

Form No. 26-B

Appendix 'B'

Draft of unstamped letter to be taken for granting advance against Term Deposit Receipts standing in the personal name/s of proprietor/ partner(s) of a **firm or to a third party.**

Place.....

Date.....

**The Manager
Naini Tal Bank Ltd.**

.....

Dear Sir,

I/We hereby apply for the facility of loan/overdraft account with you for a limit of Rs..... at interest at the rate of.....% over/below PLR/PTLR with a minimum of% per annum with.....rest, **for the purpose of**.....

As security for the fluctuating balance from time to time of the loan/ overdraft which you may grant to me/us, Mr./Ms.....

(Name of the deposit account holders)

will deposit with you the Term Deposit Receipt No.....dated.....for Rs.due from the Bank, so that you may hold the said term deposit receipt as security for such fluctuating balance. The said Term Deposit Receipt is to be treated as a continuing security even if the overdraft account runs into credit, is reduced or extinguished at any time or from time to time.

If the loan/ overdraft together with interest and banking charges payable by me/us is not paid before the due date of the term deposit receipt, the proceeds of the term deposit may be credited to the loan/ overdraft account and the balance if any may be paid to Mr./Ms.....

(Name(s) of the deposit account holders)

If the Bank recalls the loan/ overdraft granted to me/us, the Bank in that event shall be entitled to adjust the loan/overdraft account by prepayment of deposit and in that case may allow such rate of interest as per the rules of the Bank in case of prepayment.

If the said term deposit is renewed by Mr.

(Name of the deposit account holders)

for a further period than until the loan/overdraft together with interest and banking charges is paid in full the renewed term deposit receipt will be endorsed and deposited with you so that you may hold the same and the proceeds thereof as security as aforesaid until the loan/ overdraft together with interest and banking charges is paid by me/us in full.

And I/We.....

(Name of the deposit account holders)

hereby request the Nainital Bank Ltd. to grant the above facility to.....

(Name of the borrower)

.....and agree that the term deposit receipt No..... dated.....for Rs.issued by the Nainital Bank Ltd. to me/us and all renewals thereof and the proceeds thereof shall be held by the Bank as security for the loan/overdraft together with interest and banking charges as aforesaid.

Yours faithfully,

Address of Applicant

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.....
.....

Signature(s) of
Deposit Holder(s)

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Applicant