

Nedbank Personal Loans

TERMS AND CONDITIONS

1 INTERPRETATION

1.1 In this agreement clause headings are for convenience and are not to be used in its interpretation.

1.2 In this agreement, unless the context otherwise indicates, the following expressions bear the meanings assigned to them below and similar expressions bear corresponding meanings:

1.2.1 'NCA' means the National Credit Act, 2005;

1.2.2 'agreement' means this agreement, and includes, if applicable, any application and/or quotation and/or any annexes to this agreement;

1.2.3 'interest rate' means the initial interest rate as specified in the quotation;

1.2.4 'prime rate' means the prime overdraft rate of interest charged by Nedbank from time to time;

1.2.5 'prime-rate factor' means the percentage above or below the prime rate as specified in the quotation;

1.2.6 'NCA rate' means the maximum interest rate as specified from time to time;

1.2.7 'NCA rate factor' means the percentage above or below the NCA rate as specified in the quotation; and

1.2.8 'quotation' means the most recent written quotation given in respect of this agreement as contemplated in the NCA.

1.3 Any number of days prescribed shall be determined by excluding the first and including the last day, or where the last day falls on a day that is not a business day, the next business day.

2 CONDITION PRECEDENT

The agreement is conditional on us having conducted a successful credit assessment in accordance with section 81 of the NCA.

3 INTEREST

3.1 We will charge interest on the balance of the loan amount outstanding from time to time. Your agreement is subject to a fixed or variable rate of interest as indicated in the quotation. If the quotation specifies a variable rate, the interest rate will automatically increase or decrease in accordance with the respective prime rate or NCA rate factor as specified in the quotation.

3.2 Interest will be calculated daily on the outstanding loan amount and will be added to the outstanding balance of your loan once a month.

3.3 If you default on your repayment obligations, further interest will be charged on overdue amounts at the same rate as the interest rate applicable to your loan, which will include fees, costs or charges not paid on or before the due date.

3.4 If the interest rate quoted in the quotation is a variable rate, we will notify you in writing of any variation of the interest rate within thirty (30) days after the change took place.

4 FEES, COSTS AND CHARGES

4.1 You are responsible for payment of all fees, costs and charges specified in the quotation. We may from time to time vary any fees, costs or charges, but will not exceed the prescribed amount in terms of the NCA. Fees, costs and charges are inclusive of VAT.

4.2 If you default on payment of your loan, default administration charges will be charged for the delivery of each default letter.

4.3 If you default on your loan repayment, we may charge you the costs incurred by us to collect on the debt.

4.4 You are liable for all legal costs and insurance premiums which we may incur in exercising any of our rights in terms of these terms and conditions, including all legal costs charged on an attorney and client scale, counsel's fees, tracing fees and other collection charges.

4.5 If we change the fees, costs and charges stated in the quotation, we will give you notice of least five (5) business days before we make the change.

5 COMMISSION

Consultants earn commission on conclusion of the agreement. The amount of the commission ranges between R0,00 and R250,00.

6 DISBURSEMENT OF THE LOAN

An agreement will only come into effect on completion of a successful credit assessment. If we approve a loan for a lesser amount than the amount applied for, the information contained in the most recent quotation will apply to the loan and not the information disclosed in the earlier quotation. If you apply for a further loan, we have the right to settle your existing personal loan from the proceeds of the new loan. Depending on the type of loan you qualified for, the loan amount or the lesser amount, as we may approve, will be disbursed to the merchant or your nominated account. If you selected a split disbursement of the loan, a portion of the loan amount will be paid to the merchant and the remainder of the loan amount will be deposited into your nominated account.

The loan amount or the lesser amount, as we may approve, will be disbursed to your nominated account.

7 PAYMENT OF INSTALMENTS

You must repay the loan amount together with interest, fees and charges as stated in the quotation. If you do not make any payment on the due date or if we pay any amount on your behalf and we include this in the outstanding balance, we have the right to alter the monthly payments to such amounts as we determine to ensure that your loan is repaid in the same period as stated in the quotation. If your bank account is closed, inaccessible or has insufficient funds to service the debit order, we may apply the debit order to any bank account that you may have with us, subject to the provisions of the NCA. If you cancel the debit order authorisation, you must choose another payment method acceptable to us and notify us immediately. If you choose another payment method other than debit order, receipt of payment will be at your risk until we receive and process the payment.

You may prepay any amount owed to us at any time and we will allocate the payment as follows:

- (i) to satisfy any unpaid interest;
- (ii) to satisfy any unpaid fees; and
- (iii) to reduce the amount of the principal debt.

You may terminate the agreement by settling the outstanding loan without giving notice. The amount required to settle the loan amount is the outstanding capital, plus any unpaid fees and interest due up to the settlement date.

8 INSURANCE

8.1 If you selected the policy that Nedbank arranges on your behalf you acknowledge that:

8.1.1 you were informed of your right to waive the proposed policy and substitute a policy of your own choice and have not waived the policy proposed by Nedbank;

8.1.2 we provided you with a copy of the policy and have explained the terms and conditions of the policy to you;

8.1.3 we provided you with a copy of the policy, which you have read and understood;

8.1.4 you are familiar with the exclusions contained in the policy;

8.1.5 on the occurrence of one of the insurable events under the policy, we will receive the cover payable in terms of the policy;

8.1.6 you irrevocably authorise Nedgroup Life to obtain from any person, doctor or institution (whom you hereby authorise and request to provide) any information which Nedgroup Life deems necessary to facilitate the consideration of any claim for any benefits payable in terms of the policy;

8.1.7 the premium rates under the policy are not guaranteed and may be altered on the advice of an actuary of Nedgroup Life. In such an event you will be given 1 (one) month's notice of any changes of rates;

8.1.8 you have chosen to have us act as your agent in arranging such insurance;

8.1.9 you will be the credit life assured and that we will be the beneficiary under the policy; and

8.1.10 you authorise us to pay the insurance premiums on your behalf and that we can recover these premiums as part of the monthly instalments.

8.2 If you arranged your own insurance policy, you must provide us with documentary evidence that the policy is effective and all premiums up to date. Failure to comply with the insurance requirements is a breach of this agreement.

9 IMPLICATIONS OF DEFAULT

Should you default on your obligations under this agreement, you will pay default administration charges and collection costs to us. We have the right to claim the full amount outstanding in terms of this agreement, which amount may, at our discretion, become immediately due and payable, together with interest and all other amounts owing to us. Any amount in default or arrears will bear interest at the rate referred to in the quotation, calculated and capitalised monthly. Subject to clause 10, if you are in default, we may institute legal action against you, which may result in a court judgment against you, attaching your salary or property and selling your property to recover the loan, which will further result in a bad credit record.

10 PROCESS ON DEFAULT

10.1 If you are in default, we will give you written notice and propose that you refer the agreement to a debt counsellor, an alternative dispute resolution agent, the Consumer Court or the ombud with jurisdiction, with the intention that we resolve any disputes or develop and agree on a plan to bring payments up to date.

10.2 You agree that registered mail will be used for the delivery of legal notices to you.

10.3 If you applied for debt review under section 86 of the NCA and the review is not finalised within 60 (sixty) business days after you applied for it, we may send a notice terminating the debt review in terms of section 86(10) of the NCA.

10.4 We can only approach the court for an order enforcing the agreement if, at the time, you have been in default for at least 20 (twenty) business days and at least

10 (ten) business days have elapsed since the default letter or notice referred to above has been delivered [which 10-day (ten-day) period may run concurrently with the 20-day (twenty-day) default period] and you have failed to respond to the default letter or have rejected our proposal.

10.5 We may provide a certificate from any of our managers, whose position we need not prove, showing the amount that is due to us and how it has been calculated. Unless you are able to satisfy the court that the amount in the certificate is incorrect, it is agreed that we may take any judgment or order that we are entitled to in law, based on the facts contained in the certificate.

11 APPLICATION FOR DEBT REVIEW

You have the right to apply to a debt counsellor to be declared overindebted. You may not apply to a debt counsellor to be declared overindebted if, at that time, we have started legal action in terms of clause 10. The debt counsellor will determine whether you are overindebted and, if you sought a declaration of reckless credit, the debt counsellor will make a finding on whether any of the credit agreements are indeed reckless. The debt counsellor may reject your application, or may recommend that you and the respective credit providers consider and agree on a debt rearrangement plan. If the debt counsellor finds that you are indeed overindebted, he/she may issue a proposal recommending that the magistrate's court make an appropriate order. If the recommendation suggested by the debt counsellor is accepted by you and each credit provider, the order must be recorded in the form of an order, and if all parties consent, it may be filed as a consent order by the debt counsellor. If the debt counsellor rejects the proposal, you may, with leave of the magistrate's court, apply directly to the magistrate's court for an appropriate order.

12 NOTICES AND DOMICILIUM

12.1 You agree that the residential address you provided in the quotation or the most recent address provided to us in terms of clause 12.2 is the address to/at which all legal notices must be sent/delivered.

12.2 Either party may change its address by delivering a written notice of the new address by hand or email. If you have not advised us of a change of address or any of your other contact details, we will continue to use the last address provided even though the information may be incorrect.

12.3 You may send any legal notices to The General Manager

Nedbank Group Legal

Fax no: 011 295 2173

Physical address: Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196

12.4 Unless the contrary is proven, any legal notice sent by:

- ordinary mail in a correctly addressed envelope to the other party's chosen address will be considered as having been received on the 7th (seventh) day after posting; or
- hand to a responsible person during ordinary business hours at the other party's chosen address will be considered as having been received on the day of delivery; or
- fax to the chosen fax number or sent by email to the chosen email address, will be considered as having been received on the date of transmission.

12.5 Any document actually received by a party will be adequate written notice or communication to that party, even though it may not have been sent to or delivered at the chosen address.

13 GENERAL

13.1 The loan agreement contains everything we and you have agreed on and any change to it must be signed by both parties. If either party decides not to use a right in this loan agreement, it does not mean that the right is lost in terms of the agreement. If you or we wish to waive a right in terms of this agreement, you or we must provide such waiver in writing. Every undertaking in this loan agreement is separate from the others. If any clause is found to be unlawful or cannot be used for any reason, the other clauses will not be affected by its invalidity.

13.2 We have the right, without your consent, to cede, assign and transfer any of our rights or obligations in terms of this agreement to any third party. If any such cession, assignment or transfer constitutes a splitting of claims that requires your consent, you hereby consent thereto.

13.3 You are required to furnish us with such information and/or documents as we may require, from time to time, in respect of yourself or your spouse.

13.4 The English/Afrikaans version will prevail in the event of a conflict with any other version of the agreement.

14 JURISDICTION

In terms of section 45 of the Magistrates' Court Act, 1944, and at our option, any claim arising hereunder may be recovered in any magistrate's court having jurisdiction, and you hereby consent to the jurisdiction of the magistrate's court.

Should the client accept this quotation, this together with the terms and conditions shall become the agreement between Nedbank and the client.