

Shankar

S.V. Srikanth
S.V.L.No15 - 10 - 018 / 2000
R.L.No.15 - 10 - 012 / 2012
P.No.49, SY.No. 10
Beside Swathi School Madhapur
Serilingampally, TR District.
RENO: 68/2021
Lic. NO : 07 / 2013

STANDARDITY TELANGANA
NON JUDICIAL
RS ≈ 0000100 - 4.10.2021
357462
INDIA TELANGANA
0100477130151

LOAN AGREEMENT

This Loan Agreement (this “**Agreement**”) is made on the day of 04, October 2021 by and between:

SOFTSOL RESOURCES, INC., a company incorporated under the laws of United States of America (host country), Federal Tax ID: 94-3171056, duly incorporated in the State of California, with primary offices located at 42808 Christy Street, Suite 100, Fremont, CA 94538 (hereinafter referred to as the “**Borrower**”, which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns), of the **FIRST PART**

AND

SoftSol India Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at **Plot No 4, software units layout, Madhapur, Hyderabad-500081** (hereinafter referred to as “**Lender**,” which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**;

The Lender and the Borrower are collectively hereinafter referred to as the “**Parties**” and individually as a “**Party**.”

WHEREAS

1. The Borrower is the wholly owned subsidiary company of the Lender. Both Borrower and Lender are in the same or identical lines of business.
2. The Borrower deals in carrying the business at 42808 Christy Street, Suite 100, Fremont, CA 94538 and had approached banks for financing in the past. Since the Borrower is 100% owned by a foreign company, it is difficult to secure financing. In the meantime, the management of the Subsidiary has decided to approach the Lender to provide finance for meeting the funding requirements for: Continued business expansion, diversification and supporting operations.
3. At the request of the Borrower, the Lenders board has consented in its meeting held on 30th September 2021 for providing a loan for the purpose up to a maximum limit of US\$5 Million. (Five million US dollars) in one or more tranches.
4. The Parties wish to record the terms of the Loan in the manner set forth in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. The Lender has sanctioned the loan not exceeding the amount of US\$5 Million. (**Five million US dollars**) in one or more tranches as an Unsecured Loan to the Borrower for the stated purpose to be disbursed as and when so mutually decided by parties.

2. The Loan is sanctioned at simple interest rate of (Average Monthly Secured Overnight Financing Rate plus ~ 1.0%)per annum. Monthly interest payment will be due to pay on or before 7th of every subsequent month. Whereas the interest accrued up to November 30, 2021 may be paid as the first interest payment by 7th December 2021. Afterwards monthly interest payment will be due to pay on or before 7th of subsequent month. As borrower has the right to pay down the principal loan amount from time to time, interest is only accrued based on the outstanding loan balances.

3. The borrower and lender mutually agree to draw up an Interest payment schedule and principal repayment schedule. Such schedules will provide for a loan term of not less than ten (10) years with the outstanding principal due in full at the end of the loan term and outstanding accrued interest payable monthly. Notwithstanding, borrower will have the right to prepay all or any portion of the outstanding principal and interest at any time, for convenience or other reason, without penalty. These schedules as and when prepared and executed will become a part of this loan agreement (as an addendum to this loan agreement) from the date of their signing. The above loan schedules and related payment terms may be changed upon the mutual written consent of both parties.

4. The Borrower be and is hereby agreed to utilize the Loan facility exclusively for its business purpose as specified above.

5. The Lender has the option for conversion of outstanding loan, wholly or partially, into Equity at any time by giving a simple request/notice to the borrower Company, in ordinary shares at a price as valued according to the provisions under the Foreign Exchange Management Act, 1999 and its regulations.

6. The terms of the agreement can be amended by mutual consent and should be reduced in writing and to be signed by both the lender and the borrower.

7. Both the Parties are entitled to assign all or any part of its rights, obligations hereunder by giving intimation to each other. Lender may assign to any other person all or any part of its rights and benefits hereunder. In the event of any such permitted assignment as aforesaid, the assignee shall be substituted for the assignor for all the purposes hereof and shall have the same rights against the Borrower as it would have had if it had been a party hereto as a lender.

8. Any notice or other communication under or in connection with this Agreement is to be in writing in the English language and signed by or on behalf of the Party giving it. The notice or communication may be served through email or sending it by facsimile transmission or by courier to the Party due to receive the notice or communication at the address provided hereunder or such other address as that Party may specify from time to time in writing to the other Party. Communication address of both the parties:

a. **Borrower's address** – 42808 Christy Street, Suite 100, Fremont, CA 94538

b. **Lender's address** – Plot No 4, software units layout, Madhapur, Hyderabad-500081.

9. The Parties warrant that the individual executing this Agreement on behalf of each Party has been fully empowered to do so and that all necessary corporate actions required to authorize the execution of this Agreement have been taken by such Party, it being agreed that it shall not be necessary for either Party to enquire or verify whether such action has in fact been taken.

IN WITNESS WHEREOF the Parties hereto have executed these presents the day and year first hereinabove written.

SIGNED and DELIVERED for and on behalf of **SoftSol Resources Inc.**



Srini Madala

CEO and DIRECTOR

Witness:

Sign: 

Name:

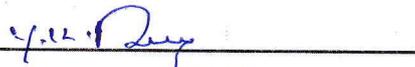
DURGA V-L-K. MADALA

SIGNED and DELIVERED for and on behalf of **SoftSol India Limited**



DIRECTOR

Witness:

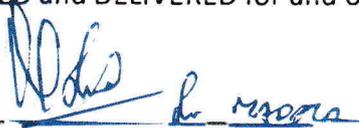
Sign: 

Name: Y. Koteswara Rao.

Terms and conditions to the loan agreement.

S. No	Particulars	Details
1	Loan amount	Up to USD 5 Million
2	Currency of Loan	USD
3	Interest Rate	Average Monthly SOFR (Secured Overnight Financing Rate) PLUS 1%
4	Tenure of Loan	10 Years
5	Repayment of Loan	The principal amount is due for repayment at the end of 10 years from the date of disbursement.
6	Interest Payment	Monthly interest payment will be due to pay on or before 7th of every subsequent month. Whereas the interest accrued up to November 30, 2021 may be paid as the first interest payment by 7th December 2021. Afterwards monthly interest payment will be due to pay on or before 7th of subsequent month.
7	Pre-Payment	SOFTSOL RESOURCES INC, USA allowed to Pre-Pay the Loan at any Point of time without any charges
8	Quarterly Reporting by SOFTSOL RESOURCES INC	SOFTSOL RESOURCES INC, USA has to submit quarterly reports to the Company with the detail's utilization of funds during the quarter.

SIGNED and DELIVERED for and on behalf of **SoftSol Resources Inc.**



Srini Madala

CEO and DIRECTOR

Witness:

Sign: 

Name:

DURGA V-L-K. MADALA

SIGNED and DELIVERED for and on behalf of **SoftSol India Limited**



DIRECTOR

Witness:

Sign: 

Name:

Y. Koteswara Rao