikay



	<ul style="list-style-type: none"> - Successful refinancing by the Purchasers of NCD - Execution of all relevant transaction documents - Satisfactory independent legal opinion regarding enforceability and capacity of Issuer of NCD - All financial documentation and reporting as reasonably requested by the Servicer - A rating shall have been assigned to the NCD of not less than [BBB-] by any recognized rating agency approved by SEBI for carrying out debt ratings in India. - Purchasers of NCD having obtained the "investment limits" required for the transaction
18. Events of Default	<p>Upon an event of default, the NCD can (at the discretion of the Purchasers of the NCD) be declared immediately repayable.</p> <p>The Events of Default include:</p> <ul style="list-style-type: none"> - Failure to Pay - Breach of Covenant - Misrepresentation - Breach of Agreement - Cross-Default - Material Adverse Change - Liquidation / Bankruptcy - Creditor's Process / Court judgment - Unlawfulness - Repudiation
19. Financial covenants	<p>The Issuer will at all times maintain:</p> <ul style="list-style-type: none"> - Maximum ratio of PAR30 (defined as portfolio in arrears of 30 days or more) to gross loan portfolio of no more than 8%; - Maximum ratio of Adjusted PAR30 (defined as PAR30 plus all rescheduled and restructured loans less than 30 days overdue) to gross loan portfolio of no more than 15%; - Maximum ratio of open loan position (defined as Adjusted PAR30 less provisioning) to equity of not more than [20%], applicable from 01 July 2021; - Minimum capital adequacy ratio of 15%; - Minimum return on assets (ROA) of at least 0.5%; - Maximum financial leverage (debt to equity) of not more than [6]; - Less than 5% of its liabilities and assets in non-INR denominated currency; - Ratio of outstanding off-balance sheet portfolio (including asset securitization) to total assets less than 40% - Maximum double leverage¹ of 90%.

¹ Defined as the ratio of (i) the aggregate of any shares or other equity instruments which the Issuer holds in any company

Poojey Kumar



20. Negative covenants	<p>The Issuer will not, without prior written consent of the Purchasers</p> <ul style="list-style-type: none"> - Change its business such that it no longer remains an NBFC; - Undertake any merger, consolidation or reorganization; - Allow for a change of control event in relation to its shareholders (change of control event defined as an event whereby existing shareholders are diluted below 67% of voting rights); and - Enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of all or substantially all of its assets, other than asset securitizations.
21. Representations	Standard representations for NCD will apply.
22. Reporting covenants	<p>The Issuer shall provide:</p> <ol style="list-style-type: none"> 1. Reporting documentation and due diligence requirements prior to closing and on annual basis as required by the Servicer, including <ol style="list-style-type: none"> a. Legal and operational documents/information <ul style="list-style-type: none"> - Constitutional documents (Articles of Association or bylaws) - Functioning documents (registration, license, etc.) - Shareholding structure - List of board of directors - List of management team including CVs and organizational chart - Any other legal or operational document or information as Symbiotics Research & Advisory may reasonably request. b. Financial documents/information <ul style="list-style-type: none"> - Audited accounts of the last 2 years - Latest business plan and financial projections - Detailed list of sources of funding - Third party rating or external evaluation, if existing - Financial position reports on the last three years to be posted on the Symbiotics online reporting platform at the address http://www.syminvest.com. - Monthly financial position reports for the last three month of the current year to be posted on Symbiotics online reporting platform at the address https://my.syminvest.com/login

or entity, valued on the basis of historic cost, to (ii) the Capital of the Issuer.



	<p>2. Monthly reporting requirements</p> <p>Monthly reports to be posted on Symbiotics online reporting platform at the address https://my.syminvest.com/login no later than 30 days after the close of each month.</p>
23. Governing law	Indian law. Mumbai jurisdiction
24. MEF specific covenants	<p>1. Representations</p> <p>The Issuer represents and warrants that:</p> <p>a. to the best of the Issuer's knowledge and belief, after due inquiry, there are no material social or environmental risks or issues in respect of the Relevant Financing Operations other than those identified by the S&E Management System;</p> <p>b. the Issuer has not received nor is aware of: (i) any existing or threatened complaint, order, directive, claim, citation or notice from any Authority; or (ii) any material written communication from any Person concerning the failure by any Client to undertake its operations and activities in accordance with the S&E Requirements; and</p> <p>c. neither the Issuer, nor any affiliates of the Issuer, nor any person acting on its or their behalf, has committed or engaged in, with respect to its banking license or any transaction contemplated by this Agreement, any Sanctionable Practice.</p> <p>2. Conditions</p> <p>On or prior to the date of this Agreement:</p> <p>a. the Servicer has received copies, in form and substance satisfactory to the Servicer that so requests all of the insurance policies of the Issuer (and additional requirements to be determined by the Servicer);</p> <p>b. the Issuer has designated in writing a senior officer of the Issuer, reasonably acceptable the Servicer, to be responsible for administration and oversight of the S&E Management System (the "SEMS Officer").</p> <p>3. Affirmative Covenants</p> <p>For so long as any amount remains outstanding under the terms of this Agreement, the Issuer shall:</p> <p>a. upon the request of the Servicer or MEF, permit</p>

Pooja Chitambar



representatives of the Servicer, MEF or such CAO of MEF, as applicable, to visit and inspect any of the premises where the business of the Issuer is conducted and to have access to its books of account and records and to its employees and agents;

b. at all times institute, maintain and comply with internal procedures and controls satisfactory to the Servicer and the shareholders of the Servicer, to ensure that any financial institution with which the Issuer conducts business or enters into any transaction, or through which the Issuer transmits any funds, does not have correspondent banking relationships with any Shell Bank;

c. At all times institute, maintain and comply with internal procedures and controls satisfactory to the Servicer and the shareholders of the Servicer, following national law and best international banking standards, for the purpose of: (i) preventing the Issuer from being used for money laundering, the financing of terrorist activity, fraud, or other corrupt or illegal purposes or practices; and (ii) ensuring that the Issuer will not enter into any transaction with, or for the benefit of, any of the individuals or institutions named on lists of sanctioned persons promulgated by the United Nations Security Council or its committees pursuant to resolutions in connection with anti-terrorism matters;

d. use all reasonable efforts to ensure the continuing operation of the S&E Management System to identify, assess and manage the social and environmental performance of the Relevant Financing Operations in compliance with the S&E Requirements; and in the event any successor or replacement SEMS Officer is appointed, ensure that such SEMS Officer shall be reasonably acceptable to the Servicer;

e. without limiting any other right, remedy or claim of the Servicer hereunder, if the Issuer becomes aware of any change in the scope of the Relevant Financing Operations, advise and consult with the Servicer regarding any material social or environmental risk posed by such development and, if requested by the Servicer or any shareholder of the Servicer, amend the S&E Management System to identify, assess and manage such risks;

f. if the Issuer becomes aware that any Client has undertaken Client Operations in a manner that is not in accordance with the S&E Requirements, it shall promptly: (i) agree with the relevant Client, or require the relevant Client to undertake, as appropriate or necessary in the Issuer's reasonable judgment, corrective measures to remedy such

Praveen Kumar


inconsistency or breach; and (ii) if the relevant Client does not implement corrective measures as provided in (i), use reasonable efforts to dispose of the Issuer's investment in such Client on commercially reasonable terms, taking into account liquidity, market constraints and fiduciary responsibilities;

g. the Issuer shall: (1) operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions; (2) not take any action on the basis of the right of association or on the basis of organization and collective bargaining activities or membership that may result in the termination, suspension, demotion, blacklisting, or transfer of any employee by the Issuer, or by an officer, agent or representative thereof; (3) pay all wages, including bonuses and overtime pay to all employees in a timely fashion and in a manner consistent with ILO Convention 95; (4) not require to work more than 48 standard hours of work per week and guarantee a weekly 24- hour rest period to all employees; (5) not use the Loan to make a loan to any micro-borrower that employs persons under the age of fifteen (15) for any form of labor or under the age of eighteen (18) for work involving hazardous labor activity, except to the extent that such micro-borrowers are family and small-scale holdings that produce for local consumption and do not regularly employ hired workers; and (6) not use the Loan to make loan to any micro-Borrower that violates applicable labor laws and regulations, including those related to the right of association, organization and collective bargaining, forced labor, child labor, wages, hours of work, and occupational health and safety; provided that if any applicable law, or collective bargaining agreement, imposes a requirement that is more protective of worker rights than any of the foregoing requirements, the Issuer shall, and shall cause the MFI borrower(s) and to, observe such applicable law or collective bargaining agreement (the requirements set forth above, collectively, the "Worker Rights Requirements");

h. in the event that information concerning non-compliance or potential non-compliance with the Worker Rights Requirements (a "Worker Rights Non-Compliance") comes to the attention of a responsible officer of the MFI, the Issuer shall give prompt notice thereof to the Servicer. The MFI shall use all reasonable efforts, including remediation, to cure or to cause the relevant contractor or subcontractor to cure, or prevent the recurrence of, any Worker Rights Non-Compliance.

i. the Issuer shall: comply with the following conditions: (1) comply with applicable national laws and regulations

Payton K...


related to environmental and social performance, including requirements related to healthy and safe work environments; (2) not make (directly or indirectly) any loan to any entity engaged in a prohibited activity as defined in Annex 3.

j. the Issuer shall: (i) insure and keep insured, with financially sound and reputable insurers, all assets and business against all insurable losses to include the insurances specified in Section 2.(a) above and any insurance required by law; (ii) punctually pay any premium, commission and any other amounts necessary for effecting and maintaining in force each insurance policy; (iii) promptly notify the relevant insurer of any claim by the Issuer under a policy written by that insurer and diligently pursue that claim; (iv) not do or omit to do, or permit to be done or not done, anything which might prejudice the Issuer's right to claim or recover under any insurance policy; (v) not vary, rescind, terminate, cancel or cause a material change to any insurance policy; and (vi) establish insurance requirements, and implement and maintain procedures to monitor such requirements with respect to its lending activities; and

k. the Issuer shall ensure that: (i) each insurance policy required to be obtained pursuant to this Annex shall be on terms and conditions acceptable to the Servicer and the shareholders of the Servicer, and shall contain provisions to the effect that no policy can expire nor can it be cancelled or suspended by the Issuer or the insurer for any reason (including failure to renew the policy or to pay the premium or any other amount) unless the Servicer and, in the case of expiration or if cancellation or suspension is initiated by the insurer, the Issuer receive at least forty-five (45) days' notice (or such lesser period as the Servicer may agree with respect to cancellation, suspension or termination in the event of war and kindred peril) prior to the effective date of termination, cancellation or suspension; and (ii) the Servicer shall be named as an additional named insured on all liability policies.

4. Negative Covenants

For so long as any amount remains outstanding under the terms of this Agreement, the Issuer shall not:

a. amend, waive the application of, or otherwise materially restrict the scope or effect of, the S&E Management System and the S&E Requirements without MEF's prior written consent;

J. P. K...


b. provide sub-loans, financing or other financial support to any Clients engaged in any of the activities on the Exclusion List;

c. engage in (nor authorize or permit any affiliate, any Client or any other person acting on its or their behalf to engage in) with respect to its banking license or any transaction contemplated by this Agreement, any Sanctionable Practices; and should the Servicer or any shareholder of the Servicer notify the Issuer of its concerns that there has been a violation of the provisions of this Section of this Agreement, it shall cooperate in good faith in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Servicer or such shareholder, and shall furnish documentary support for such response upon request;

d. use the proceeds of this Agreement in the territories of any country that is not a member of the World Bank or for reimbursements of expenditures in those territories or for goods produced in or services supplied from any such country; or

e. conduct business or enter into any transaction with, or transmit any funds through, a Shell Bank.

5. Reporting Covenants

For so long as any amount remains outstanding under the terms of this Agreement, the Issuer shall:

a. within ninety (90) days after the end of each financial year, deliver to the Servicer the S&E Performance Report;

b. within ninety (90) days after the end of each financial year, deliver to the Servicer a copy of the annual report prepared by the internal anti-money laundering and combating the financing of terrorism officer for the Issuer's senior management concerning anti-money laundering, combating the financing of terrorism and related matters;

c. within three (3) days after becoming aware of the occurrence, notify Servicer of any social, labor, health and safety, security or environmental incident, accident or circumstance with respect to any Client or in relation to any the Client Operations having, or which could reasonably be expected to have, any material adverse effect or a material adverse impact on the implementation or operation of the Client Operations in compliance with the S&E Requirements, specifying in each case the nature of the incident, accident, or circumstance and the impact or effect

Payteij Kuncu


arising or likely to arise there from, and the measures being taken, or plans to be taken, to address them and prevent any future similar event; and keep the Servicer informed of the on-going implementation of those measures;


d. the Issuer shall provide to the Servicer the following: (i) on or prior to the date of this Agreement, a copy of the Issuer's procedures referred to in Section 3.(g)(vi), and from time to time, if the Servicer so requests, information on insurances relating to its lending activities; (ii) on or prior to the date of this Agreement, a policy statement from its insurance agent or broker describing the insurance arrangements made by the Issuer to protect its assets and operations and the terms and conditions of coverage under those arrangements (as to extent, amount and exclusions); (iii) on an annual basis promptly following renewal of each insurance policy, a copy of each required insurance policy; and (iv) from time to time, any other insurance related information as the Servicer requests.

6. Definitions

"CAO"	Compliance Advisor Ombudsman, the independent accountability mechanism for MEF that impartially responds to environmental and social concerns of affected communities and aims to enhance outcomes;
"Client"	any borrower, investee or other Person financed directly or indirectly by the Relevant Financing Operations;
"Client Operations"	any operations or activities of the Clients (or with respect to any Client, the operations and activities of that Client) financed directly or indirectly by the Relevant Financing Operations;
"Relevant Financing Operations"	the on-lending operations of the Issuer financed by the SERVICER directed to the microfinance sector
"Sanctionable Practice"	any Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice, or Obstructive

Paula...


		Practice, as those terms are defined and interpreted in accordance with the Anti-Corruption Guidelines attached to this Agreement as Annex 8;
	"SEMS Officer"	a senior officer of the Issuer to be responsible for administration and oversight of the S&E Management System, initially appointed in accordance with this Annex;
	"S&E Management System"	the social and environmental management system of the Issuer that enables the Issuer to identify, assess and manage the social and environmental risks in respect of the Relevant Financing Operations in accordance with the S&E Requirements;
	"S&E Performance Report"	a written report prepared by the Issuer, in form and substance satisfactory to the Servicer, evaluating the social and environmental performance of Clients for the previous fiscal year, describing in reasonable detail (i) implementation and operation of the S&E Management System and (ii) the environmental and social performance of the Clients;
	["SEMS Plan"	the plan set forth in Annex 7, setting forth in reasonable detail the specific measures, modifications and enhancements to be implemented by the Issuer in respect of the S&E Management System;]
	"S&E Requirements"	the social and environmental obligations to be undertaken by the Clients to ensure compliance with: (i) the Exclusion List; and (ii) any other requirements established by the S&E Management System; and
	"Shell Bank"	a bank incorporated in a jurisdiction

Pauline K...


	in which it has no physical presence and which is not an affiliate of a regulated (i) bank or (ii) financial group.
--	---

Bankaj Kumar

