

Floating Interest Rate Disclosure

Wholesale Dealer Finance Facility

Volvo Financial Services (India) Private Limited ("VFS India") offers wholesale dealer finance facilities to authorised dealers for financing the acquisition and holding of eligible inventory. The facility carries a floating rate of interest linked to the Reserve Bank of India ("RBI") Repo Rate.

Benchmark and Interest Rate

The Facility carries a floating rate of interest linked to the RBI Repo Rate. The interest rate applicable under the Facility is determined using the following pricing structure:

Floating Interest Rate = RBI Repo Rate + Applicable Spread

The applicable spread is determined by VFS India in accordance with its approved pricing methodology, the dealer's credit assessment, facility terms and other relevant commercial considerations. The applicable interest rate is communicated to the dealer through the sanction letter and facility documentation.

The floating interest rate may vary from time to time in line with changes to the RBI Repo Rate and in accordance with the terms of the Facility. The current RBI Repo Rate is 5.25% p.a.

Interest Rate Reset

The floating interest rate is linked to the RBI Repo Rate and is reset on the applicable Interest Reset Date in accordance with the facility documentation. The Interest Reset Date is the first calendar day of the month immediately following the month in which the RBI Monetary Policy Committee announces a change in the Repo Rate.

Any change in the applicable interest rate will be implemented prospectively in accordance with the terms of the facility documentation.

Interest-Free Period

Subject to the terms and conditions of the Facility, financed assets may be eligible for an interest-free period of up to **90 calendar days** from the relevant supplier invoice date. The applicable interest-free period may vary depending on the nature and timing of the dealer's sale transaction and other factors specified in the facility documentation.

Upon expiry of the applicable interest-free period, interest shall accrue at the prevailing floating interest rate until repayment of the relevant obligations in full.

Repayment

Repayment obligations arise upon sale of the financed asset and in accordance with the applicable sale structure and the terms of the facility documentation.

In all cases, outstanding obligations relating to a financed asset must be repaid within the maximum period specified in the facility documentation, which is currently 180 calendar days from the relevant

Important Information

- Interest accrues on the outstanding financed amount on a daily basis in accordance with the facility documentation.
- Changes in the floating interest rate are applied prospectively.
- The facility is a wholesale dealer finance product intended for financing dealer inventory and is not a retail consumer lending product.
- Applicable fees, charges, taxes and other amounts may be payable as set out in the sanction letter, facility documentation and applicable policies of VFS India.

Disclaimer

This disclosure is provided for information purposes only and is intended as a summary of certain key product features. All facilities are subject to credit approval, execution of definitive documentation, applicable laws and regulations, and the internal policies of Volvo Financial Services (India) Private Limited.

In the event of any inconsistency between this disclosure and the executed facility documentation, including the sanction letter and financing agreements, the executed facility documentation shall prevail.