

(On stamp paper of Rs.100/-)
LOAN AGREEMENT
(For individuals/Construction of clinic/hospital)

Memorandum of Agreement for a loan made on this _____ day
of _____, 20____ between the Punjab Health Foundation, the Creditor and
_____, the borrower.

The parties hereby agree as under: -

1. The borrower shall abide by all the rules and regulations of the Punjab Health Foundation as amended from time to time and infringement by the borrower may render him liable for legal action which may include cancellation of Registration Certificate i.e. (PMDC, PNC, NCH, NCT etc.).
2. On an application from the borrower, the Punjab Health Foundation has agreed to advance a loan of Rs. _____/- to the borrower as $2/3^{\text{rd}}$ share of the Foundation. The borrower shall contribute the remaining $1/3^{\text{rd}}$ share to meet the expenditure of the project to be undertaken by him.
3. Before the release of loan, the borrower shall execute a registered Mortgaged Deed of immovable property on prescribed format or provide Bank Guarantee or Government security to the satisfaction of the Foundation.
4. The loan for construction of new building shall be released in 3 equal instalments as under:

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| 1 st instalment | On completion of plinth level. |
| 2 nd instalment | On completion of building upto roof level. |
| 3 rd instalment | On completion of the roof. |
5. The borrower shall be bound to utilize each installment of loan for construction of hospital/clinic within a period of six months and send a certificate of its completion within 18 months of the release of loan.
6. In case of delay or mis-use of loan by the borrower, the Foundation shall:
 - a. Immediately stop further disbursement of loan in case of construction.
 - b. Recover the already disbursed loan along with penalty equal to the double of mark-up charged by scheduled Banks as prescribed under Rule 10 of the Punjab Health Foundation (Provision of Grants/Loan and Lease of Land) Rules 1993.
7. The borrower shall repay the loan within (3 years/8 years) _____ commencing from the last date of issuance of the loan on the basis of quarterly/half yearly equal installments and re-payment schedule prescribed by the Foundation and shall also furnish advance cheques of loan according to repayment of schedule of loan in favour of Creditor, before issuance of loan cheque.
8. If the loan is not repaid according to the repayment schedule, the borrower will be liable to pay a penalty of 4% per month on the defaulted amount.

9. If any cheque is dishonored, the Punjab Health Foundation shall lodge an FIR against the defaulters under Section 489-F of Pakistan Penal Code in addition to other penalties as prescribed under Rule 10 of the Punjab Health Foundation (Provision of Grants/Loan and Lease of Land) Rules 1993.
10. In case of death of borrower, his/her legal heirs will be responsible to repay the outstanding loan amount.
11. The borrower shall not during the loan period: -
 - a. Make any amendment or alteration in the scope of the original proposal without approval of the Foundation.
 - b. Transfer or sell moveable or immovable assets purchased or developed with the loan amount without approval of the Foundation.
 - c. Deal with the mortgaged property in question in any manner whatsoever adverse to the interest of the Foundation, and shall not create a second mortgage over the property.
12. After re-payment of the loan and surcharge, if any, the creditor at the cost and expense of the borrower shall revoke/extinguish lien over the mortgaged property.
13. If the borrower commits a breach of any clause of this agreement or PHF Rules, the creditor may issue Show Cause Notice to the borrower to pay the loan immediately alongwith penalty. The creditor is also at liberty to take any legal action to recover the loan and penalty, if any, which may include legal notice, publication in newspapers and sale of the mortgaged property OR invoke the Bank Guarantee OR recover the same as arrears of land revenue under the Revenue Recovery Act. 1890.
14. Terms and conditions of loan advanced to the recipients including mark up rate are subject to change by the Board of Directors/Financial and Technical Committee, Punjab Health Foundation.
15. A signboard of the clinic will be prominently displayed outside the clinic/hospital mentioning that the clinic/hospital has been established with the Financial Participation of the Punjab Health Foundation.
16. The borrower shall ensure that the staff engaged in the institution by the recipient is adequate and properly qualified in accordance with the qualifications prescribed by the Health Department and the fees and charges, if any, charged by the recipient are reasonable. The decision of the Punjab Health Foundation whether or not such fees and charges are reasonable shall be final.
17. The borrower hereby further declares as under:
 - i. That the Creditor will provide his active bank account number, the amount of loan will be transferred in his account online.
 - ii. That the loan given by the Punjab Health Foundation is only meant for private doctors not serving in any Government/Semi-Government Department/Local Body/Statutory Organization's hospital/dispensary or clinic.

iii. That he/she is not serving in any Government/Semi-Government Department/Local Body/Statutory Organization on regular or contract basis.

If at any stage after the receipt of loan, I get employment under any Government/Semi-Government Department/ Local Body/Statutory Organization on regular or contract basis, I shall inform the Punjab Health Foundation immediately and refund the entire amount of loan to the Punjab Health Foundation.

v. If, subsequent to the release of loan, it is found that I received the loan by mis-statement or concealment of facts, I shall be liable to pay any penalty to be determined by the Punjab Health Foundation besides immediate refund of the entire amount of loan.

18. If any dispute arises between the parties, Managing Director, Punjab Health Foundation will be the Sole Arbitrator, whose decision will be final and binding upon the parties.

In witness, thereof, the parties hereto have caused the agreement to be signed in their respective hands.

SIGNATURE OF CREDITOR

SIGNATURE OF BORROWER

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| Name: Designation | Name: _____ s/o: _____ CNIC: _____ Address: _____ _____ _____ |
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Witness No.1

Witness No.2

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| Name: _____ _____ s/o: _____ _____ CNIC: _____ | Name: _____ _____ s/o: _____ _____ CNIC: _____ |
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