

Mr. Sanjay Sharma
Chief Executive Officer
8th Floor, Vipul Square B-Block
Sushant Lok-1, Gurgaon, Haryana, India

Bangkok, July 2, 2018

Subject: Term sheet loan facility for Aye Finance Private Limited.

Dear Mr. Sanjay Sharma,

We are pleased to indicate terms and conditions of a debt facility to AYE Finance Private Limited from Pettelaar Effectenbewaarbedrijf N.V. Below are a summary of terms and conditions ("Indicative Term Sheet") that Triple Jump B.V., on behalf of Pettelaar Effectenbewaarbedrijf N.V., considers appropriate for a facility of this nature. This Indicative Term Sheet does not constitute a final offer, is not exhaustive, and is subjected to all necessary approvals and market conditions at the time of disbursement.

Indicative Terms & Conditions

Borrower	AYE Finance Private Limited
Lender	Pettelaar Effectenbewaarbedrijf N.V.
Fund Manager	Triple Jump B.V.
Instrument	Unlisted Non Convertible Debtures (NCD)
Facility	USD 5mln equivalent in INR. Currently, INR ~340mln
Currency	INR
Maturity	6 years with a put/call option after 3 years.
Interest rate	12.10% per annum ¹ (Gross) 11.439% per annum ¹ , (net of applicable withholding taxes).
Interest payment	Semi-annually on outstanding Facility
Disbursement	July 2018
Security	First ranking pledge over prime Loan Portfolio (<90 days past due) of Borrower amounting to 100% of outstanding Facility.
Legal Fees	The Borrower shall appoint an independent legal counsel deemed acceptable to the Lender. All fees charged are to be borne by the Borrower.
Reporting Covenants	Monthly reports of financial statements and portfolio data in a format provided by the Fund Manager.
Financial Covenants	<ol style="list-style-type: none"> 1. PAR>30 (including rescheduled loans) <8% of outstanding loan balances 2. PAR>90 (including rescheduled loans) <5% of outstanding loan balances 3. Write off ratio (TTM) <2% 4. CRAR (as per RBI definition) > 17% at disbursement; 5. CRAR (as per RBI definition) > 20% from 3 months after disbursement onwards; 6. FX exposure < 20%; 7. Open Loan Exposure: PAR90+Restructured Loans - Loan Loss Reserves/Capital =<15% 8. Short Term Liquidity: Assets convertible to cash within 90 days/Liabilities coming due in 90 days >= 100%

This document must be treated as strictly confidential. Upon acceptance, please sign-off and return the document to us via email.



¹ The return of the Lender is dependent on hedging costs. Lender reserves the right to postpone or cancel disbursement should the EUR return fall below the required return of the Lender.

We hope this letter will lead to further cooperation between Aye Finance Private Limited and Triple Jump B.V.

Kind Regards,



Freek Kortekaas
Regional Manager
Triple Jump

Agreed and accepted on this date: _____

By: 

Mr. Sanjay Sharma
CEO, Aye Finance Private Limited

