Sagittarius Trust 08 2022
Information Memorandum
CATALYST TRUSTEESHIP LIMITED

90,59,81,844 Series A1 PTCs aggregating to Rs. 90,59,81,844 (Indian Rupees Ninety Crore Fifty Nine Lakh Eighty One Thousand Eight Hundred and Forty Four) having a rating of AAA (SO) by India Ratings and Research Private Limited and 9,79,43,983 Series A2 PTCs aggregating to Rs. 9,79,43,983 (Indian Rupees Nine Crore Seventy Nine Lakh Forty Three Thousand Nine Hundred and Eighty Three) having a rating of AA- (SO) by India Ratings and Research Private Limited, each offering a yield as more particularly set out in Annexure 1 hereto, maturing on the dates identified under Annexure 1 hereto, price identified under Annexure 1 hereto, evidencing beneficial interest in loan receivables originated by Navi Finserv Limited and issued pursuant to the terms of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 as amended/supplemented/replaced from time to time.

Indicative Issue Schedule	
Issue Opening Date	October 30, 2023
Issue Closing Date	October 30, 2023
Deemed Date of Allotment	October 30, 2023
Issue Size (Series A1 PTCs)	INR 90,59,81,844 (Indian Rupees Ninety Crore Fifty Nine Lakh Eighty One Thousand Eight Hundred and Forty Four)
Issue Size (Series A2 PTCs)	INR 9,79,43,983 (Indian Rupees Nine Crore Seventy Nine Lakh Forty Three Thousand Nine Hundred and Eighty Three)

SELLER & SERVICER

Navi Finserv Limited
2nd Floor, Vaishnavi Tech Squareiballur Village, Begur Hobli, HSR Layout, Bangalore, Bangalore South, Karnataka - 560102, India
Tel: +91 80108 33333
Website: www.navi.com/finserv
Contact Person: Apeksha Munwanee
Email ID: apeksha.munwanee@navi.com

STOCK EXCHANGE

BSE Limited
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Tel: 022-22721233/4
Fax: 022-22721919
Website: www.bseindia.com

TRUSTEE

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RATING AGENCY

India Ratings and Research Private Limited
Wockhardt Towers, 4th floor, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India

LEGAL COUNSEL

Phoenix Legal
Vaswani Mansion, Office No. 17 & 18 3rd Floor, 120 Dinshaw Vachha Road Churchgate, Mumbai – 400 020

REGISTRAR & TRANSFER AGENT

NSDL Database Management Limited
4th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013

Each Pass Through Certificate (PTC) represents a proportionate undivided beneficial interest in the underlying pool of receivables arising from loans extended by Navi Finserv Limited, in the ordinary course of business. It does not represent an interest or obligation of Sagittarius Trust 08 2022 or Catalyst Trusteeship Limited nor are the underlying loan contracts insured or guaranteed by Navi Finserv Limited save to the extent of credit enhancement provided by Navi Finserv Limited as described herein. Further all the concerned are hereby informed that the PTCs do not represent deposit liabilities of the Originator, the Servicer, the Trust or the Trustee and that they are not insured. The Trustee/ Originator/ Servicer/Trust does not guarantee the capital value of PTCs and the performance of PTC issued, or collectability of receivables pool and the investments in the PTCs are subject to prepayment risk, interest rate risk, credit risk, possible delays in repayment and loss of income and principal invested.

Disclaimer

All the expressions used in this disclaimer shall unless repugnant to the context or meaning thereof carry the same meanings herein are assigned to them in the paragraph under the heading "Definitions and Glossary of Terms"

This Information Memorandum of Private Placement ("**Information Memorandum**" or "**Offer Document**" or "**IM**") is neither a prospectus nor a statement in lieu of a prospectus. This document does not constitute an offer or an invitation for offer by or on behalf of Navi Finserv Limited ("**Seller**" or "**Originator**" or "**Assignor**") or Catalyst Trusteeship Limited ("**Trustee**") to subscribe to, or purchase Series A1 PTCs (as defined below) and Series A2 PTCs (as defined below), to be issued by the Sagittarius Trust 08 2022 trust ("**Trust**" or "**Issuer**"or "**Assignee**"). This Information Memorandum seeks to provide relevant details of the proposed securitisation of loan receivables arising from the loans provided by the Originator in the ordinary course of business through finance extended by the Originator to the borrowers for various business activities ("**Loans**" or "**Facilities**"). Apart from this Information Memorandum, no other document has been prepared in connection with the proposed securitisation of loan receivables and the Information Memorandum is not required to be registered under any applicable law. Accordingly, this Information Memorandum has neither been delivered for registration nor is it intended to be registered. Prospective investors must make their own assessment as to the suitability of investing in the PTCs.

Information in this Information Memorandum has been compiled by the Trustee on the basis of information provided *inter alia* by the Seller. To the best of its knowledge and belief the information as contained in this Information Memorandum is in conformity with the facts as available on the date of this Information Memorandum.

Further, the Seller and the Issuer has not authorised any other person to provide any information or make any representations other than those contained in this document. Further, the information contained in this document may undergo changes with time.

Each copy of this Information Memorandum is serially numbered and the person to whom a copy of the Information Memorandum is sent, is alone entitled to apply for the PTCs. Any application by a person to whom this Information Memorandum has not been sent by the Issuer shall be liable to be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents without the prior written consent of the Issuer.

The rating is not a recommendation to purchase, hold or sell the PTCs in as much as the rating does not comment on the market price of the PTCs or its suitability to a particular Investor. The rating currently is a provisional rating and the final rating is contingent upon the receipt of final documents conforming to information already received by the Rating Agency. There is no assurance either that the rating will remain at the same level for any given period or that the rating will not be lowered or withdrawn entirely by the Rating Agency.

The PTCs represent an undivided beneficial interest in the underlying loan assets and do not represent an obligation of the Trustee, or the Seller (other than to the extent of the credit enhancement provided, if any), or any affiliate of the Trustee.

This Information Memorandum is not intended to form the sole basis of evaluation for the potential investors to whom it is addressed and who are willing and eligible to subscribe to PTCs. This Information Memorandum has been prepared to give general information regarding the Seller and the transactions contemplated under

the Securitisation Documents, to parties proposing to invest in this issue of PTCs and it does not purport to contain all the information that any such party may require. This Information Memorandum and the other Securitisation Documents reflect only the future cash flows arising from the Receivables. Cash flows received prior to the Commencement Date and which are not intended to be assigned by the Originator to the Trust, irrespective of whether the same constitute advance or upfront payments, or otherwise, are not reflected in the Information Memorandum and the other Securitisation Documents and are not being considered for arriving at the Purchase Consideration payable by the Trust for the Receivables. The Investor Payouts payable to the Investors shall be as per the payout schedule set out in **Annexure 2** hereto and in the applicable Securitisation Documents.

For preparing this Information Memorandum, the Trustee has relied upon the information supplied by the Seller. The Trustee neither has verified independently, nor assumes responsibility for the accuracy and completeness of this Information Memorandum, or any other information or documents supplied or approved by the Seller. The Trustee holds no responsibility for any mis-statement in or omission from the Trustee in publicly available information or any other information about the Trustee available in the market. The Seller and the Trustee do not undertake to update this Information Memorandum to reflect subsequent events and thus it should not be relied upon without first confirming its accuracy with the Seller.

Potential investors are required to make their own independent evaluation and judgment before making the purchase and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in the PTCs. It is the responsibility of potential investors to obtain all consents, approvals or authorisations required by them to make an offer to subscribe for and purchase the PTCs. Potential investors should not rely solely on this Information Memorandum or any other information given by the Seller nor would providing of such information by the Seller be construed as advice or recommendation by the Seller to subscribe to and purchase the PTCs. The potential investors acknowledge that the Seller does not owe the Investors any duty of care in respect of this offer/invitation to subscribe for and purchase of the PTCs. It is the responsibility of potential investors to also ensure that they will sell these PTCs in strict accordance with this Information Memorandum and other applicable laws, so that the sale does not constitute an offer to the public. Potential investors should also consult their own tax advisors on the tax implications of the acquisitions, ownership, sale and redemption of the PTCs and income arising thereon.

This Information Memorandum is a medium of sharing information to potential investors with an objective to provide an investment opportunity in the PTCs outline the transaction structure. This IM may also contain information about parties to the transaction, which are of confidential nature and not publicly available. Any dissemination of this Information Memorandum to a party other than to whom it has been sent and use of the information contained in this Information Memorandum for purposes other than of a potential investor for this issue is strictly prohibited.

GENERAL RISK

Investment in structured products or structured obligations (SO) and such related securities involve a degree of risk and investors should not invest any funds in such instruments, unless they can afford to take the risks attached to such investments. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. Specific attention of investors is invited to statement of Risk Factors contained in Chapter 9 of this Offer Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the PTCs or investor's decision to purchase the PTCs. Please be advised that the relevant Receivables will be assigned to the Issuer by the Originator on a no-recourse basis (save for the Credit Enhancement provided by the Originator) and any investor shall carefully assess the risks associated with such assignment before proceeding with a decision to make an investment in the PTCs.

DISCLAIMER CLAUSE OF SEBI

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As per the provisions of the Securitisation Listing Framework, a copy of this Offer Document may need to be filed with or submitted to SEBI for its review/approval. It is to be distinctly understood that this Offer Document should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI nor does SEBI guarantee the adequacy and accuracy of this Offer Document. SEBI does not take any responsibility either for the financial soundness of any proposal for which the PTCs issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Offer Document.

Neither SEBI nor the stock exchanges are responsible for the correctness of any statements, opinions or other disclosures contained in this offer document. The registration granted by SEBI to the trustee should not be taken as an indication of the merits of the issuer, the originator or the securitised debt instruments.

The PTCs have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Offer Document has been filed with Stock Exchange in terms of the SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008, as amended/ supplemented/ replaced from time to time and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended/ supplemented/ replaced from time to time. It is to be distinctly understood that submission of this Offer Document to the Stock Exchange should not in any way be deemed or construed to mean that this Offer Document has been reviewed, cleared or approved by the Stock Exchange, nor does the Stock Exchange in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document. The Stock Exchange does not warrant that the PTCs will be listed or will continue to be listed on the Stock Exchange nor does the Stock Exchange take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of the PTCs have been/ will be made in India to investors as specified under clause "**Who Can Apply**" in this Offer Document, who have been/shall be specifically approached by the Issuer. This Offer Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to PTCs offered hereby to any person to whom it is not specifically addressed. This Offer Document does not constitute an offer to sell or an invitation to subscribe to the PTCs herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. The PTCs are governed by and shall be construed in accordance with the laws of India, and all disputes thereof shall be subject to the jurisdiction of the courts and tribunal set out in the Securitisation Documents.

DISCLAIMER IN RESPECT OF RATING AGENCY

Rating is an opinion on the credit quality and is not a recommendation to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its rating on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

ISSUE OF PTCs IN DEMATERIALISED FORM

The PTCs will be issued in dematerialised form. The Issuer has made arrangements with National Securities Depositories Limited and Central Depository Services (India) Limited for the issue of the PTCs in dematerialised

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form. The investors will have to hold the PTCs in dematerialised form as per the provisions of the Depositories Act, 1996. The Issuer shall take necessary steps to credit the PTCs allotted to the beneficiary account maintained by the investor with its depository participant. The Issuer will make the allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

ADDITIONAL ASSUMPTIONS

Each subscriber, by subscribing to the PTCs, and any subsequent purchaser, by purchasing the PTCs, shall be deemed to have agreed that and accordingly the Issuer and the Trustee shall be entitled to presume that each of the Investors:

(a) has reviewed the terms and conditions applicable to the PTCs as contained in the Offer Document and has understood the same, and, on an independent assessment thereof, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the investment in the PTCs are a suitable investment and that the Investors can bear the economic risk of that investment;

(b) has received all the material information provided by the Originator to the Issuer in connection with, and for investment in the PTCs;

(c) has understood that information contained in this Offer Document is not to be constructed as business or investment advice; and

(d) **has legal ability to invest in the PTCs and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Investors or its assets**.

Attention of the persons interested in subscribing to the Certificates is specifically drawn to the section titled Special Considerations and Risk Factors.

For Catalyst Trusteeship Limited,

(as the Trustee for Sagittarius Trust 08 2022)

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Authorised Signatory

Date: October 30, 2023

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List of Contact Persons

With regard to this Information Memorandum, the following people at the Trustee and the Seller can be contacted:

Originator/ Seller/ Servicer: Navi Finserv Limited				
Location	**Contact Person**	**Tel. No.**	**E-mail**	**Fax No.**
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Trustee: Catalyst Trusteeship Limited				
Location	**Contact Person**	**Tel. No.**	**E-mail**	**Fax No.**
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CHAPTER 1: DEFINITIONS AND GLOSSARY OF TERMS

Capitalised terms used in this Offer Document and not otherwise defined shall have the meanings given to them in the Securitisation Documents. For the purposes of this Offer Document, except as otherwise expressly provided or as the context or meaning thereof otherwise requires, the following expressions shall have the meanings assigned to them respectively hereinafter:

(1) "**Accounts**" means, collectively, the Collection and Payment Account and the Cash Collateral, or any one or more of them, as the context may require.

(2) "**Accounts Agreement**" means the accounts agreement dated on or about the date of the Trust Deed by and among the Seller/Facility Provider, the Servicer and the Trustee setting out the terms and conditions for opening, operating and maintaining the Collection and Payment Account with the Collection Bank and the Cash Collateral with the Approved Bank.

(3) "**Allottee**" means any PTC Applicant who has received an Allotment Advice

(4) "**Allotment Advice**" means the advice issued by the Trust confirming that the subscription by any potential investor in the PTCs, has been accepted.

(5) "**Alternate Servicer**" or "**Backup Servicer**" means SBFC Finance Limited, a company incorporated under the Companies Act, 1956, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at Unit No. 103, 1st Floor, C&B Square, Sangam Complex, Andheri Kurla Road, Village Chakala, Andheri (East) Mumbai - 400 059.

(6) "**Applicant**" or "**Subscriber**" means an applicant who has made an Application for subscribing to the Certificate.

(7) "**Application**" means the submission of a duly filled up and signed Application Form by a prospective investor to the Trustee.

(8) "**Application Form**" means the form annexed hereto and marked as Annexure 3

(9) "**Application Money**" means the monies paid by any potential investor to the Trust for the purposes of subscribing to the PTCs

(10) "**Amortisation Commencement Date**" means the date occurring after the Final Purchase Date or the Trigger Date (whichever is earlier).

(11) "**Amortisation Period**" means the period commencing from the Amortisation Commencement Date until the Series A2 Final Maturity Date.

(12) "**Amortisation Period Waterfall Mechanism**" means the fund flow priorities for distribution of the Total Collections during the Amortisation Period, as more particularly detailed in the section on "*Amortisation Period Waterfall Mechanism*" in Section 2.3 of this Information Memorandum.

(13) "**Applicable Law**" means any statute, law, regulation, ordinance, rule, judgment, order, decree, ruling, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of any of the Securitisation Documents or at any time thereafter.

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(14) "**Approved Bank**" means a scheduled commercial bank, which (a) has a rating of "AAA" (or its equivalent rating) by any domestic rating agency accredited by the Securities and Exchange Board of India below, and (b) is acceptable to the Rating Agency, and with which the Cash Collateral and other accounts as may be required in terms of the Securitisation Documents are maintained, as more particularly set out in the Accounts Agreement.

(15) "**Assigned Assets**" or "**Assets**" means, collectively, the assets that have been assigned and/or shall be assigned pursuant to the Initial Assignment Agreement, and the assets that shall be assigned pursuant to each Supplemental Assignment Agreement.

(16) "**Assignment Agreements**" means, collectively, the Initial Assignment Agreement, and all Supplemental Assignment Agreements, and "**Assignment Agreement**" shall be construed accordingly.

(17) "**Auditor**" means the chartered accountants who will be appointed by the Investors and/or the Trustee to facilitate any audit of the Receivables constituting the Pool to verify, *inter alia*, whether these exist, whether these meet with the Receivables Eligibility Criteria and whether these are supported by adequate and appropriate documentation.

(18) "**Beneficiaries**" means the PTC Holders from time to time, the Residual Beneficiary and such other persons who have any right over the Trust Property at any time in terms of the Trust Deed.

(19) "**Business Day**" means a day (a) that is not a Saturday or a Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881, (b) on which the clearing facility offered by the RBI is available in Mumbai, India, and (c) on which banks are open in the normal course of business in Mumbai, India.

(20) "**Cash Collateral**" means all or any fixed deposit account(s) established with the Approved Bank, aggregating to INR 2,44,85,996 (Indian Rupees Two Crore Forty Four Lakh Eighty Five Thousand Nine Hundred and Ninety Six) as stipulated by the Rating Agency (but excluding all interest accruing thereupon) available to meet any shortfall in payments which were due and payable and were scheduled to be made under the applicable Waterfall Mechanism on any Payout Date. The fixed deposit account(s) comprising the Cash Collateral shall be held/established in the name of the Trust. The Seller shall be entitled to direct the Trustee on the tenor, interest and other related matters of the fixed deposits comprising the Cash Collateral.

(21) "**Clean Up Call Option**" has the meaning given to it in the relevant Assignment Agreement.

(22) "**Clean Up Purchase Consideration**" means the price to be paid by the Seller to repurchase Facilities in the event that the Seller exercises the Clean Up Call Option under the relevant Assignment Agreement.

(23) "**Collection and Payment Account**" means an account to be opened and maintained by the Trustee with the Collection Bank, in accordance with the terms of the Accounts Agreement and the Trust Deed.

(24) "**Collection Bank**" means a scheduled commercial bank, which is acceptable to the Rating Agency and with whom the Collection and Payment Account and other accounts as may be required in terms of the Securitisation Documents are maintained, as more particularly set out in the Accounts Agreement.

(25) "**Collection Period**" means each period between a collections start date and the corresponding collections end date as set out in Annexure 2.

(26) "**Commencement Date**" means, as the context may require, the Initial Commencement Date and/or any Replenishment Commencement Date.

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(27) "**Credit Enhancement**" means the Cash Collateral.

(28) "**Default**" means any amount(s) due, but not received, from any Obligor in respect of the Receivables constituting the Pool.

(29) "**Discretionary Audit**" means an audit conducted by the Trustee (or any person authorised by the Trustee) to (a) monitor the Servicer's processes relating to collections and data integrity, (b) monitor the governance, management, systems and internal operations of the Servicer, and (c) audit, at the instructions of the Trustee, the reports submitted by the Servicer to the Trustee.

(30) "**Effective Date**" means, the date on which the Initial Receivables are purchased by the Trust in consideration of the payment of the Initial Purchase Consideration in accordance with the terms of the Initial Assignment Agreement and the other Securitisation Documents, which shall be no later than October 30, 2023.

(31) "**Excess Interest Spread**" or "**EIS**" means, for the purposes of the transactions contemplated under the Securitisation Documents, the excess spread arising due to the difference between the interest amounts on the Facilities comprising the Pool and the Interest payable to the PTC Holders.

(32) "**Facilities**" mean the financial assistance by way of loans provided by the Seller to the Obligors under the Facility Agreements, and "**Facility**" shall be construed accordingly.

(33) "**Facility Agreements**" means all agreements in respect of the Facilities comprising the Pool, entered into between the Seller and the Obligors setting out the terms and conditions on which the Seller has agreed to provide the Facilities to the Obligors, the details whereof are to be set out in the Initial Assignment Agreement (in respect of the Initial Receivables) and each Supplemental Assignment Agreement (in respect of each instance of the Replenishment Receivables), and "**Facility Agreement**" shall be construed accordingly.

(34) "**Facility Provider**" means Navi Finserv Limited, a company incorporated under the Companies Act, 1956, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at 2nd Floor, Vaishnavi Tech Squarelballur Village, Begur Hobli, HSR Layout, Bangalore, Bangalore South, Karnataka, India, 560102.

(35) "**Governmental Authority**" means the Government of India or the government of any state in India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity) or commission under the direct or indirect control of such government or any political subdivision of any of them or owned or controlled by the government or any of their subdivisions, or any court, tribunal, judicial or regulatory body within India or any other court, administrative agency or arbitrator, and "**Governmental Authorities**" shall be construed accordingly.

(36) "**Identified Event**" means the occurrence of a downgrade in the rating of the Servicer by 1 (one) notch or more from the rating as of the Effective Date.

(37) "**Information Memoranda**" means, collectively, the information memorandum issued on or about the Effective Date by the Trustee supplying information of the transaction contemplated for issuance of PTCs and the Initial Receivables, and (if any) each information memorandum dated on or about any Purchase Date providing information of the Replenishment Receivables, and "**Information Memorandum**" shall be construed accordingly.

(38) "**Initial Assignment Agreement**" means the assignment agreement executed on or about the date of the Trust Deed by and between the Seller and the Trustee, setting out the detailed terms and

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conditions of the assignment of, *inter alia*, the Initial Receivables to the Trust by the Seller.

(39) "**Initial Commencement Date**" means September 26, 2023, being the day following the Initial Pool Cut Off Date.

(40) "**Initial Contribution**" means the initial corpus of the Trust.

(41) "**Initial Pool Principal**" means the aggregate principal value of the loans underlying the Initial Receivables on the Effective Date, being INR 122,42,99,789 (Indian Rupees One Hundred and Twenty Two Crore Forty Two Lakh Ninety Nine Thousand Seven Hundred and Eighty Nine).

(42) "**Initial Pool Cut Off Date**" means September 25, 2023.

(43) "**Initial Purchase Consideration**" means the amount payable by the Trustee, from the subscription amounts paid by the Investors, to Seller in consideration of the Seller assigning, *inter alia*, the Initial Receivables to the Trust, as more specifically set out in the Initial Assignment Agreement.

(44) "**Initial Receivables**" means the aggregate of all amounts payable by the Obligors in respect of any Facilities following the Initial Commencement Date that have been assigned pursuant to the Initial Assignment Agreement, and granted pursuant to the Facility Agreements identified in the Initial Assignment Agreement, and include all principal amounts, interest (both accrued and unpaid interest as at the Initial Commencement Date and all future interest), additional interest, overdue charges, liquidated damages, premium on Prepayment (in respect of the Facilities underlying the Initial Receivables), Prepayment Proceeds (Initial Receivables), all amounts due and payable on account of delayed payments, any penal charges, any costs, charges, expenses, fees and any other amounts stipulated under the abovementioned Facility Agreements and the relevant Underlying Documents, and all amounts realized from the enforcement of or the invoking of any guarantee or contractual comfort underlying or provided in respect of the Facilities comprising the Pool, and any other amounts stipulated in the Facility Agreements and/or the Underlying Documents.

(45) "**Initial Trust Deed**" means the initial declaration of trust executed on September 7, 2022, declaring that the Trustee will hold the Trust Property in trust and for the benefit of the Beneficiaries.

(46) "**Interest**" means the Series A1 Interest, the Series A2 Interest, or any one of them, as the context may require.

(47) "**Interest Rate**" means the Series A1 Interest Rate, the Series A2 Interest Rate, or any one or more of them as the context may require.

(48) "**Investor Payouts**" means the Series A1 Investor Payouts, the Series A2 Investor Payouts, or any one of them, as the context may require.

(49) "**Investors**" or "**PTC Holders**" means the individuals, banking companies, financial institutions, mutual funds, insurance companies, companies and bodies corporate, primary dealers or any other person, who will subscribe to or be the holders of the PTCs from time to time in accordance with Applicable Law.

(50) "**Majority Consent**" means the decision taken by the Investors holding Majority Interest, which decision will be binding on the Trustee.

(51) "**Majority Interest**" means (a) until such time the Series A1 PTCs have not been fully redeemed, the Investors (other than the Series A2 PTC Holders) collectively constituting 75% (seventy five percent) of the aggregate of the outstanding amount of the PTCs (other than the Series A2 PTCs), and (b) following

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full redemption of the Series A1 PTCs, the Series A2 PTC Holders collectively constituting 75% (seventy five percent) of the aggregate of the outstanding amount of the Series A2 PTCs.

(52) "**Maturity Date**" means the Series A1 Final Maturity Date, the Series A2 Final Maturity Date, or any one or more of them as the context may require.

(53) "**Monitoring Reports**" means the detailed reports, *inter alia*, on the realisation of the Receivables to be submitted by Servicer to the Trustee in accordance with the Servicing Agreement, and "**Monitoring Report**" shall be construed accordingly.

(54) "**Net Present Value**" of any sequence of payments, as at a certain date, is calculated using the following formula, by the Trustee.

$$Net\ Present\ Value = \sum_{i=1}^{n} \frac{P_i}{(1+r)^{t_i}}$$

where 'n' is the number of payments in the sequence of payment

'P'_i is the payment amount, in Indian Rupees, of the ith payment

'r' is the discount rate

't'_i is the time in years, on which the ith payment is made.

(55) "**Obligors**" means, collectively, all the persons who have availed the Facilities comprising the Pool from the Seller under the terms of the Facility Agreements entered into between such persons and the Seller and who are liable to make payments of amounts due to the Seller as stipulated thereunder, and all persons that have provided any guarantee(s) in respect of the Facilities, and "**Obligor**" shall be construed accordingly.

(56) "**Outstanding Underlying Facilities**" means, at any time, the outstanding principal amounts of the Facilities underlying the Receivables.

(57) "**PAR>30**" means, as on any date of determination, for any period, the ratio of (a) the outstanding principal value of the Facilities comprising the Pool that have one or more instalments of principal, interest, or any other expected payments overdue for 30 (thirty) days or more in such period, to (b) the aggregate of the outstanding principal value of Facilities comprising the Pool, multiplied by 100 and followed by the "%" symbol.

(58) "**PAR>90**" means, as on any date of determination, for any period, the ratio of (a) the outstanding principal value of the Facilities comprising the Pool that have one or more instalments of principal, interest, or any other expected payments overdue for 90 (ninety) days or more in such period, to (b) the aggregate of the outstanding principal value of Facilities comprising the Pool, multiplied by 100 and followed by the "%" symbol.

(59) "**PAR>90 (Portfolio)**" means, as on any date of determination, for any period, in respect of the portfolio of loans/facilities originated/disbursed by the Seller, the ratio of (a) the outstanding principal value of the facilities originated by the Seller that have one or more instalments of principal, interest, or any other expected payments overdue for 90 (ninety) days or more in such period net of any provisions (in accordance with Applicable Law) in respect thereof, to (b) the aggregate amount of the assets under management of the Seller (determined in accordance with Applicable Law and applicable accounting standards), multiplied by 100 and followed by the "%" symbol.

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(60) "**Pass Through Certificate(s)**" or "**PTC(s)**" or "**Certificate(s)**" or "**SN(s)**" or "**Securitisation Note(s)**" or "**SDI(s)**" or "**Securitised Debt Instrument(s)**" means the Series A1 PTCs, the Series A2 PTCs, or any one of them, as the context may require.

(61) "**Payin Dates**" means, collectively, the payin dates set out in Annexure 2 on or prior to which the Servicer is required to deposit the collections for the relevant Collection Period in the Collection and Payment Account, and "**Payin Date**" shall be construed accordingly.

(62) "**Payout Dates**" means, collectively, the payout dates set out in Annexure 2 on which Investor Payouts are due or expected to be paid (as the case may be) to the PTC Holders, and "**Payout Date**" shall be construed accordingly.

(63) "**Pool**" means, collectively, the securitised Initial Receivables (being the Facilities which are identified in the Initial Assignment Agreement) and the securitised Replenishment Receivables (being the Facilities which are identified in Supplemental Assignment Agreements). The expected cash flows from the Initial Receivables from the Initial Commencement Date are set out in Annexure 2, and shall be updated from time to time in accordance with the provisions of the Securitisation Documents for each instance of the Replenishment Receivables. The expected cash flows of the Facilities which are identified the in Initial Assignment Agreement (prepared on the basis of the Effective Date being October 30, 2023 and assuming no Prepayments and/or Defaults) have been set out in Annexure 2.

(64) "**Pool Cover**" means, until the commencement of the Amortisation Commencement Date, the ratio of:

(a) the aggregate of (i) the Outstanding Underlying Facilities (including any arrears of principal that are due but are yet to be paid) but excluding the principal amounts of the Facilities comprising the Pool which are overdue for a period exceeding 90 (ninety) days, and (ii) the amounts lying in, and to the credit of, the Collection and Payment Account;

to:

(b) the Initial Pool Principal,

multiplied by 100, and followed by the "%" symbol.

(65) "**Pool Cut Off Date**" means, as the context may require, the Initial Pool Cut Off Date and/or the Replenishment Pool Cut Off Date, or any one or more of them as the context may require.

(66) "**Prepayment**" means:

(a) the early payment by any Obligor(s) of any principal instalments outstanding on any Facility Agreement(s) and balance interest thereon, where applicable (as per the provisions of such Facility Agreement(s));

(b) the early payment by any Obligor(s) of any amounts, including balance interest (if any) for the remaining period of any Facility(ies), where applicable (as per the provisions of such Facility Agreement(s)), and principal instalments outstanding under such Facility Agreement(s) pursuant to the termination of any Facility Agreement(s), whether voluntary or pursuant to any order(s) of any court or tribunal; or

(c) the early payment of any amounts, including balance interest (if any) in respect of any Facility, pursuant to the foreclosure of any of such Facility, whether voluntary or pursuant to any order(s) of any court or tribunal.

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(67) "**Prepayment Proceeds**" means the Prepayment Proceeds (Initial Receivables), the Prepayment Proceeds (Replenishment Receivables) for each instance of the Replenishment Receivables, and or any one or more of them as the context may require.

(68) "**Prepayment Proceeds (Initial Receivables)**" means the amounts paid by any Obligor(s) on Prepayment in respect of any Facilities underlying the Initial Receivables, including any legal proceedings for the recovery of any amounts from any Obligor under the relevant Underlying Documents.

(69) "**Prepayment Proceeds (Replenishment Receivables)**" means the amounts paid by any Obligor(s) on Prepayment in respect of any Facilities underlying the Replenishment Receivables, including any legal proceedings for the recovery of any amounts from any Obligor under the relevant Underlying Documents.

(70) "**Principal**" means the Series A1 Principal, the Series A2 Principal, or any one or both of them, as the context may require.

(71) "**Prospective Investor**" means a person eligible to be an Investor and to which a PTC Holder wishes to transfer any PTC held by it.

(72) "**PTC Register**" means the register of PTC Holders maintained in accordance with the Trust Deed.

(73) "**Purchase Consideration**" means, as the context may require, the Initial Purchase Consideration and/or any/all instance(s) of the Replenishment Purchase Consideration.

(74) "**Purchase Dates**" means, collectively, (a) November 25, 2023 ("**First Purchase Date**"), and (b) thereafter, each date occurring at intervals of 1 (one) month, until the earlier of April 25, 2024 ("**Final Purchase Date**"), or the date on which a Trigger Event occurs.

(75) "**Rating Agency**" means India Ratings and Research Private Limited, which has been appointed for the purpose of rating the PTCs.

(76) "**RBI**" means the Reserve Bank of India.

(77) "**Receivables**" means, as the context may require, the Initial Receivables and/or each instance of the Replenishment Receivables.

(78) "**Receivables Eligibility Criteria**" means the eligibility criteria prescribed in the Trust Deed and the relevant Assignment Agreement for the purchase of the Initial Receivables or any instance of the Replenishment Receivables in accordance with the Trust Deed and the other Securitisation Documents.

(79) "**Record Date**" means the date for determination of the registered Investors with the Registrar and Transfer Agent, being the day that occurs 7 (seven) Business Days prior to each Payout Date.

(80) "**Registrar and Transfer Agent**" means a person who has agreed to act as the registrar and transfer agent for the PTCs or such other person who may be appointed as the registrar and transfer agent in its place by the Trustee.

(81) "**Regular Collections**" means, collectively, the Regular Collections (Initial Receivables), and Regular Collections (Replenishment Receivables) for each instance of the Replenishment Receivables.

(82) "**Regular Collections (Initial Receivables)**" in respect of any Collection Period, means all amounts collected in such Collection Period, in respect of the Facilities relating to the Initial Receivables

(including premium on Prepayment (in respect of the Facilities underlying the Initial Receivables), if any) and any withdrawals from the Cash Collateral but excluding Prepayment Proceeds (Initial Receivables) received in such Collection Period.

(83) "**Regular Collections (Replenishment Receivables)**" in respect of any Collection Period, means all amounts collected in such Collection Period, in respect of the Facilities relating to any instance of the Replenishment Receivables (including premium on Prepayment (in respect of the Facilities underlying the Replenishment Receivables), if any) and any withdrawals from the Cash Collateral but excluding Prepayment Proceeds (Replenishment Receivables) received in such Collection Period.

(84) "**Replenishment Amount**" means, on any Purchase Date, the difference between (a) the Initial Pool Principal, and (b) the aggregate of the Outstanding Underlying Facilities.

(85) "**Replenishment Commencement Date**" means, in relation to any instance of Replenishment Receivables, the day following the relevant Replenishment Pool Cut Off Date, as set out in the relevant Supplemental Assignment Agreement.

(86) "**Replenishment Period**" means, the period commencing on the Effective Date and expiring on the Amortisation Commencement Date.

(87) "**Replenishment Period Waterfall Mechanism**" means the fund flow priorities for distribution of the Total Collections during the Replenishment Period, as more particularly detailed in the section on "*Replenishment Period Waterfall Mechanism*" in Section 2.3 of this Information Memorandum.

(88) "**Replenishment Pool Cut Off Date**" means, in relation to any instance of Replenishment Receivables, the pool cut off date as set out in the relevant Supplemental Assignment Agreement.

(89) "**Replenishment Purchase Consideration**" means, in relation to any instance of Replenishment Receivables, the purchase consideration as set out in the relevant Supplemental Assignment Agreement.

(90) "**Replenishment Receivables**" means the aggregate of all amounts payable by the Obligors in respect of any Facilities that have been assigned pursuant to the relevant Supplemental Assignment Agreement, and granted pursuant to the Facility Agreements identified in the relevant Supplemental Assignment Agreement, and include all principal amounts, interest (both accrued and unpaid interest as at the Replenishment Commencement Date and all future interest), additional interest, overdue charges, liquidated damages, premium on Prepayment (in respect of the Facilities underlying the Replenishment Receivables), Prepayment Proceeds (Replenishment Receivables), all amounts due and payable on account of delayed payments, any penal charges, any costs, charges, expenses, fees and any other monies stipulated under the abovementioned Facility Agreements and the relevant Underlying Documents, and all amounts realized from the enforcement of or the invoking of any guarantee or contractual comfort underlying or provided in respect of the Facilities comprising the Pool, and any other amounts stipulated in the Facility Agreements and/or the Underlying Documents.

(91) "**Residual Beneficiary**" means Navi Finserv Limited, a company incorporated under the Companies Act, 1956, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at 2nd Floor, Vaishnavi Tech Squarelballur Village, Begur Hobli, HSR Layout, Bangalore, Bangalore South, Karnataka, India, 560102.

(92) "**Restatement Date**" means September 7, 2022, being the date of execution of the Initial Trust Deed.

(93) "**SEBI**" means the Securities and Exchange Board of India.

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(94) "**Securitisation Directions**" means the Master Direction bearing reference number DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 issued by the RBI on "*Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021*" read together with, to the extent applicable, the Master Direction bearing reference number DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 issued by the RBI on "*Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021*", each as amended, modified, supplemented or restated from time to time.

(95) "**Securitisation Documents**" means the Trust Deed, the Initial Assignment Agreement, each Supplemental Assignment Agreement, the Servicing Agreement, the Accounts Agreement, the power of attorney and includes all other instruments, deeds and documents executed or entered into by or between or among, *inter alia*, the Trustee, the Seller and the Servicer from time to time, for the purpose of securitising the Receivables.

(96) "**Securitisation Listing Framework**" means the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 read together with the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", each as amended, restated, supplemented or modified from time to time.

(97) "**Security Interest**" means any mortgage, pledge, lien, charge, assignment, hypothecation, encumbrance or security interest or any other agreement or arrangement having a similar effect.

(98) "**Seller**" or "**Originator**" or "**Company**" means Navi Finserv Limited, a company incorporated under the Companies Act, 1956, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at 2nd Floor, Vaishnavi Tech Squarelballur Village, Begur Hobli, HSR Layout, Bangalore, Bangalore South, Karnataka, India, 560102.

(99) "**Senior Costs**" means the costs incurred by the Trustee, which are to be paid/reimbursed in the following order of priority:

(a) all statutory and regulatory dues. However, if such statutory or regulatory dues relate to the Receivables on or prior to the Pool Cut Off Date and are due and unpaid by the Seller, the Trustee will call upon the Seller to reimburse such amounts;

(b) any fees or expenses incurred or payable by the Trustee in relation to the obligations and duties contained in the Securitisation Documents, including any payments made to any service providers (including Servicing Fee) as may be required under the terms of the Securitisation Documents. This will include the costs relating to any legal advice, legal proceedings, the cost of advocates, solicitors and counsel, any expenses incurred by the Trustee or any funds payable to the Rating Agency, the Auditor, the Collection Bank and/or the Approved Bank whether such expenses are payable by the Seller but have not been paid by the Seller or otherwise; and

(c) all other expenses or costs enumerated in Clause 4.6 of the Trust Deed and not forming part of (a) or (b) above.

(100) "**Series A1 Final Maturity Date**" means August 25, 2028.

(101) "**Series A1 Interest**" means the interest payable to the Series A1 Investors at the Series A1 Interest Rate, calculated as the product of outstanding Series A1 Principal, the Series A1 Interest Rate and the actual number of days between 2 (two) consecutive Payout Dates divided by 365 (three hundred and sixty five) days, and expected to be paid on the Payout Dates as set out in Annexure 2.

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(102) "**Series A1 Interest Rate**" means 8.80% (eight decimal eight zero percent) per annum per month.

(103) "**Series A1 Investor Payouts**" means the amounts to be paid to the Series A1 Investors as per the applicable Waterfall Mechanism, in the manner and on the relevant Payout Dates set out in Schedule III, wherein:

(a) the Series A1 Interest is only expected to be paid to the Series A1 Investors on each Payout Date until the Payout Date on which the Series A1 Principal is paid in full, and is due and payable on the Series A1 Final Maturity Date;

(b) any shortfalls in the payment of the expected Series A1 Interest will be carried forward as payment in arrears and will be paid out on a future Payout Date as and when there are sufficient Total Collections to meet the shortfall, in accordance with the applicable Waterfall Mechanism;

(c) commencing from the Amortisation Commencement Date:

(i) the Series A1 Principal is only expected to be paid on each Payout Date and is due and payable on the Series A1 Final Maturity Date;

(ii) any shortfalls in the payment of the expected Series A1 Principal will be carried forward as payment in arrears and will be paid out on a future Payout Date as and when there are sufficient Total Collections to meet the shortfall, in accordance with the applicable Waterfall Mechanism; and

(iii) all excess collections shall be used to make prepayment/accelerated redemption of the Series A1 Principal until the Series A1 PTCs have been fully redeemed; and

(d) all Investor Payouts shall follow the priority of payments as set out in the applicable Waterfall Mechanism.

(104) "**Series A1 Principal**" means the principal amounts aggregating to INR 90,59,81,844 (Indian Rupees Ninety Crore Fifty Nine Lakh Eighty One Thousand Eight Hundred and Forty Four), expected to be (commencing from the Amortisation Commencement Date) paid to the Series A1 Investors on each Payout Date, and due to be paid to the Series A1 Investors on the Series A1 Final Maturity Date.

(105) "**Series A1 PTC Holder(s)**" or "**Series A1 Investor(s)**" means the Investors holding the Series A1 PTCs from time to time.

(106) "**Series A1 PTCs**" means the certificates issued by the Trustee to any Investor(s) evidencing the undivided beneficial interest of such Investor(s) and entitling such Investor(s) to receive the Series A1 Investor Payouts in the manner specified herein.

(107) "**Series A2 Final Maturity Date**" means August 25, 2028.

(108) "**Series A2 Interest**" means the interest payable to the Series A2 Investors at the Series A2 Interest Rate, calculated as the product of outstanding Series A2 Principal, the Series A2 Interest Rate and the actual number of days between 2 (two) consecutive Payout Dates divided by 365 (three hundred and sixty five) days, and expected to be paid on the Payout Dates as set out in Annexure 2.

(109) "**Series A2 Interest Rate**" means 9.11% (nine decimal one one percent) per annum per month.

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(110) "**Series A2 Investor Payouts**" means the amounts to be paid to the Series A2 Investors as per the applicable Waterfall Mechanism, in the manner and on the relevant Payout Dates, wherein:

(a) the Series A2 Investor Payouts are completely subordinated to the Series A1 Investor Payouts;

(b) the Series A2 Interest is only expected to be paid to the Series A2 Investors on each Payout Date until the Payout Date on which the Series A2 Principal is paid in full, and is due and payable on the Series A2 Final Maturity Date;

(c) any shortfalls in the payment of the expected Series A2 Interest will be carried forward as payment in arrears and will be paid out on a future Payout Date as and when there are sufficient Total Collections to meet the shortfall, in accordance with the applicable Waterfall Mechanism;

(d) commencing from the Amortisation Commencement Date and following the redemption of the Series A1 PTCs in full:

(i) the Series A2 Principal is only expected to be paid on each Payout Date, and is due and payable on the Series A2 Final Maturity Date;

(ii) any shortfalls in the payment of the expected Series A2 Principal will be carried forward as payment in arrears and will be paid out on a future Payout Date as and when there are sufficient Total Collections to meet the shortfall, in accordance with the applicable Waterfall Mechanism; and

(iii) all excess collections shall be used to make prepayment/accelerated redemption of the Series A2 Principal until the Series A2 PTCs have been fully redeemed; and

(e) all Investor Payouts shall follow the priority of payments as set out in the applicable Waterfall Mechanism.

(111) "**Series A2 Maximum Payout**" means the payout on account of Prepayments and/or Defaults on the Pool, applicable to Series A2 Investors, the amount of which is calculated as (A - B)/C, where:

(a) A is INR 9,79,43,983 (Indian Rupees Nine Crore Seventy Nine Lakh Forty Three Thousand Nine Hundred and Eighty Three), being the sum of the Series A2 Principal as on the Effective Date.

(b) B is the Net Present Value, as on the Effective Date, of the sum of all amounts that were received by the Series A2 Investors up to the last Payout Date. The Net Present Value will be calculated using the discount rate of 9.11% (nine decimal one one percent). However, for Investor Payouts due on a Payout Date, the amounts received but not actually paid out by the Trustee on the previous 2 (two) Payin Dates shall be included in the calculation of B.

(c) C is the discount factor which is calculated as $\{1/(1+r)\}^t$, wherein 'r' is 9.11% (nine decimal one one percent) and 't' is the period in years between the Effective Date and the Series A2 Final Maturity Date.

(112) "**Series A2 Principal**" means the principal amounts aggregating to INR 9,79,43,983 (Indian Rupees Nine Crore Seventy Nine Lakh Forty Three Thousand Nine Hundred and Eighty Three), expected to be (commencing from the Amortisation Commencement Date and following the redemption of the Series A1 PTCs in full) paid to the Series A2 Investors on each Payout Date, and due to be paid to the Series A2 Investors on the Series A2 Final Maturity Date.

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(113) "**Series A2 PTC Holder(s)**" or "**Series A2 Investor(s)**" means the Investors holding the Series A2 PTCs from time to time.

(114) "**Series A2 PTCs**" means the certificates issued by the Trustee to any Investor(s) evidencing the undivided beneficial interest of such Investor(s) and entitling such Investor(s) to receive Series A2 Investor Payouts in the manner specified herein.

(115) "**Servicer**" means Navi Finserv Limited, a company incorporated under the Companies Act, 1956, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at 2nd Floor, Vaishnavi Tech Squarelballur Village, Begur Hobli, HSR Layout, Bangalore, Bangalore South, Karnataka, India, 560102, or any other person appointed as the servicer in accordance with the Servicing Agreement.

(116) "**Servicer Event(s) of Default**" means, in respect of the Servicer, the occurrence of any of the following events:

(a) inability to pay its debts within the meaning of Applicable Law, or the filing of a petition/application for insolvency/bankruptcy;

(b) any resolution being passed, resolving or to consider resolving that the Servicer be wound up voluntarily;

(c) an order for winding up or insolvency of the Servicer is made by any competent court or tribunal, including under the (Indian) Insolvency and Bankruptcy Code, 2016 and any rules and regulations made thereunder;

(d) a moratorium or an interim moratorium is declared in respect of the Servicer under the (Indian) Insolvency and Bankruptcy Code, 2016 and any rules and regulations made thereunder;

(e) a receiver, liquidator, administrator or insolvency professional has been appointed or allowed to be appointed for all or substantial part of the undertaking of the Servicer including under the (Indian) Insolvency and Bankruptcy Code, 2016 and any rules and regulations made thereunder;

(f) an order for suspension of business or winding up, liquidation, administration or resolution of the Servicer is made by any Governmental Authority;

(g) any default or negligence on the part of the Servicer as a result of which the Trustee is prevented from or is unable to enforce any proceedings for recovery of any Receivables;

(h) any breach of the Servicing Agreement or any other Securitisation Documents by the Servicer or any other failure on the part of the Servicer to observe or perform in any respect any covenant or obligation or undertaking under the Transaction Documents that (i) has a material adverse effect on the ability of the Servicer to continue to perform its obligations under the Transaction Documents, or (ii) is likely to be prejudicial to the Receivables in any way, including in respect of either the collection of the Receivables or enforcement proceedings in respect of the Receivables;

(i) any failure of the Servicer to remit/deposit any amounts collected in respect of the Receivables into the Collection and Payment Account in accordance with the terms of the Servicing Agreement and the other Transaction Documents;

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(j) any Underlying Document becoming unenforceable due to the failure of the Servicer to obtain any Authorisation required by or from any Governmental Authority; or

(k) the failure of 2 (two) successive Discretionary Audits testing the ability of the Servicer to meet the standards with respect to collection standards, management, governance, internal systems and processes, and data integrity as may be required by the Trustee (acting on the instructions of the Investors holding Majority Interest).

(117) "**Servicing Agreement**" means the servicing agreement dated on or about the date of the Trust Deed by and among the Servicer, the Seller, the Alternate Servicer, and the Trustee, whereby, *inter alia*, the Servicer and the Alternate Servicer are appointed to manage the collection of the Receivables as per the Underlying Documents.

(118) "**Servicing Fee**" means the servicing fee of INR 5,00,000 (Indian Rupees Five Lakh), plus applicable goods and services tax, to be paid to the Servicer in accordance with the Servicing Agreement and the Trust Deed.

(119) "**Settlement Date**" means October 30, 2023.

(120) "**Supplemental Assignment Agreement**" means the assignment agreement to be executed by and between the Seller and Trust (as represented by the Trustee) setting out the detailed terms and conditions of the assignment of, *inter alia*, any instance of Replenishment Receivables by the Seller, substantially in the form set out in the Trust Deed, and "**Supplemental Assignment Agreements**" shall be construed accordingly.

(121) "**Total Collections**" means, collectively, the Total Collections (Initial Receivables), and the Total Collections (Replenishment Receivables) for each instance of the Replenishment Receivables.

(122) "**Total Collections (Initial Receivables)**" means, in respect of any Collection Period, the aggregate of the Regular Collections (Initial Receivables) and the Prepayment Proceeds (Initial Receivables) received in such Collection Period.

(123) "**Total Collections (Replenishment Receivables)**" means, in respect of any Collection Period, the aggregate of the Regular Collections (Replenishment Receivables) and the Prepayment Proceeds (Replenishment Receivables) received in such Collection Period, for each instance of the Replenishment Receivables.

(124) "**Transaction Documents**" means the Securitisation Documents and the Underlying Documents, or one or more of them, as the context may require, as amended and/or restated from time to time.

(125) "**Trigger Date**" means the date of occurrence of any Trigger Event.

(126) "**Trigger Events**" means, collectively, the occurrence of any of the following events (as determined by the Trustee (acting on Majority Consent)):

(a) failure of the Seller to provide Replenishment Receivables that fulfil Receivables Eligibility Criteria, in the manner set out in the Trust Deed, and which results in or may result in the Outstanding Underlying Facilities (following the proposed purchase of any instance of Replenishment Receivables) being lower than 95% (ninety five percent) of the Initial Pool;

(b) occurrence of an Event of Non-Compliance (as defined in the Initial Assignment Agreement);

(c) occurrence of a Servicer's Event of Default (in accordance with the Servicing Agreement);

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(d) the rating of the Servicer is downgraded by 1 (one) notch or more from the rating as of the Effective Date;

(e) any of the Receivables Eligibility Criteria no longer complying with any Applicable Law;

(f) the rating of the Series A1 PTCs or the Series A2 PTCs is downgraded by the Rating Agency, in each case by 1 (one) notch or more from the rating as of the Effective Date;

(g) the PAR>30 exceeds 12% (twelve percent);

(h) the PAR>90 exceeds 5% (five percent);

(i) the PAR>90 (Portfolio) exceeds 5% (five percent);

(j) the capital adequacy ratio of the Seller (determined in accordance with the applicable directions and instructions of the RBI) falls below 18% (eighteen percent);

(k) the outstanding principal amounts of the Facilities comprising the Pool (excluding the principal amounts of the Facilities comprising the Pool which are overdue for a period exceeding 90 (ninety) days) together with any amounts realised in respect of the Facilities comprising the Pool and which is being held in the Collection and Payment Account pending distribution in accordance with the applicable Waterfall Mechanism are not sufficient to maintain the Pool Cover; and/or

(l) the occurrence of an insolvency-related event with regard to the Seller,

and "**Trigger Event**" shall be construed accordingly.

(127) "**Trust**" means the Sagittarius Trust 08 2022 trust, a private trust settled in India in accordance with the Indian Trusts Act, 1882 by the Settlor/Sponsor under the terms of the Initial Trust Deed and the Trust Deed.

(128) "**Trust Deed**" means the amended and restated declaration of trust dated October 30, 2023, entered into by Catalyst Trusteeship Limited (in its capacity as the Settlor/Sponsor of the Trust) and the Trustee, declaring that the Trustee will hold the Trust Property in trust and for the benefit of the Beneficiaries, as amended and/or restated from time to time.

(129) "**Trust Property**" means the Initial Contribution, all other contributions received by the Trustee including contributions received from the Investors towards subscription amounts for the PTCs, the Assigned Assets and all amounts deposited with the Trust on realisation of the Assigned Assets from time to time in accordance with the Securitisation Documents, the Underlying Documents and the Cash Collateral.

(130) "**Underlying Documents**" means, collectively, all documents, instruments, records pertaining to the Facilities, including without limitation, all Facility Agreements, demand promissory notes and other negotiable instruments (if any), guarantees and other contractual comfort underlying or provided in respect of the Facilities comprising the Pool, and all other underlying indemnities and correspondence and records relating to the Receivables which are in the possession of the Seller, as amended and/or restated from time to time.

(131) "**Waterfall Mechanism**" means the Replenishment Period Waterfall Mechanism and/or the Amortisation Period Waterfall Mechanism, or any one or more of them as the context may require.

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CHAPTER 2: EXECUTIVE SUMMARY

This Information Memorandum seeks to provide relevant details of securitisation of certain loan assets together with all other present and future rights and benefits arising there from.

All the expressions used in this document shall unless repugnant to the context or meaning thereof carry the same meanings herein are assigned to them in the paragraph under the heading "Definitions and Glossary of Terms".

2.1 INTRODUCTION TO SECURITISATION

Securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. A typical process of asset securitisation involves sale of specific receivables to a Special Purpose Vehicle (SPV) set up in the form of a trust or a company. The SPV in turn issues financial instruments (promissory notes, participation certificates or other debt instruments) to the investors evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency. Additional credit support is provided in order that the instrument may receive the desired level of rating. Typically the servicing of the receivables is continued by the Seller. Cash flows as and when they are received are passed on to the investors. Features of securitisation transactions include:

(a) Absolute and valid sale of assets to an SPV (with defined purposes and activities) in trust for the investors;

(b) Reliance by the investors on the performance of the assets for repayment - rather than the credit of their originator (the Seller) or the issuer (the SPV);

(c) Consequent to the above, "bankruptcy remoteness" of the SPV from the originator;

(d) Support for timely payments, *inter-alia*, in the form of suitable credit enhancements;

(e) Securitised debt paper usually achieves a high investment grade credit rating.

2.2 BRIEF DESCRIPTION OF THE TRANSACTION

(a) Sagittarius Trust 08 2022 trust ("**Trust**") is proposed to be set up as a special purpose trust, settled by Catalyst Trusteeship Limited pursuant to the Trust Deed for acquiring:

(i) the Initial Receivables together with all rights, title and interest therein;

(ii) all its rights, title and interests under the Facility Agreements and other Underlying Documents, and all documents and data pertaining to the Initial Receivables; and

(iii) all rights, title and interests in the Cash Collateral,

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free and clear of any lien or encumbrance, save and except the rights that are personal in nature ((i) to (iii) are hereinafter collectively referred to as the "**Assigned Assets**") to the end and intent that the Trustee will hereafter be deemed to be the full and absolute legal owner (to hold in trust for the benefit of the Beneficiaries) of the Assigned Assets or any part thereof and as such is legally and beneficially entitled to recover the Assigned Assets or any part of the Assigned Assets and take any action in relation thereto.

(b) The objectives and permitted activities of the SPV are as laid out in Section 7.

(c) **Objects of the Offer**: The issue proceeds received from the Investors for subscribing to the PTCs, will be used by the Trust to pay to the Seller consideration for the Assigned Assets.

(d) After acquiring the aforesaid Assets, the Issuer will issue Pass Through Certificates (PTCs) to the Investors. The PTCs shall be listed in terms of the Securitisation Listing Framework.

(e) The Series A1 Investors shall be entitled to obtain the Series A1 Interest together with the principal amount of the Series A1 PTCs, and the Series A2 Investors shall be entitled to obtain the Series A2 Interest together with the principal amount of the Series A2 PTCs. The PTCs would be issued in dematerialised form and shall be listed on the BSE as securitised debt instruments under the Securitisation Listing Framework, within the time period prescribed under the Securitisation Listing Framework.

(f) The Originator will provide or cause to be provided certain credit enhancement in relation to the Assigned Assets which will be in line with the recommendations set out by the Rating Agency for achieving the rating for the Series A1 PTCs.

(g) To meet the minimum retention requirement ("**MRR**") stipulated by the Reserve Bank of India ("**RBI**"), in relation to the Assigned Assets being sold, the Originator is:

(i) providing Cash Collateral which amounts to 2% (two percent) of the Initial Pool Principal; and

(ii) subordinated facilities principal/over-collateral to the extent of 18% (eighteen percent) of the Initial Pool Principal.

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(h) Navi Finserv Limited will be appointed as the servicer in relation to the Assigned Assets and in that capacity the Servicer shall be entitled to enforce the Receivables for and on behalf of the Trust.

(i) Claims or rights of the Investors of a particular series or tranche to receive payment of the Receivables shall rank *pari passu* inter-se and there shall be no difference in the rights, title and interest between the Investors vis-à-vis that particular series or tranche, irrespective of the date on which the Application Money shall have been paid by them.

(j) Each PTC of a particular series or tranche, will evidence the Investor's respective *pro-rata* share and undivided beneficial interest in the Assigned Assets on a *pari-passu* basis.

(k) The Series A1 PTCs have been assigned a provisional rating of AAA (SO) by the Rating Agency, and the Series A2 PTCs have been assigned a provisional rating of AA- (SO) by the Rating Agency. The rating rationale of the Rating Agency is annexed to this Information Memorandum and marked as **Annexure 4**. However, this is an indicative rating and is contingent upon the receipt of final documents conforming to information already received.

(l) The Seller will have the Clean Up Call Option.

2.3 PRINCIPAL TERMS OF THE SECURITISATION TRANSACTION[1]

Nature of Instrument	Securitised Debt Instruments being Pass Through Certificate evidencing beneficial interest in the Receivables as more particularly set out under **Annexure 2** hereto.
Issuer	Sagittarius Trust 08 2022
Originator / Seller	Navi Finserv Limited
Trustee	Catalyst Trusteeship Limited
Credit Enhancement Provider	Navi Finserv Limited
Collection Bank	ICICI Bank Limited acting through its branch located at ICICI Bank Towers, BKC, Mumbai, Maharashtra, India
Servicer	Navi Finserv Limited
Rating Agency	India Ratings and Research Private Limited
Legal Counsel	Phoenix Legal
Obligors	means, collectively, all the persons who have availed the Facilities comprising the Pool from the Seller under the terms of the Facility Agreements entered into between such persons and the Seller and who are liable to make payments of amounts due to the Seller as stipulated thereunder, and all persons that have provided any guarantee(s) in respect of the Facilities, and "**Obligor**" shall be construed accordingly.
Initial Receivables	means the aggregate of all amounts payable by the Obligors in respect of any Facilities following the Initial Commencement Date that have been assigned pursuant to the Initial Assignment Agreement, and granted pursuant to the Facility Agreements identified in the Initial Assignment Agreement, and include all principal amounts, interest (both accrued and unpaid interest as at the Initial Commencement Date and all future interest), additional interest, overdue charges, liquidated damages, premium on Prepayment (in respect of the Facilities underlying the Initial Receivables), Prepayment Proceeds (Initial Receivables), all amounts due and payable on account of delayed payments, any penal charges, any costs, charges, expenses, fees and any other amounts stipulated under the abovementioned Facility Agreements and the relevant Underlying Documents, and all amounts realized from the enforcement of or the invoking of any guarantee or

1 **Note to draft**: To be updated closer to finalisation of the transaction documents.

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	contractual comfort underlying or provided in respect of the Facilities comprising the Pool, and any other amounts stipulated in the Facility Agreements and/or the Underlying Documents. The details of the Initial Receivables are more particularly provided in **Annexure 6** herein;
Structure	Par
Aggregate Initial Pool Principal	INR 122,42,99,789 (Indian Rupees One Hundred and Twenty Two Crore Forty Two Lakh Ninety Nine Thousand Seven Hundred and Eighty Nine).
Aggregate Pool Cashflows	INR 167,98,77,937 (Indian Rupees One Hundred and Sixty Seven Crore Ninety Eight Lakh Seventy Seven Thousand Nine Hundred and Thirty Seven) as on the Initial Pool Cut-Off Date.
Aggregate Excess Interest Spread	INR 44,88,43,193 (Indian Rupees Forty Four Crore Eighty Eight Lakh Forty Three Thousand One Hundred and Ninety Three) as on the Initial Pool Cut-Off Date.
Series A1 PTC Subscription Amount	INR 90,59,81,844 (Indian Rupees Ninety Crore Fifty Nine Lakh Eighty One Thousand Eight Hundred and Forty Four)
Series A2 PTC Subscription Amount	INR 9,79,43,983 (Indian Rupees Nine Crore Seventy Nine Lakh Forty Three Thousand Nine Hundred and Eighty Three)
Initial Pool Cut Off Date	September 25, 2023
Initial Commencement Date	September 26, 2023
PTCs	Series A1 PTCs and Series A2 PTCs
Initial Purchase Consideration	INR 1,00,39,25,827 (Indian Rupees One Hundred Crore Thirty Nine Lakh Twenty Five Thousand Eight Hundred and Twenty Seven)
Rating of Series A1 PTCs	AAA (SO) by the Rating Agency for Series A1 PTCs
Rating of Series A2 PTCs	AA- (SO) by the Rating Agency for Series A2 PTCs
Servicer Fees	INR 5,00,000 (Indian Rupees Five Lakh), plus applicable goods and services tax, to be paid to the Servicer in accordance with the Servicing Agreement and the Trust Deed
Series A1 Interest Rate	8.80% (eight decimal eight zero percent) per annum per month
Series A2 Interest Rate	9.11% (nine decimal one one percent) per annum per month
Face Value of Series A1 PTCs	As set out in the **Annexure 1**.
Face Value of Series A2 PTCs	As set out in the **Annexure 1**.
Series A1 Investor Payouts	Please refer the definition of "*Series A1 Investor Payouts*" in Paragraph 102 in Chapter 1 of this Information Memorandum.
Series A2 Investor Payouts	Please refer the definition of "*Series A2 Investor Payouts*" in Paragraph 109 in Chapter 1 of this Information Memorandum.
Yield/Interest Type (Series A1 PTCs)	Fixed
Yield/Interest Type (Series A2 PTCs)	Fixed
Default Interest Rate	means the aggregate of 2% (two percent) per annum and the simple average of the Series A1 Interest Rate and the Series A2 Interest Rate.
Aggregate Cashflows	As set out in **Annexure 2.**
Form of Credit Enhancement	The Cash Collateral shall amount to 2% (two percent) of the Initial Pool Principal. The Seller/Facility Provider will transfer the Cash Collateral, in the form and manner provided under the Initial Assignment Agreement and the other Securitisation Documents, or in such other form and manner as may be acceptable to the Rating Agency and the Trustee. In addition to the Cash Collateral, internal credit enhancement by way of the EIS, and the subordinated facilities principal/over-

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	collateral in respect of the Facilities, shall also be available to the Trust, and shall be utilized in accordance with the Waterfall Mechanism as part of the Total Collections on the Payout Dates. The Cash Collateral shall be drawn upon only to make payments towards Investor Payouts due to any shortfall/insufficiency of the Total Collections arising out of Defaults and/or Prepayments, in accordance with the Securitisation Directions. In this regard, it is confirmed that: (a) the Cash Collateral is fully provided at the initiation of the securitisation transaction contemplated under the Trust Deed and the other Transaction Documents, and is subject to revisions/reset only in accordance with the Securitisation Directions; and (b) the Trust Deed and the Assignment Agreements do not/shall not contain any provisions that would require the amount of the Cash Collateral provided to be increased during the life of the securitisation transaction contemplated under the Trust Deed and the other Transaction Documents.
Utilisation of Credit Enhancement	(i) When Cash Collateral is required to be utilised, the Trustee will: (a) call upon the Approved Bank in writing, not later than 4:00 p.m. on such day which is 1 (one) Business Day prior to the relevant Maturity Date (as the case may be), to remit such amounts available under the Cash Collateral as are required to meet the shortfall into the Collection and Payment Account; and (b) on receiving the above written instructions, the Approved Bank will forthwith make the credit of the amount instructed by the Trustee into the Collection and Payment Account. In the event such day is not a Business Day, then the Trustee will call upon the Approved Bank in writing, not later than 4:00 p.m. on such day which is 1 (one) Business Day prior to the relevant Maturity Date, to remit such amounts available under the Cash Collateral as are required to meet the shortfall into the Collection and Payment Account. (ii) On the day falling 1 (one) Business Day prior to the Series A1 Final Maturity Date, if there is a shortfall in the Total Collections in payment of the amounts due to be paid to the Series A1 Investors on the Series A1 Final Maturity Date in accordance with the Waterfall Mechanism then the Trustee will follow the procedure set out in paragraph (i). (iii) On the day falling 1 (one) Business Day prior to the Series A2 Final Maturity Date, if there is a shortfall in the Total Collections in payment of the amounts due to be paid to the Series A2 Investors (including the Series A2 Maximum Payout) on the Series A2 Final Maturity Date in accordance with the Waterfall Mechanism then the Trustee will follow the procedure set out in paragraph (i). (iv) Any shortfall in Series A2 Maximum Payout will be deducted from the Cash Collateral 1 (one) Business Day prior to the Series A2 Final Maturity Date, after all promised payouts have been met towards Series A1 PTCs and in

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	terms of priority all the dues to the Series A1 PTCs and the Series A2 Interest have been repaid in accordance with the Waterfall Mechanism prior to making any payments towards the Series A2 Principal. (v) If the Series A1 Final Maturity Date and the Series A2 Final Maturity Date fall on the same day, the Cash Collateral shall be utilized to make payments in the order of priority as set out under the Waterfall Mechanism. (vi) The Cash Collateral will be drawn down to the extent of any losses (whether due to Prepayment and/or Default) in the Pool. (vii) Any interest that may accrue on the Cash Collateral shall be to the credit of the Seller/Facility Provider and shall be remitted by the Approved Bank into such account of the Seller/Facility Provider as may be designated by it and in the manner set out in the Accounts Agreement. (viii) All or part of the Cash Collateral may, at any time, be reset in accordance with the Securitisation Directions and with the consent of all the PTC Holders. Any reset of the Cash Collateral can take place only after at least 50% (fifty percent) of the aggregate principal amounts of the PTCs have been amortised and the credit enhancement thresholds are met, and thereafter, at such steps/thresholds and with such minimum period between resets of credit enhancements as are prescribed in the Securitisation Directions. (ix) Any unused Cash Collateral in relation to the Receivables together with applicable interest thereon may be remitted to the Seller/Facility Provider in accordance with the Securitisation Directions and the Securitisation Documents with the approval of the Trustee, subject to all amounts payable to the Investors under the Trust Deed having been paid and the settlement of the final accounts. All costs and expenses for such transfer shall be borne by the Seller/Facility Provider.
Replenishment Period Waterfall Mechanism	In respect of the Receivables, from the Effective Date until the Amortisation Commencement Date, on each Payout Date, the Total Collections (including the Prepayment Proceeds), the Clean Up Purchase Consideration (if such amounts have been received), and any amounts recovered pursuant to legal proceedings (if any), shall be utilised by the Trustee in the following order of priority: (a) payment of Senior Costs. PROVIDED THAT the Servicing Fee shall only be appropriated from the EIS component of the Total Collections, and if, in any Collection Period the EIS component of the Total Collections is insufficient to make a complete payment of the Servicing Fee, then the deficit portion of the Servicing Fee shall be paid out in the next occurring Collection Period(s); (b) payment of any unpaid expected amounts in respect of the Series A1 Interest pertaining to earlier Collection Periods; (c) payment of expected Series A1 Interest; (d) payment of any unpaid expected amounts in respect of the Series A2

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	Interest pertaining to earlier Collection Periods; (e) payment of expected Series A2 Interest; (f) all excess collections, up to the Replenishment Amount, shall be utilised for the purchase of the Replenishment Receivables; and (g) unless otherwise instructed by the Investors, all amounts remaining after application in accordance with (a) to (f) above shall be utilised for payment to the Residual Beneficiary. PROVIDED THAT, no part of the Cash Collateral shall be utilized for the purchase of Replenishment Receivables.
Amortisation Period Waterfall Mechanism	In respect of the Receivables, commencing from the Amortisation Commencement Date, on each Payout Date: (a) Until such time the Series A1 PTCs have not been fully redeemed, the Total Collections (including the Prepayment Proceeds), the Clean Up Purchase Consideration (if such amounts have been received), and any amounts recovered pursuant to legal proceedings (if any), shall be utilised by the Trustee in the following order of priority: (i) payment of Senior Costs. PROVIDED THAT the Servicing Fee shall only be appropriated from the EIS component of the Total Collections, and if, in any Collection Period the EIS component of the Total Collections is insufficient to make a complete payment of the Servicing Fee, then the deficit portion of the Servicing Fee shall be paid out in the next occurring Collection Period(s); (ii) payment of any unpaid expected amounts in respect of the Series A1 Interest pertaining to earlier Collection Periods; (iii) payment of expected Series A1 Interest; (iv) payment of any unpaid expected amounts in respect of the Series A2 Interest pertaining to earlier Collection Periods; (v) payment of expected Series A2 Interest; (vi) payment of any unpaid expected amounts in respect of the Series A1 Principal pertaining to earlier Collection Periods; (vii) payment of expected Series A1 Principal; (viii) any Prepayment Proceeds will be utilised for pre-payment of Series A1 Principal; and (ix) all excess collections shall be used to make prepayment/accelerated redemption of the Series A1 Principal until the Series A1 PTCs have been fully redeemed.

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(b) On complete redemption of the Series A1 PTCs, the Total Collections, all amounts remaining in the Collection and Payment Account from any previous Collection Period (if any), the Clean Up Purchase Consideration (if such amounts have been received), and any amounts recovered pursuant to legal proceedings, shall be utilised by the Trustee in the following order of priority:

(i) payment of Senior Costs. PROVIDED THAT the Servicing Fee shall only be appropriated from the EIS component of the Total Collections, and if, in any Collection Period the EIS component of the Total Collections is insufficient to make a complete payment of the Servicing Fee, then the deficit portion of the Servicing Fee shall be paid out in the next occurring Collection Period(s);

(ii) payment of any unpaid expected amounts in respect of the Series A2 Interest pertaining to earlier Collection Periods;

(iii) payment of expected Series A2 Interest;

(iv) payment of any unpaid expected amounts in respect of the Series A2 Principal pertaining to earlier Collection Periods;

(v) payment of expected Series A2 Principal;

(vi) any Prepayment Proceeds will be utilised for pre-payment of Series A2 Principal; and

(vii) all excess collections shall be used to make prepayment/accelerated redemption of the Series A2 Principal until the Series A2 PTCs have been fully redeemed.

(c) On Series A2 Final Maturity Date, the Cash Collateral, if required, shall be drawn upon to make payments in the following order of priority:

(i) unpaid expected Series A2 Principal, if any; and

(ii) shortfall in Series A2 Maximum Payout, if any.

(d) Following complete redemption of the Series A1 PTCs and the Series A2 PTCs, the Trustee shall apply the Total Collections, all amounts remaining in the Collection and Payment Account from any previous Collection Period (if any), the Clean Up Purchase Consideration (if such amounts have been received), and any amounts recovered pursuant to legal proceedings, in the following order of priority:

(i) for payment of Senior Costs; and

(ii) for payment to the Residual Beneficiary.

(e) Any amounts recovered pursuant to any legal proceedings and the Clean Up Purchase Consideration (if such amounts have been received) shall be utilised by the Trustee in the following order of priority:

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	(i) for application towards payments in accordance with paragraph (a) above; (ii) for application towards payments in accordance with paragraph (b) above; (iii) for application towards payments in accordance with paragraph (c) above; and (iv) following complete redemption of the Series A1 PTCs and the Series A2 PTCs, for payment to the Residual Beneficiary.
Collection & Payment Account / CPA	The Collection & Payment Account / CPA refers to the current account maintained with the Collection Bank and operated solely by the Trustee. The Servicer shall deposit all collections from the Receivables in the CPA and the amounts available in the CPA shall be utilized by the Trustee for making the payments due in terms of the Waterfall Mechanism.
Prepayments	Please refer the definition of "*Prepayment*" in Paragraph 64 in Chapter 1 of this Information Memorandum.
Prepayment Proceeds	Please refer the definition of "*Prepayment*" in Paragraph 65 in Chapter 1 of this Information Memorandum.
Clean-up Call Option	(a) Subject to Applicable Law, at any time after the residual value i.e., value of the outstanding principal of the Initial Receivables, falls below the thresholds prescribed under the Securitisation Directions, the Seller will have the option to buy fully performing Facilities underlying the Initial Receivables, exercisable by the Seller in its sole discretion ("**Clean Up Call Option**"), in accordance with the Securitisation Directions. This option may be exercised only if, at the time of exercise of the Clean Up Call Option by the Seller, the amount available under the Cash Collateral is greater than the principal balance of non-performing Facilities comprising the Initial Pool. (b) Upon exercise of the Clean Up Call Option by the Seller, the price payable by the Seller will be an amount arrived at on the basis of the net present value of the outstanding amounts of such fully performing Facilities comprising the Initial Pool as of the date of exercising the Clean Up Call Option. (c) It is clarified that pursuant to the Clean Up Call Option, the Seller only has an option (and not an obligation) to re-purchase the Initial Receivables that are performing and that the Clean Up Call Option is to be exercised in accordance with the Securitisation Directions. The Clean Up Call Option is exercisable at its sole discretion at the thresholds prescribed under the Securitisation Directions, only if, at the time of exercise of the Clean Up Call Option, the amount available under the Cash Collateral is greater than the principal balance of non-performing Facilities comprising the Initial Pool. Therefore, the Clean Up Call Option is not structured to avoid allocating losses to credit enhancements or positions held by the Investors or structured to provide any credit enhancements.
Any class or tranche not being offered to	The PTCs are privately placed and are not offered to the public.

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public	
Interest Payment Date	On the Payout Date as set out in **Annexure 2** hereto.
Principal Payment Date	On the Payout Date as set out in **Annexure 2** hereto.
Optional Redemption	Not Applicable
Possibility of extension or shortening of period of PTC	Upon the delay in payments by the Obligors, the tenor of the PTCs may be increased.
Risk of prepayment in respect of the PTCs	Upon any prepayment by any Obligor and/or any foreclosure, the Prepayment Proceeds collected shall be paid to the Investors on the immediately succeeding Payout Date in accordance with the provisions of the Securitisation Documents. Therefore, the PTC may be prepaid on account of the any Prepayment and/or foreclosure of the Facilities.
First Payout Date	As set out in **Annexure 1.**
Last Payout Date/Maturity Date (Series A1 PTCs)	As set out in **Annexure 1.**
Last Payout Date/Maturity Date (Series A2 PTCs)	As set out in **Annexure 1.**

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2.4 PRINCIPAL TERMS OF THE SERIES A1 PTCS

SERIES A1 PTCs	
Issue Opening Date	October 30, 2023
Issue Closing Date	October 30, 2023
Deemed Date of Allotment	October 30, 2023
First Payout Date	November 25, 2023
Last Payout Date in relation to Series A1 PTCs	August 25, 2025
Legal Final Maturity in relation to Series A1 PTCs (in months)	August 25, 2028
No. of Series A1 PTCs	90,59,81,844
Price Per Series A1 PTC	INR 1 (Indian Rupee One)
Minimum Subscription / Minimum Ticket Size for Series A1 PTCs	INR 1,00,00,000 (Indian Rupees One Crore) (i.e., Series A1 Investors have to acquire at least 1,00,00,000 Series A1 PTC(s) and multiples of 1 PTC(s) thereafter)
SERIES A2 PTCs	
Issue Opening Date	October 30, 2023
Issue Closing Date	October 30, 2023
Deemed Date of Allotment	October 30, 2023
First Payout Date	November 25, 2023
Last Payout Date in relation to Series A2 PTCs	October 25, 2025
Legal Final Maturity in relation to Series A2 PTCs (in months)	August 25, 2028
No. of Series A2 PTCs	9,79,43,983
Price Per Series A2 PTC	INR 1 (Indian Rupee One)
Minimum Subscription / Minimum Ticket Size for Series A2 PTC	INR 1,00,00,000 (Indian Rupees One Crore) (i.e., Series A2 Investors have to acquire at least 1,00,00,000 Series A2 PTC(s) and multiples of 1 PTC(s) thereafter)

2.5 RATING

The Rating Agency has given a provisional rating of AAA (SO) for the Series A1 PTCs, and AA- (SO) for the Series A2 PTCs. However, this is an indicative rating and is contingent upon the receipt of final documents conforming to information already received in relation to the Certificates. The ratings are not a recommendation to subscribe to or purchase, hold or sell or redeem the PTCs in as much as the ratings do not comment on its suitability to a particular Investor. There is no assurance either that the rating will remain at the same level for any given period of time or that the credit rating will not be lowered or withdrawn entirely by the Rating Agency. Also the Rating Agency will issue the final ratings after the compliance with the terms of the provisional rating.

2.6 APPLICATION FOR CERTIFICATES

The subscription period will open on October 30, 2023 and close on a date not later than October 30, 2023. The investors have to submit applications (by submitting the duly filled up and signed form annexed hereto and marked as **Annexure 3**) and make payment of the subscription amounts by a cheque/ demand draft payable high value in Mumbai by RTGS such that the credit is received no later than 4.00 p.m. on or prior to the day of closure of issue. The Deemed Date of Allotment for the Certificates shall be October 30, 2023 ("**Deemed Date of Allotment**").

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CHAPTER 3: THE TRANSACTION STRUCTURE

3.1 TRANSACTION STRUCTURE

(a) Navi Finserv Limited is the Originator/Seller/Servicer of the Assigned Assets.

(b) The Originator shall assign and sell the Receivables to a Special Purpose Vehicle (SPV), which is a Trust, namely "Sagittarius Trust 08 2022" settled by Catalyst Trusteeship Limited under the Trust Deed for acquiring the Assigned Assets as property of the Trust in trust for and for the benefit of the Investors.

(c) The Trust will purchase the Assigned Assets from the Originator, by using the monies received from the Investors as advances for issuing the PTCs, and upon acquisition of the Assigned Assets issue the Series A1 PTCs and the Series A2 PTCs to the Series A1 Investors.

(d) To meet the minimum retention requirement ("**MRR**") stipulated by the Reserve Bank of India ("**RBI**"), in relation to the Assigned Assets being sold, the Seller shall provide:

(i) the Cash Collateral of INR 2,44,85,996 (Indian Rupees Two Crore Forty Four Lakh Eighty Five Thousand Nine Hundred and Ninety Six) which constitutes 2% (two percent) of the Initial Pool Principal; and

(ii) the subordinated facilities principal/over-collateral to the extent of 18% (eighteen percent) of the Initial Pool Principal.

(e) The Seller shall maintain the MRR as a percentage of the unamortised principal on an ongoing basis.

(f) The PTCs issued by the Trust shall represent the undivided beneficial interest of the holder thereof in the Assigned Assets.

(g) The Series A1 PTCs have been given a provisional rating of AAA (SO) by the Rating Agency, and the Series A2 PTCs have been given a provisional rating of AA- (SO) by the Rating Agency. The provisional ratings shall be confirmed by the Rating Agency after the compliance with all the terms for the issue of the provisional ratings.

(h) Catalyst Trusteeship Limited acting as the Trustee shall monitor the overall transaction on behalf of the beneficiaries of the Trust (being the investors in the PTCs) and shall be responsible for performing various actions to protect their interests.

(i) The Trustee will open and operate the Collection and Payment Account. The Cash Collateral which has been made available in the form of fixed deposits, will be lien marked in favour of the Trustee.

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(j) The Cash Collateral shall be available to the Trust for the benefit of the Investors at all times until the Investor Payouts are made to the Investors.

(k) The Seller shall be responsible for bearing all initial costs in relation to the securitisation transaction, including but not limited to the fees of the Trustee, the Rating Agency, the Collection Bank, the stamp duty payable on the Securitisation Documents, the fees of the legal counsel and the fees of any auditors appointed for inspecting the pool of Loans.

(l) The credit enhancement for the PTCs, will comprise of the Excess Interest Spread and Cash Collateral, which Cash Collateral shall be provided by the Originator in such manner and to such extent as is required to ensure that the provisional rating of the PTCs is confirmed by the Rating Agency.

(m) The Seller will be appointed as the Servicer in relation to the Assigned Assets. The Servicer shall collect the Receivables from the Obligors, and deposit all the collections realised therefrom into the CPA as per the terms of the Transaction Documents. The Servicer shall prepare the Monitoring Reports in relation to the collections and the outstanding dues, and make the same available to the Trustee at least 2 (two) days prior to each Payout Date.

(n) The Servicer shall not be entitled to any fees for the performance of various functions and activities as the Servicer other than as specifically set out in the Securitisation Documents and shall act as the Servicer in accordance with the provisions thereof.

(o) The Investor Payouts for the PTCs has been detailed in **Annexure 2.**

(p) The Seller will have the Clean Up Call Option.

(q) After all the Investor Payouts are made to the Investors, the balance amounts lying in the CPA as well as the outstanding Receivables and all right title and interest in relation thereto shall belong to the Seller.

3.2 INITIAL RECEIVABLES

Please refer to the definition of "*Initial Receivables*" in Paragraph 42 of Chapter 1 of this Information Memorandum.

3.3 INSTRUMENTS ON OFFER

The Series A1 PTCs having a rating of AAA (SO) by the Rating Agency, and the Series A2 PTCs having a rating of AA- (SO) by the Rating Agency.

Each PTC represents a proportionate undivided beneficial interest in the Assigned Assets as specified in this Information Memorandum and will be issued pursuant to the various Securitisation Documents entered into by and between different parties to this transaction of securitisation. The PTCs do not represent an interest or obligation of the Trustee, the Originator/ Seller (other than to the limited extent of the Credit Enhancement provided by the Seller), the Servicer or any of their respective affiliates nor are the PTCs or the underlying Receivables insured or guaranteed by the Trustee, the Originator/ Seller (other than to the limited extent of the Credit Enhancement provided by the Seller) the Servicer or any of their respective affiliates.

3.4 PAYIN DATES AND PAYOUT DATES

If:

(a) a Payin Date does not fall on a Business Day then the Total Collections from the previous

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Collection Period shall be credited /deposited into the Collection and Payment Account on the preceding Business Day; or

(b) a Payout Date or a Maturity Date does not fall on a Business Day, then the Investor Payouts will be made on the preceding Business Day.

Such preceding Business Day will be considered the relevant Payin Date, the relevant Payout Date or any Maturity Date, as the case may be, for the purposes of the Trust Deed and the other Securitisation Documents.

3.5 PAYMENT OF INTEREST

Interest at the Series A1 Interest Rate shall be payable on the Series A1 PTCs and interest at the Series A2 Interest Rate shall be payable on the Series A2 PTCs, each on the Payout Dates as specified in **Annexure 2.**

3.6 PREPAYMENT AMOUNTS

Please refer the definitions of "*Prepayments*" and "*Prepayment Proceeds*" in Chapter 1 above and Section 2.3 above.

3.7 CREDIT ENHANCEMENT

Please refer the sections on "*Form of Credit Enhancement*" and "*Utilisation of Credit Enhancement*" in Section 2.3 above.

3.8 IMPORTANT STRUCTURAL TRIGGERS

In the event of any Prepayments or Defaults, the cash flow schedules set out in the Trust Deed and the other Securitisation Documents will be updated by the Trustee in accordance with the Trust Deed and the other Securitisation Documents, wherein the Trustee shall (acting on the instructions of the Investors holding Majority Interest) prescribe a new schedule of payment of the Investor Payouts on all subsequent Payout Dates and/or a new schedule of expected cash flows from the Receivables comprising the Pool, each adjusted for the impact of Prepayments/Defaults and the expected cash flows from the Pool.

3.9 MATERIAL CONTRACTS

The Originator has entered into the Facility Agreements with the Obligors under the terms of which the Facilities have been advanced by the Originator to the Obligors.

3.10 NO RECOURSE

(A) **No recourse against the Trustee**

Please refer Clause 4.15 (*No recourse against the Trustee*) of the Trust Deed.

(B) **No recourse against the Seller**

(a) Subject to terms and provisions of the Securitisation Documents, the Parties hereby agree and confirm that in respect of the Assigned Assets, the Trustee will not have any recourse against the Seller on account of any reason whatsoever.

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(b) Further, it is expressly agreed that the Seller shall not be required to make good any losses suffered by the Trustee, on behalf of the Trust, and/or the Beneficiaries due to the non-receipt of the Initial Receivables except to the extent of the Credit Enhancement provided by it.

(c) Any re-scheduling, restructuring or re-negotiation of the terms of the Underlying Documents after the transfer of the Initial Receivables to the Trustee will be done only with the consent of the Trustee and shall be binding on the Trust and not on the Seller.

(d) Subject to paragraph (e) below, if any representation or warranty set forth in the Assignment Agreement by the Seller is found to be incorrect or misleading or is breached and if such misrepresentation/breach, to the extent capable of rectification/remedy in the opinion of the Trustee (acting on the instructions of the Investors holding Majority Interest), has not been rectified/remedied by the Seller within 10 (ten) days after a notice for rectification/claim in respect thereof has been given to the Seller by the Trustee, the Seller will, at the option of the Trustee (acting as per the instructions of the Investors holding Majority Interest), either:

(i) substitute the Initial Receivables in respect of which there is a misrepresentation/breach with any other receivables, which fulfil the eligibility criteria set out in Section 6.1 of this Information Memorandum. PROVIDED THAT any substitution of receivables pursuant to this sub-paragraph is done with prior approval of the Rating Agency; or

(ii) repurchase the Initial Receivables in respect of which there is a misrepresentation/breach by credit to the Collection and Payment Account of an amount equal to the principal amount of such Initial Receivables.

However, if the Seller is unable to substitute the Initial Receivables with receivables as contemplated in paragraph (i) above, it may instead elect to repurchase such Initial Receivables in the manner set out in this paragraph (ii).

(e) The Seller's obligation under paragraph (d) above is subject to the breach of representation and warranty being exercised no later than 120 (one hundred and twenty) days from the Effective Date and any subsequent assignment will be deemed to be on the same terms and conditions as applicable to the original assignment under the Securitisation Documents. It is also agreed and acknowledged that this is an additional remedy and other remedies as set out in the Assignment Agreement and Applicable Law (subject to the Securitisation Directions) continue to be available to the Trustee until all the Investor Payouts have been made in full to the Investors.

(f) Without prejudice to paragraph (d) and paragraph (e) above, if any representation or warranty set forth in the Assignment Agreement by the Seller is found to be incorrect or misleading or is breached and if such misrepresentation/breach, to the extent capable of rectification/remedy in the opinion of the Trustee (acting on the instructions of the Investors holding Majority Interest), has not been rectified/remedied by the Seller within 10 (ten) days after a notice for rectification/claim in respect thereof has been given to the Seller by the Trustee, the Seller will, if so required by the Trust, pay damages for such misrepresentation, subject to compliance with the requirements prescribed in the Securitisation Directions

(g) The Trustee acknowledges that save as set out above, the Seller is not under any obligation to re-purchase or fund the re-payment of the Assigned Assets (or any part thereof) or, substitute or provide additional Assigned Assets to the Trust.

3.11 CASH FLOW APPROPRIATION AND DISTRIBUTION

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(a) **Collection of Instalment**

The Trustee shall open the CPA with the Collection Bank. The Servicer shall remit all collections on the pools pertaining to the CPA.

(b) **Investor Payouts determination**

The Trustee will open the Collection and Payment Account with the Collection Bank, which account shall be operated and maintained by the Trustee for the purpose of depositing the Receivables collected by the Servicer and for distributing the Investor Payouts on the relevant Payout Dates to the Investors.

All amounts constituting the Receivables, including any advance payments and Prepayment Proceeds, collected by the Servicer in a single Collection Period will be credited/deposited into the Collection and Payment Account on or prior to the Payin Date following such Collection Period.

The Trustee will receive a statement from the Collection Bank, 1 (one) Business Day prior to each Payout Date, which, *inter alia*, will set out the details of the deposits into the Collection and Payment Account.

The Trustee will determine the adequacy of the funds contained in the Collection and Payment Account, on each Payin Date, to make the Investor Payouts to the Investors in the manner provided herein and in the Accounts Agreement. In the event that the funds in the Collection and Payment Account are inadequate or insufficient to make the Investor Payouts to the Investors, the Trustee will utilise the Cash Collateral to make good such shortfall, in the manner provided in the Trust Deed, and in the Accounts Agreement.

3.12 WATERFALL MECHANISM

Please refer the sections on "*Amortisation Period Waterfall Mechanism*" and "*Replenishment Period Waterfall Mechanism*" in Section 2.3 of this Information Memorandum.

3.13 METHOD OF PAYMENT

All payments by the Trustee to the Investors shall be made by a RTGS/NEFT/Funds Transfer and payable in Mumbai.

3.14 WITHHOLDING TAXES

(a) On deduction of tax at source ("**TDS**") from the payment of the Receivables made by the Obligors to the Seller, the Seller will, in consideration for subsequently availing of the benefit of the TDS credit, make payment of the amount of TDS into the Collection and Payment Account which will be used for distribution to the Investors. Such payment will be made by the Seller during the Collection Period preceding each Payout Date.

(b) Only against actual deduction of TDS by the Obligors on payments collected by the Seller would the Seller be required to make payment of the amount of TDS. The Seller has no obligation to make any such payment if the Obligors default in making payments or make payment without TDS.

3.15 AUDIT

The Auditor shall facilitate any audit of the Receivables constituting the Pool to verify, *inter alia*, whether these

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exist, whether these meet with the eligibility criteria mentioned in Section 5.1 and whether these are supported by adequate and appropriate documentation.

3.16 REPRESENTATIONS AND WARRANTIES

Please refer Clause 6.1 (*Representations and Warranties of the Seller*) of the Assignment Agreement.

3.16A UNDERTAKINGS AND COVENANTS OF THE SELLER

Please refer Clause 7 (*Undertakings and Covenants*) of the Assignment Agreement.

3.17 EFFECT OF DELINQUENCIES

For the PTCs, as the Credit Enhancement is available for shortfalls in collection caused on account of delinquency, the returns on the PTCs will be affected only if the delinquencies are higher than the Credit Enhancement provided. There is, however, no assurance that the actual delinquencies of the contracts under consideration will be lesser than the Credit Enhancement.

3.18 MONTHLY REPORTS TO INVESTORS

The Servicer shall monitor the performance of the Obligors of their obligations under the Underlying Documents and submit to the Trustee, the Alternate Servicer (until the Alternate Servicer has taken over the obligations of the Servicer in accordance with the Servicing Agreement) and the Rating Agency, at least 2 (two) days prior to each Payout Date, the Monitoring Report(s), for the preceding Collection Period, *inter alia*, setting out the details mentioned in Clause 3.1(j) of the Servicing Agreement and in Annexure 7 below.

The Monitoring Reports will, if so requested by the Trustee, be audited by the Auditor on a semi-annual basis. If any discrepancies are observed in payments of any amounts to the Investors as a result of this audit, the Servicer will make good such discrepancies on or prior to the Payin Date immediately following such audit. Any payment shortfalls will be treated as payment in arrears and will be paid to the Investors in accordance with the Securitisation Documents.

3.19 SEMI ANNUAL REPORTS

The Servicer shall as on the Deemed Date of Allotment and every 6 (six) months thereafter submit a report to the Trustee in the format required under the Securitisation Directions (specifically Annex 2 of the Securitisation Directions, which format has been reproduced in **Annexure 5** herein).

3.20 DISCLOSURES PURSUANT TO THE SECURITISATION DIRECTIONS

(a) **Other disclosures and confirmations**

The following disclosures and confirmations are made/provided pursuant to:

(i) **Clause 18 of the Securitisation Directions**: There have been no changes in the underwriting standards between the date of origination of the Facilities comprising the Pool until the date of this Information Memorandum. If the underwriting standards change between the date of origination of the Facilities comprising the Pool and till all the claims associated with PTCs are paid-off, the Seller will disclose to the Investors and the Trustee, the timing and purpose of such changes.

(ii) **Clause 21 of the Securitisation Directions**: It is declared that:

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(A) the cash flow schedules set out in the Trust Deed and the other Securitisation Documents have been prepared on the basis of expected cash flow projections assuming that there (I) are no Defaults and/or Prepayments and (II) is no change in the Effective Date pursuant to the terms of the Trust Deed; and

(B) in the event of any Prepayments/Defaults, any change in the expected cash flows from the Pool, any change in the Effective Date pursuant to the terms of the Securitisation Documents, and/or purchase of any Replenishment Receivables, the cash flow schedules set out in this Deed and the other Securitisation Documents will be updated by the Trustee (acting on the instructions of the Investors holding Majority Interest) in accordance with this Deed and the other Securitisation Documents, wherein the Trustee shall (acting on the instructions of the Investors holding Majority Interest) prescribe a new schedule of payment of the Investor Payouts on all subsequent Payout Dates and/or a new schedule of expected cash flows from the Receivables comprising the Pool, each adjusted for the impact of Prepayments/Defaults and any change in the expected cash flows from the Pool, any change in the Effective Date pursuant to the terms of the Securitisation Documents, and/or purchase of any Replenishment Receivables.

(iii) **Clause 22 of the Securitisation Directions:** The legal and financial risk factors are set out in Section 8 and Section 9 of this Information Memorandum.

(iv) **Clause 24 of the Securitisation Directions**: In the event the actions of any of the counterparties or institutional intermediaries associated with the transactions contemplated under the Securitisation Documents (including without limitation, the Seller, the Trustee and/or the Trust, the Servicer, and the providers of any credit enhancement), result in, at any point, a material alteration of the risk profile of the PTCs, the Seller shall ensure that adequate details about such occurrence are provided to the PTC Holders, the Rating Agency and any other service providers, promptly, and in no case later than within 14 (fourteen) calendar days of occurrence.

(v) **Clause 30(g) of the Securitisation Directions**: The PTCs issued by the Trust are not insured and the PTCs do not represent deposit liabilities of the Seller, the Servicer or the Trustee.

(vi) **Chapter III of the Securitisation Directions**: The securitisation transaction entered into/to be entered into pursuant to this Information Memorandum and the other Securitisation Documents is not a simple, transparent and comparable (STC) transaction for the purposes of the Securitisation Directions.

(vii) **Clause 45(a) of the Securitisation Directions:** The PTCs are credit enhanced by way of the Cash Collateral provided/to be provided by the Seller pursuant to the Accounts Agreement and the other Securitisation Documents. Please refer to Section 2.3 for the nature, purpose, extent of the Cash Collateral and all required standards of performance.

(viii) **Clause 61 of the Securitisation Directions**: The Seller is in compliance with the minimum holding period and the minimum retention requirements prescribed in the Securitisation Directions.

(ix) **Clause 63 of the Securitisation Directions**: The Seller has complied with the applicable provisions of the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016.

(x) **Clause 112 of the Securitisation Directions**: The Seller hereby confirms and declares as follows:

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(A) weighted average holding period of the Facilities comprising the Pool is 7.45 (seven decimal four five) months. Where the original tenure of the Facilities comprising the Pool is less than 24 (twenty four) months, the minimum holding period in respect of each of the Facilities comprising the Pool has been calculated as 3 (three) months from the date of first repayment, and where the original tenure of the Facilities comprising the Pool is more than 24 (twenty four) months, the minimum holding period in respect of each of the Facilities comprising the Pool has been calculated as 6 (six) months from the date of first repayment; and

(B) the weighted average minimum retention requirements applicable to the Facilities comprising the Pool is 8.34% (eight decimal three four percent) of the book value of the Facilities being securitized, , determined on the basis of the MRR applicable in respect of the Facilities with an original maturity of up to 24 (twenty four) months being 5% (five percent) of the book value of the relevant Facilities, and the MRR applicable in respect of the Facilities with an original maturity of more than 24 (twenty four) months being 10% (ten percent) of the book value of the relevant Facilities (as prescribed in Clause 12 of the Securitisation Directions) and the MRR is being maintained by way of the Credit Enhancement and the subordinated facilities principal/over-collateral.

(xi) **Clause 114 and Clause 115 of the Securitisation Directions**: On September 30 and March 31 of each calendar year, it shall provide such disclosures and confirmations that may be required in the format prescribed in the Securitisation Directions (including Annex 2 of the Securitisation Directions) confirming that it is in compliance with the minimum holding period and the minimum retention requirements prescribed in the Securitisation Directions.

(xii) **Clause 116 and Clause 117 of the Securitisation Directions**: The Seller will make the disclosures with respect to notes to accounts in the format set out in Annex 3 of the Securitisation Directions.

(xiii) **Clause 118 of the Securitisation Directions**: (if applicable) The Seller will submit the details of the securitisation transaction undertaken, including the details of the PTCs issued by the Trust to the RBI on a quarterly basis in the format prescribed by the RBI.

(xiv) Please find annexed hereto and numbered as **Annexure 5**, the format in which Navi Finserv Limited shall set out the disclosures required under Annex 2 of the Securitisation Directions.

3.21 LISTING ON THE STOCK EXCHANGE

(a) The Trustee will procure listing of the PTCs on one or more stock exchanges after due compliance with all prescriptions as laid down by the respective regulatory mechanism and/or Competent Authority no later than the time period prescribed under the Securitisation Listing Framework.

(b) If the PTCs are not listed in accordance with and within the time period prescribed under the Securitisation Listing Framework, penal interest calculated on the outstanding principal amounts of the PTCs at the rate of 1% (one percent) per annum over the Series A1 Interest Rate or the Series A2 Interest Rate (whichever is higher), shall be payable from the date of allotment of the PTCs until the date of listing of the PTCs.

(c) In the event the PTCs are delisted by the respective stock exchange for any reason whatsoever until the Maturity Date, the Trustee shall ensure that the PTCs are re-listed within 2 (two) Business Days from the date of such delisting.

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(d) The Trustee shall ensure and procure that the PTCs are in compliance with the Securitisation Listing Framework until the Maturity Date.

3.22 CLEAN UP CALL

Please refer to the section on "*Clean Up Call Option*" in Section 2.3 above.

3.23 TRUST DEED TO PREVAIL

In the event of any inconsistency between the provisions as set out in this Information Memorandum and the Trust Deed or any other Securitisation Document, the provisions as set out in the Trust Deed or other Securitisation Document shall prevail.

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CHAPTER 4: APPLICATION / ALLOTMENT PROCEDURE

4.1 WHO CAN APPLY

An application for the PTCs may be made only by the person to whom this Information Memorandum has been sent by the Issuer. Neither any application nor this Information Memorandum is transferable by the party who receives the same.

4.2 OFFER PROGRAM

The subscription list will open at the commencement of the banking hours and will close on the day mentioned below:

Issue Opening Date	October 30, 2023
Issue Closing Date	October 30, 2023
Deemed Date of Allotment	October 30, 2023

4.3 SUBMISSION OF APPLICATIONS

(a) Investors are required to subscribe by submitting a completed Application Form, in the format as annexed to this Memorandum, along with the subscription amounts for the PTCs applied for.

(b) All applications for the PTCs must be in the prescribed application forms and must be completed in BLOCK LETTERS in English. Application forms, duly completed, must be delivered together with the cheque / demand draft payable high value at least on the Issue Closing Date no later than 4 p.m. on that date at the offices of the Trustee. The investors must make such payment by RTGS such that the credit is received no later than 4 p.m. on the Issue Closing Date.

(c) All application forms must be accompanied by duly attested / certified true copies of the following:

(i) Memorandum and Articles of Association / Trust Deed / Byelaws / other documents of constitution, as the case may be of the investing entity;

(ii) Resolution of the appropriate authority of the investing entity, authorising the investment;

(iii) Names and specimen signatures of authorised signatories;

(iv) Power of attorney where applicable (Modifications / additions should be notified to the Registrar and Transfer Agent); and

(v) Tax exemption certificate for non-deduction of tax at source if exemption is sought.

4.4 TERMS OF PAYMENT

(a) The full amount due should be paid along with the completed application at least on the Issue Closing Date. All such investors, who are desirous of making payment through RTGS, would have to remit the subscription amount by way of RTGS transfer such that the credit is received no later than 4.00 p.m. at Mumbai on the Issue Closing Date.

(b) In case of payments by RTGS or NEFT the same can be made as per the details mentioned below:

(i) Beneficiary Name : Sagittarius Trust 08 2022

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(ii)	Account No.	: 055505011487
(iii)	Bank Details	: ICICI Bank Limited
(iv)	Branch	: ICICI Bank Towers
(v)	IFSC Code	: ICIC0000555

4.5 FICTITIOUS APPLICATIONS

Any person who makes an application in a fictitious name for subscribing to the Certificates or otherwise induces a body corporate to allot or register any transfer of the Certificates therein to them or any other person in a fictitious name shall be liable for legal consequences of such action in addition to cancellation of the application.

4.6 DEEMED DATE OF ALLOTMENT

The Deemed Date of Allotment would be October 30, 2023.

4.7 BASIS OF ALLOTMENT

The basis of allotment will be determined by the Issuer at its discretion. Issuer reserves the right to accept or reject any application in full or in part without assigning any reason. In any event, an application, not being in conformity with the provisions set out herein or by a person from whom the application has not been sought for, shall be liable for rejection *prima facie*.

4.8 PASS THROUGH CERTIFICATES

For successful applicants, the PTCs shall be issued in dematerialised form within the time period prescribed under the Securitisation Listing Framework.

4.9 CERTIFICATE REGISTER & TRANSFER OF CERTIFICATES

The Registrar and Transfer Agent shall maintain a register of certificates issued and transfers registered from time to time. The Certificates will be transferable in dematerialised form in accordance with applicable laws.

4.10 ISSUE PROCEEDS / SUBSCRIPTION AMOUNTS

The amounts raised from the Investors shall be paid into the Collection and Payment Account. The issue proceeds would subsequently be transferred to the Seller towards payment of Purchase Consideration for the Assigned Assets.

4.11 MINIMUM SUBSCRIPTION

There is no minimum subscription and the entire PTCs have to be subscribed to for this Issue to be closed. In the event that the Issue is not fully subscribed to before the Issue Closing Date, all application monies shall be returned as set out below.

4.12 REJECTION OF THE LISTING OF PTCS

The Trustee hereby undertakes that in the event any stock exchange to which an application for listing is made under sub-section (2) of Section 17A of the Securities Contracts (Regulation) Act, 1956 rejects listing permission or the PTCs are not listed on any recognized stock exchange within the time period prescribed under the Securitisation Listing Framework, the Issuer and, if necessary, its directors or Trustee, shall refund application

moneys forthwith in terms of sub-section (3) thereof by crediting the subscription amounts to the respective bank accounts of the prospective investors.

4.13 REFUND OF SUBSCRIPTION MONIES

The Trustee confirms that in the event the Assignment Agreement is not executed for any reason whatsoever, post the deposit of the subscription monies, the Trustee shall refund such subscription monies to the respective Investors to the extent of their entitlement, within 3 (three) Business Days and in the event of delay beyond 8 (eight) days from closure of the offer in making such refund, the SPV and its directors or Trustee shall be liable jointly and severally to repay the application moneys together with interest at 15% (fifteen percent) per annum.

CHAPTER 5: SUMMARY TERM SHEET UNDER THE SECURITISATION LISTING FRAMEWORK

Issuer	Sagittarius Trust 08 2022
Originator / Seller	Navi Finserv Limited
Trustee	Catalyst Trusteeship Limited
Trust Property	Please refer the definition of "*Trust Property*" in Paragraph 127 of Chapter 1 of the Information Memorandum.
Initial Contribution to set up the SPDE/Trust	INR 1,000 (Indian Rupees One Thousand)
Transaction Size	INR 1,00,39,25,827 (Indian Rupees One Hundred Crore Thirty Nine Lakh Twenty Five Thousand Eight Hundred and Twenty Seven)
Initial Pool Principal	INR 122,42,99,789 (Indian Rupees One Hundred and Twenty Two Crore Forty Two Lakh Ninety Nine Thousand Seven Hundred and Eighty Nine)
Initial Pool Cut Off Date	September 25, 2023
Settlement Date	October 30, 2023
Record Date/Determination Date	means the date for determination of the registered Investors with the Registrar and Transfer Agent, being the day that occurs 7 (seven) Business Days prior to each Payout Date.
Payout Dates	As set out in **Annexure 2**
Transaction Structure	As set out under Section 3.1
Initials Receivables	Please refer the definition of "Initial Receivables" in Paragraph 42 of Chapter 1 of the Information Memorandum.
Disclosures on key pool features and composition	As per the Pool Selection Criteria set out in the rating rationale issued by the Rating Agency, annexed hereto as **Annexure 4** and the eligibility criteria set out in Section 6.1 below.
Collection Period	means each period between a collections start date and the corresponding collections end date as set out in Annexure 2.
Servicer	Navi Finserv Limited
Servicer Fee	means INR 5,00,000 (Indian Rupees Five Lakh), plus applicable goods and services tax, to be paid to the Servicer in accordance with the Servicing Agreement and the Trust Deed.
Legal Counsel	Phoenix Legal
Credit Enhancement for the Transaction	Please refer the section on "*Form of Credit Enhancement*" in Section 2.3 of this Information Memorandum. The requirements and the thresholds in relation to the Credit Enhancement are set out in the rating rationale issued by the Rating Agency, annexed hereto as Annexure 4.
Utilisation process and conditions for utilisation of credit enhancement	Please refer the section on "*Utilisation of Credit Enhancement*" in Section 2.3 of this Information Memorandum.
Reset of Credit Enhancement Facility	All or part of the Cash Collateral may, at any time, be reset in accordance with the Securitisation Directions and with the consent of all the PTC Holders. Any reset of the Cash Collateral can take place only after at least 50% (fifty percent) of the aggregate principal amounts of the PTCs have been amortised and the credit enhancement thresholds are met, and thereafter, at such steps/thresholds and with such minimum period between resets of credit enhancements as are prescribed in the Securitisation Directions.
Name of the Collection Bank	ICICI Bank Limited acting through its branch located at ICICI Bank Towers, BKC, Mumbai, Maharashtra, India

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Name of the Approved Bank	ICICI Bank Limited
Swap	NA
Refund / top up of Credit Enhancement	The Cash Collateral will be re-imbursed/replenished in the manner set out in the Waterfall Mechanism.
Clean-Up Call Option	Please refer the section on "*Clean-up Call Option*" in Section 2.3 of this Information Memorandum.
Details of Listing	**Timing for Listing** (a) The Trustee will procure listing of the PTCs on one or more stock exchanges after due compliance with all prescriptions as laid down by the respective regulatory mechanism and/or Competent Authority no later than the time period prescribed under the Securitisation Listing Framework. (b) If the PTCs are not listed in accordance with and within the time period prescribed under the Securitisation Listing Framework, penal interest calculated on the outstanding principal amounts of the PTCs at the rate of 1% (one percent) per annum over the Series A1 Interest Rate or the Series A2 Interest Rate (whichever is higher), shall be payable from the date of allotment of the PTCs until the date of listing of the PTCs. **Conditions of remaining listed** The Trustee shall ensure and procure that the PTCs are in compliance with and remain listed in accordance with the Securitisation Listing Framework until the Maturity Date. **Consequence of de-listing** In the event the PTCs are delisted by the respective stock exchange for any reason whatsoever until the Maturity Date, the Trustee shall ensure that the PTCs are re-listed within 2 (two) Business Days from the date of such delisting.
Rating Agency	India Ratings and Research Private Limited
Series of securitised debt instruments	Series A1 PTCs and Series A2 PTCs
Day Count Convention	Actual/ 365
	Series A1 PTCs and Series A2 PTCs
Seniority of Series A1 PTCs	Senior
Seniority of Series A2 PTCs	Subordinated
Face Value of each Series A1 PTC	INR 1 (Indian Rupee One)
Face Value of each Series A2 PTC	INR 1 (Indian Rupee One)
Initial Rating of Series A1 PTCs	AAA (SO)

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Initial Rating of Series A2 PTCs	AA- (SO)
Final Maturity Date of Series A1 PTCs	August 25, 2028
Final Maturity Date of Series A2 PTCs	August 25, 2028
Expected Maturity Date of Series A1 PTCs	August 25, 2025
Expected Maturity Date of Series A2 PTCs	October 25, 2025
Expected Yield of Series A1 PTCs	8.80% (eight decimal eight zero percent) per annum per month
Expected Yield of Series A2 PTCs	9.11% (nine decimal one one percent) per annum per month
Payment Schedule	As set out in **Annexure 2** hereto.
Expected Payment Schedule	As set out in **Annexure 2** hereto.
First Payout Date	November 25, 2023
Portfolio Audit	All the necessary documents for a sample audit would be available to the independent auditor for KYC verification and the costs would be borne by the Seller.
Eligibility Criteria for the Receivables	As set out in the rating rationale issued by the Rating Agency, annexed hereto as **Annexure 4** and as set out in Section 6.1 below.
Minimum Holding Period	Where the original tenure of the Facilities comprising the Pool is less than 24 (twenty four) months, the minimum holding period in respect of each of the Facilities comprising the Pool has been calculated as 3 (three) months from the date of first repayment, and where the original tenure of the Facilities comprising the Pool is more than 24 (twenty four) months, the minimum holding period in respect of each of the Facilities comprising the Pool has been calculated as 6 (six) months from the date of first repayment.

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Minimum Retention Requirement	The weighted average minimum retention requirements applicable to the Facilities comprising the Pool is 8.34% (eight decimal three four percent) of the book value of the Facilities being securitized, determined on the basis of the MRR applicable in respect of the Facilities with an original maturity of up to 24 (twenty four) months being 5% (five percent) of the book value of the relevant Facilities, and the MRR applicable in respect of the Facilities with an original maturity of more than 24 (twenty four) months being 10% (ten percent) of the book value of the relevant Facilities (as prescribed in Clause 12 of the Securitisation Directions) and the MRR is being maintained by way of the Credit Enhancement and the subordinated facilities principal/over-collateral.
Details of Transaction Documents	For the purposes of the Transaction, the following documents shall be considered to be material and may be inspected during the normal business hours at the registered offices of the Trustee during the offer period: (a) Trust Deed (b) Assignment Agreements (c) Servicing Agreement (d) Accounts Agreement (e) Power of Attorney
Applicable Law and Jurisdiction	The Certificates and the Securitisation Documents are governed by and will be construed in accordance with the laws of India and the courts and tribunals in Mumbai, India have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Securitisation Documents.
Waterfall Mechanism	Please refer the sections on "*Amortisation Period Waterfall Mechanism*" and "*Replenishment Period Waterfall Mechanism*" in Section 2.3 of this Information Memorandum.

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CHAPTER 6: THE RECEIVABLES

6.1 POOL SELECTION CRITERIA

The Facilities comprising the Initial Receivables have been selected on the basis of the criteria specified below, as on the Initial Pool Cut Off Date:

A. Each Facility must:

(a) be existing at the time of selection, and must not have been terminated or prepaid;

(b) be compliant with all the applicable "know your customer" requirements prescribed by the RBI (and the applicable provisions of the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016);

(c) be unencumbered;

(d) be fully disbursed;

(e) be provided in and is denominated in Indian Rupees (INR) and is repayable in INR;

(f) be classified as a "standard asset" in the books of the Seller (determined in accordance with the criteria prescribed by the RBI);

(g) comply with the Securitisation Directions;

(h) be in the form of an unsecured personal loan; and

(i) have a monthly repayment/payment frequency.

B. The minimum holding period of each Facility comprising the Pool should comply with the thresholds prescribed under the Securitisation Directions.

C. The minimum retention requirements in respect of the Facilities comprising the Pool complies with the requirements prescribed under the Securitisation Directions.

D. In the Pool:

(a) no Facility should be classified as a "non-performing asset" in the books of the Seller (determined in accordance with the criteria prescribed by the RBI);

(b) no Facility has a residual maturity of less than 365 (three hundred and sixty five) days;

(c) no Facility should have been "restructured" or "rescheduled" in the books of the Seller (determined in accordance with the criteria prescribed by the RBI). The foregoing does not apply to a one-time change in the dates of the equated monthly installments (EMI) in accordance with the Underlying Documents pursuant to the one-time EMI change option available to Obligors with no overdues;

(d) no Facility should have any overdues;

(e) no Facility should have never been overdue for a period of more than 30 (thirty) days at any time since the date of disbursement of the relevant Facility (i.e., is classified as "never 30+ DPD");

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