



how can we help you?

Smart Housing Plan Credit Agreement and Quotation  
 In accordance with the National Credit Act 34 of 2005  
 Loan entered into between:

First National Bank (A division of FirstRand Bank Limited)  
 (Registered Bank) (Registration number 1929/001225/06)  
 NCR Registration Number: NCR CP20  
 1 First Place, Bank City, Simmonds Street, Johannesburg, 2001  
 Telephone: 0860 762 278  
 Fax: (021) 914 3795  
 Email: smarhousingplandocst@fnb.co.za  
 and

|  |
|--|
| <b>SOUTH AFRICAN LOCAL<br/>         AUTHORITIES PENSION FUND</b> |
|--|

|  |  |  |   |  |  |  |  |  |   |  |  |
|--|--|--|---|--|--|--|--|--|---|--|--|
| <b>Section 1: Particulars of the Applicant</b>   |  |  |   |  |  |  |  |  |   |  |  |
| Title <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Dr <input type="checkbox"/> Hon. <input type="checkbox"/> Prof. <input type="checkbox"/> Other |  |  | Gender <input type="checkbox"/> M <input type="checkbox"/> F                      |  |  | Language <input type="checkbox"/> A <input type="checkbox"/> E <input type="checkbox"/> Z  |  |  | Race <input type="checkbox"/> B <input type="checkbox"/> W <input type="checkbox"/> C <input type="checkbox"/> A <input type="checkbox"/> O |  |  |
| Surname  |  |  | Full Names  |  |  | The financial institution is required to request this information to assist the Government in monitoring lending practices in terms of the Home Loans and Mortgage Disclosure Act. 2000. |  |  | Maiden Name   |  |  |
| Known as   |  |  | ID Number   |  |  |  |  |  | ID Type <input type="checkbox"/> RSA <input type="checkbox"/> Other   |  |  |
|  |  |  | Y   Y   M   M   D   D   |  |  |  |  |  | Y   Y   Y   Y   M   M   D   D   |  |  |
| <b>Current Residential Address</b>   |  |  |   |  |  |  |  |  |   |  |  |
| Street Name & No.  |  |  | Suburb  |  |  | City   |  |  | Postal Code   |  |  |
| Postal Address   |  |  | Postal address same as current residential address?                               |  |  | <input type="checkbox"/> YES <input type="checkbox"/> NO   |  |  |   |  |  |
| PO Box No.   |  |  | Suburb  |  |  | City   |  |  | Postal Code   |  |  |
| Address where funds will be used   |  |  | Building address same as current residential address?                             |  |  | <input type="checkbox"/> YES <input type="checkbox"/> NO   |  |  |   |  |  |
| Street Name & No.  |  |  | Suburb  |  |  | City   |  |  | Postal Code   |  |  |
| Cellphone Number   |  |  | Home Telephone Number   |  |  | Work Telephone Number  |  |  |   |  |  |
| Email Address  |  |  | Registered Tax/SITE <input type="checkbox"/> YES <input type="checkbox"/> NO      |  |  | Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Unmarried   |  |  | Are you under/have applied for Administration of the Court? <input type="checkbox"/> YES <input type="checkbox"/> NO                        |  |  |
| Tax Number   |  |  | Marital Contract <input type="checkbox"/> ANC <input type="checkbox"/> COP        |  |  | Have you applied for or been declared insolvent? <input type="checkbox"/> YES <input type="checkbox"/> NO  |  |  |   |  |  |
| Retirement Date  |  |  | Marital Consent Required <input type="checkbox"/> YES <input type="checkbox"/> NO |  |  | Have you applied for or are you under formal debt review? <input type="checkbox"/> YES <input type="checkbox"/> NO   |  |  |   |  |  |
| Y   Y   Y   Y   M   M  |  |  |   |  |  |  |  |  |   |  |  |
| <b>Section 2: Particulars of Fund</b>  |  |  |   |  |  |  |  |  |   |  |  |
| Name of Fund   |  |  |   |  |  |  |  |  |   |  |  |
| Name of Administrator  |  |  |   |  |  | Fund Membership Number   |  |  |   |  |  |
| <b>Section 3: Particulars of Employer</b>  |  |  |   |  |  |  |  |  |   |  |  |
| Employer Name  |  |  |   |  |  |  |  |  |   |  |  |
| Site/Division  |  |  |   |  |  |  |  |  |   |  |  |
| Employee Number  |  |  |   |  |  | Period at Current Employer   |  |  |   |  |  |
| Y   Y   Y   Y   M   M  |  |  |   |  |  |  |  |  |   |  |  |
| <b>Section 4: Particulars of the Smart Housing Plan Loan</b>   |  |  |   |  |  |  |  |  |   |  |  |
| Loan Amount  |  |  |   |  |  | For office use only  |  |  |   |  |  |
| Loan Amount Required   |  |  | R   |  |  | Interest and Total   |  |  |   |  |  |
| * Initiation Fee   |  |  | R   |  |  | Interest Rate  |  |  | +/-   |  |  |
| Outstanding balance of existing loan (If applicable)   |  |  | R   |  |  | *** Total loan including interest and charges  |  |  | R   |  |  |
| Principal Debt   |  |  | R   |  |  | Additional Costs   |  |  |   |  |  |
| Instalment   |  |  |   |  |  | Monthly Fee  |  |  |   |  |  |
| Total Monthly Instalment   |  |  | R   |  |  | ** Service Fee   |  |  | R 5.70  |  |  |
| Repayment Period (Months)  |  |  |   |  |  | Customer Protection Plan   |  |  | R   |  |  |

Section 5: Particulars of Income and Expenses

|                            |   |   |                  |
|----------------------------|---|---|------------------|
| Income                     |   |   |                  |
| Basic Salary               | + | R | Nett Salary      |
|                            |   |   | +                |
|                            |   |   | R                |
| Expenditure                |   |   |                  |
| Bond/Rent                  | - | R | Transport        |
|                            |   |   | -                |
|                            |   |   | R                |
| Rates, Water & Electricity | - | R | School/Education |
|                            |   |   | -                |
|                            |   |   | R                |
| Food & Household           | - | R | Entertainment    |
|                            |   |   | -                |
|                            |   |   | R                |
| Maintenance                | - | R | Savings          |
|                            |   |   | -                |
|                            |   |   | R                |
| Garnishee orders           | - | R |                  |
|                            |   |   |                  |
|                            |   |   | Take Home Pay    |
|                            |   |   | R                |

\* If we give you the loan you will have to pay a fee in order to process your application. This fee is part of the total amount you pay us for the loan. You can choose to pay the Initiation Fee up front or pay it off over the period of the Credit Agreement.  
 \*\* The Service Fee is a fee, which is charged to your account monthly on the due date, for the routine monthly Administration of your loan account.  
 \*\*\* Interest is calculated on your daily balance and is compounded monthly in arrears. If you have a fixed interest rate, this rate will stay the same for the period of the agreement. If you have a linked rate, then the interest calculation will vary as the prime rate increases or decreases. This means that your repayments will increase or decrease. If you do not make payments on time, then additional interest will be charged at the interest rate set out in the Loan Agreement.

Section 6: Applicant's banking details

|                     |  |   |  |  |  |                                  |  |  |  |                                       |  |  |  |  |  |
|---------------------|--|---|--|--|--|----------------------------------|--|--|--|---------------------------------------|--|--|--|--|--|
| Bank Name           |  |   |  |  |  |                                  |  |  |  |                                       |  |  |  |  |  |
| Bank Account Number |  |   |  |  |  |                                  |  |  |  | Branch Code                           |  |  |  |  |  |
| Branch Name         |  |   |  |  |  |                                  |  |  |  |                                       |  |  |  |  |  |
| Account Type        |  | <input type="checkbox"/> Cheque/Current |  |  |  | <input type="checkbox"/> Savings |  |  |  | <input type="checkbox"/> Transmission |  |  |  |  |  |

Section 7: Marketing Consent

|   |                              |  |                             |           |                              |                              |                                      |  |  |
|---|------------------------------|--|-----------------------------|-----------|------------------------------|------------------------------|--------------------------------------|--|--|
| I agree that the FirstRand Group send me information about their services and products. | <input type="checkbox"/> YES |  | <input type="checkbox"/> NO |           | Post                         | <input type="checkbox"/> YES | <input type="checkbox"/> NO          |  |  |
|   | <input type="checkbox"/> YES |  | <input type="checkbox"/> NO |           | SMS                          | <input type="checkbox"/> YES | <input type="checkbox"/> NO          | <input type="checkbox"/> 24 Hours or   | <input type="checkbox"/> 07h00 - 20h00 |
| FirstRand Bank Marketing  | <input type="checkbox"/> YES |  | <input type="checkbox"/> NO |           | E-mail                       | <input type="checkbox"/> YES | <input type="checkbox"/> NO          |  |  |
|   | <input type="checkbox"/> YES |  | <input type="checkbox"/> NO |           | Telephone                    | <input type="checkbox"/> YES | <input type="checkbox"/> NO          | <input type="checkbox"/> 24 Hours or   | <input type="checkbox"/> 07h00 - 20h00 |
|   |                              |  |                             | Cellphone | <input type="checkbox"/> YES | <input type="checkbox"/> NO  | <input type="checkbox"/> 24 Hours or | <input type="checkbox"/> 07h00 - 20h00 |  |

## Declaration

1. The money borrowed will be used exclusively to acquire or erect a dwelling, or make addition or repairs to a dwelling, that is or will be occupied by myself or my dependents, or to purchase vacant land.
2. I own or have a right to ownership or occupation through a right of occupation over the property.
3. If married in Community of property I have notified my spouse of the contents of this application, as well as the consequences.
4. Should the loan application be declined, I consent to the reason being disclosed to the Fund Trustee.
5. I am aware that the Customer Protection Plan does not replace any existing Life Insurance Plan with any insurer and that the Customer Protection Plan, only applies to the repayment of this loan facility.
6. I confirm that I have accepted the Customer Protection Plan subject to and in terms of the Smart Housing master policy.
7. I acknowledge and understand that the Pledge of my pension/provident fund means I could loose my pension/provident fund in the event of non payment of the loan for any reason whatsoever.
8. I confirm that the information contained in the Credit Agreement is correct and consider myself bound by it.
9. I have been given adequate time to consider the offer and accept this offer.
10. Should the Bank in there verification process, after my acceptance of this offer, discover that I cannot afford that loan amount stated in the Pre-agreement Statement & Quotation, I authorise the Bank to pay out the lesser approved loan amount, over a repayment period most beneficial to me.
11. I hereby declare that I have been totally honest and truthful and have informed you of all my financial obligations and commitments.

### Product suitability questions - Customer Protection Plan

1. Do you understand the costs associated with this specific product, (as it has been explained to you) and do you accept these in relation to your current financial situation?  YES  NO
2. Do you understand the features, benefits and limitations of the Customer Protection Plan, (as they have been explained to you) and have you found this product applicable to your current circumstances?  YES  NO
3. Can you confirm that you want this specific product as cover for this particular loan?  YES  NO
4. Does this plan replace your existing plan with any insurer (whether the replacement is to occur immediately or to replace a plan that you discontinued in the past four months or that you will continue in the next four months)?  YES  NO  
(Please note that it is usually not in the best interest of a client to replace an existing insurance plan, since this involves a duplication of the initial costs charged). If this plan replaces an existing insurance plan, please submit a Replacement Plan Advice Record together with this Loan Credit Agreement.

#### Insurance Details (Customer Protection Plan)

Life assured:

|            |           |
|------------|-----------|
| Full Names | ID Number |
|------------|-----------|

Applicant

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

**NOTE**

Spouse and spouse witness signatures are only required when the applicant is married in COP.

\_\_\_\_\_  
Applicant's signature

\_\_\_\_\_  
Spouse's signature

\_\_\_\_\_  
First Witness Signature

\_\_\_\_\_  
Second Witness Signature

Please ensure that all the fields are completed on the application form.

Kindly fax this application form, together with the applicant's latest pay slip (not older than one month), a copy of the applicant's RSA identity document, proof of residence and the quotation to Cape Town. Fax (021) 914 3795. Contact information: Tel (021) 943 9900, Postal Address: FNB Smart Product House, PO Box 4184, Tygervally, 7536. PLEASE HAND THE TERMS & CONDITIONS TO THE APPLICANT.

#### COMPANY

I confirm that the Applicant is currently employed by the under mentioned institution.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
Print Full Name - Company Signature for and on behalf of the Employer

|           |  |
|-----------|--|
| ID Number |  |
|-----------|--|

LOAN WRITER - OR INDIVIDUAL ASSISTING WITH THE COMPLETION OF THE APPLICATION

\_\_\_\_\_  
Print Full Name Signature

|           |  |
|-----------|--|
| ID Number |  |
|-----------|--|

ANNEXURE 'B'  
AUTHORITY TO DEDUCT  
SMART HOUSING PLAN LOAN

I, the undersigned, \_\_\_\_\_

Identity Number: \_\_\_\_\_ Payroll Number: \_\_\_\_\_

do hereby authorise my Employer from time to time, currently \_\_\_\_\_

("my Employer"), to deduct proportionately from my wages or from my salary, as the case may be, the monthly loan instalment due by me to the Smart Product House, a business unit of First National Bank (FNB), a division of FirstRand Bank Limited ("the Bank"), in respect of the Smart Housing Plan Loan and to pay such instalment to the

1. Such loan repayments shall initially be R\_\_\_\_\_ per month.
2. Should the Bank at any time give notice that the monthly loan instalment due by me has changed, I hereby authorise my Employer to deduct the amount stated in the Bank's notice from my wages or salary, as the case may be, with effect from the date stated in the notice.
3. The payments shall be made to the Bank by my Employer no later than the date negotiated with the Employer each month. Payments shall commence with effect from the date stipulated for this purpose in a notice given by the Bank.
4. In the event that I am paid weekly, I authorise my Employer to deduct the amount due by me in respect of my monthly loan instalment proportionately from my weekly pay.
5. This authority is for the full term of the loan and may not be withdrawn, amended or suspended during this term without the prior consent of the Bank in terms of the Loan Agreement.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
EMPLOYEE SIGNATURE

\_\_\_\_\_  
WITNESS SIGNATURE

CONSENT UNDER SMART HOUSING PLAN LOAN SCHEME  
By

\_\_\_\_\_  
("the Fund")  
in favour of  
FNB Smart Product House, A division of FirstRand Bank Limited

We hereby consent in terms of the Smart Housing Plan Loan Agreement to an advance of R \_\_\_\_\_ ( \_\_\_\_\_ )

being granted by FNB Loans, a division of FirstRand Bank Limited, to:

Full Names : \_\_\_\_\_

Identity No : \_\_\_\_\_

Employee No : \_\_\_\_\_

We agree that the advance will be included in and covered by the Suretyship given by us, and accept liability in respect of R \_\_\_\_\_

( \_\_\_\_\_ ) plus any finance charges outstanding thereon.

We confirm that, in terms of the Pension Fund Act. Section 19(5)(a) and 37D, the funds are being utilised for property purposes.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
Signature for and on behalf of the Fund/Company

\* Delete whichever is not applicable

CONFIRMATION UNDER SMART HOUSING PLAN LOAN SCHEME  
By

\_\_\_\_\_  
("the Fund Administrator")  
in favour of  
FNB Smart Product House, A division of FirstRand Bank Limited

The Fund Administrator / Fund hereby verifies that the loan amount as stipulated in Section 4 does not exceed the permitted maximum percentage of the applicants withdrawal benefit specified in terms of the rules of the Fund.

We confirm that the pledge has been recorded and noted against the member's benefits in our books.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
Signature for and on behalf of the Fund Administrator

\* Delete whichever is not applicable

ANNEXURE C

PLEDGE OF BENEFITS BY MEMBER IN TERMS OF SECTION 19(5)(b)(ii) OF THE PENSION FUNDS ACT, ACT 24 OF 1956

I, \_\_\_\_\_ of \_\_\_\_\_ do hereby pledge all and any benefits held in, or that may accrue to me, or to which I or my dependants and / or nominees may be or become entitled in terms of the rules and / or applicable legislation, from the

\_\_\_\_\_ ("the Fund") to the Fund as security for the full repayment of a housing loan granted to me by the Smart Product House, a business unit of First National Bank (FNB), a division of FirstRand Bank Limited against surety provided by the Fund for the granting of such loan.

I hereby confirm that I understand that in the event of me or my employer on my behalf failing to pay any instalment due and payable in respect of this loan for any reason whatsoever, the Smart Product House, a business unit of First National bank (FNB), a division of FirstRand Bank Limited will call on the Fund to repay the full outstanding balance on my housing loan and the Fund will pay such outstanding loan balance on my behalf. The Fund will set off any amount so paid in accordance with the surety agreement with the Bank against the benefits held for me in the Fund, and will further deduct and pay any amount of tax that may be due as a result of such payment from my fund benefits.

As Witnesses: 1. \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_  
MEMBER / BORROWER

# Smart Housing Plan Loan Agreement Terms and Conditions

## 1. Definitions

- 1.1. "Annual Interest Rate" is the rate at which interest is calculated on the balance of the principal debt owed by you from time to time. The annual interest is calculated daily in arrears on the outstanding balance and will be added to the deferred amount monthly on the due date for repayment. The interest rate may be either:
  - 1.1.1. A fixed annual nominal rate; or
  - 1.1.2. A variable annual nominal rate, which is linked to the prime lending rate by the number of percentage points specified in the Quotation.
- 1.2. "Arrear Interest" means the interest payable for late repayment in full on or before payment date or failure to make payment in accordance with your contractual obligations.
- 1.3. "the Bank" refers to FirstRand Bank Limited (Registration number: 1929/001225/06), an authorised Financial Services and Credit Provider (NCR Registration number: NCRCP20).
- 1.4. "Agreement" means all the documentation which set out all the terms and conditions regarding the provision of credit to you in the form of a loan.
- 1.5. "Credit Insurance" means insurance payable by you and could be covering the loan in the event of your death, permanent or temporary disability, dread diseases, or retrenchment, depending on the insurance scheme selected by your employer as these events are likely to impair your ability to earn income and meet your obligations under the Credit Agreement.
- 1.6. "Credit Provider" means FirstRand Bank.
- 1.7. "Collections Charge" means an amount that we may charge in respect of the enforcement of the monetary obligation you have under the Credit Agreement which do not include default administration charges.
- 1.8. "Default Administration Charge" means charges to cover any administration costs incurred as a result of you defaulting on an obligation in terms of this Agreement.
- 1.9. "Prime Rate" means the interest rate published from time to time by the Bank, being its minimum overdraft rate as certified by any manager of the Bank whose appointment and designation need not be proved.
- 1.10. "Principal Debt" means the amount that is deferred and on which interest is calculated as well as all other charges in connection with the Credit Agreement.
- 1.11. "Quotation", means the form we provide to you indicating the financial information concerning the Credit Agreement that forms the basis of the Credit Agreement, should you agree and accept it.
- 1.12. "Settlement Quotation" means, the amount required to settle the Credit Agreement, being the total of:
  - 1.12.1. The unpaid balance of the principal debt at that time; and
  - 1.12.2. The unpaid interest charges, as well as all other fees and charges payable up to the settlement date.
- 1.13. "You/Your/Yourself" in respect of the Credit Agreement means you, the consumer or the person to whom credit is granted.
- 1.14. "We/Us/Our" in respect of the Credit Agreement means the Bank, the Credit Provider.
- 1.15. "Repayment Letter" means a letter from the bank to you the consumer or your employer confirming that a loan has been granted setting out the loan details.

## 2. Condition Precedent

The Bank shall not be obliged to perform in any manner whatsoever under this Credit Agreement unless your employment status and banking details have been successfully confirmed.

## 3. The Loan

- 3.1. This loan is subject to the condition that the Bank has approved the loan according to its normal credit granting criteria.
- 3.2. If the application is approved, the Bank hereby loans to the Borrower the amount set out in the repayment letter.
- 3.3. The Borrower hereby agrees that the loan amount may only be utilised for the purposes of either:
  - \* Redeeming a Loan granted to the Borrower by a person other than the Fund in respect of immovable property on which a residence will be erected and which will be occupied by the Borrower, his spouse or a dependant of the Borrower.
  - \* Acquiring immovable property on which a residence has been or will be erected, erecting a residence on immovable property in respect of which either the Borrower or his spouse has obtained ownership or a right of ownership and on which immovable property the Borrower or his dependant is residing, or to make additions to any such property, or
  - \* Making additions and alterations to or maintaining or repairing a residence of which ownership and a right to ownership was obtained through a right of occupation by either the Borrower or his spouse or the Borrower and his spouse, and that is occupied by the Borrower or a dependant of the Borrower, if the right of occupation of the immovable property or residence is secured by virtue of the operation of any

customary law, other than an agreement of lease or similar temporary measure, entitling the Borrower or his dependants to the right of occupation of such immovable property or residence or any specified portion thereof.

## 4. Electronic voice Recording and Transcribing

- 4.1. In accordance with law, we are required to give you a Quotation in writing, or may do so verbally, with the understanding that if given to you verbally, we must provide it to you in writing afterwards.
- 4.2. Should you elect to receive the Quotation during our telephonic interaction with you, we will voice record the Quotation and substantiate the financial particulars thereof in the form of a written communication which shall be sent to you, after the conclusion of the Credit Agreement.

## 5. Payments, Early Payments and Crediting of Payments

- 5.1. The frequency, number, and date of first and last payments in respect of the Credit Agreement, is as set out in your Quotation.
- 5.2. You must pay the full amount of your instalments on or before the due date. This date being the date as set out on your pay slip, alternatively you agree that the Bank may draw the instalment due from your account on the day your salary is deposited into your account.
- 5.3. You are aware and understand that your employer and the Bank have entered into a payroll deduction contract.
- 5.4. You may pre-pay any of your instalments without penalty. Your repayments will be used to reduce your obligations in the following order:
  - 5.4.1. Firstly, against due or unpaid interest;
  - 5.4.2. Secondly, against due or unpaid fees or charges; and
  - 5.4.3. Thirdly, against the amount of the principal debt.
- 5.5. You may not deduct any amount from your repayment. If you pay the repayments later than the date that they are due, you will pay additional interest on the arrear amounts at the interest rate set out in the Quotation.
- 5.6. If you have elected a variable interest rate, your instalments will vary as the prime interest rate increases or decreases. The variation will be of immediate effect and we will notify you of the change in the prime rate and of your new instalment, within 30 business days of the change taking place.

## 6. Payroll Deduction

Should you have agreed to repay your Credit Agreement by means of payroll deductions, you hereby acknowledge that you understand that where your employer and the Bank have entered into a PAYROLL DEDUCTION CONTRACT the following applies:

- 6.1. You hereby give permission to your employer to deduct the monthly/fortnightly/weekly Credit Agreement instalment directly from your wage/salary and pay the specified amount over to the Bank;
- 6.2. You hereby authorise your employer to stop this deduction only when the Bank confirms in writing that your Credit Agreement has been fully repaid;
- 6.3. If no payment is forthcoming from your employer via your wage/salary, you give the Bank permission to deduct the monthly/fortnightly/weekly amounts payable from your bank account directly and authorise the Bank to deduct the instalment from my bank account at whichever financial institution I hold an account every month thereafter.
- 6.4. In the event that you change your agreement to Debit Order, the interest rate that you are paying will be increased according to Debit Order rates.

## 7. Notification of termination of Employment

- 7.1. If you become unemployed, you must tell us immediately by phoning us on the number provided on your quote/contract;
- 7.2. The Bank will call on the Fund to repay the full outstanding balance in terms of the contract between the Bank and the Fund and Annexure C of the Loan agreement being the Pledge of benefits in terms of section 19(5)(b)(i) of the pension fund act, act 24 of 1956.
- 7.3. If you still owe us money when you stop working, you give us permission to deduct the monthly instalment you still owe us from your bank account;
- 7.4. If the balance in your bank account is not enough to pay the full monthly instalment that you owe us, you authorise us to keep on making deductions from your bank account until such time as the instalment amount you owe us is settled in full.

## 8. Settlement of Third Party Accounts

Should you have elected this option, and have completed the necessary Forms viz. the Credit Agreement, you hereby:

- 8.1. Request the Bank to settle the debt(s) as detailed by yourself;
- 8.2. Authorise that payment is made directly into the accounts listed;
- 8.3. Understand that the balance of your loan amount, after paying the debt(s) listed, will be paid out directly into your bank account;
- 8.4. Understand that it remains your sole responsibility to ensure that the institution(s) have cancelled all the deductions due by you to them and that

- the account is closed after the accounts have been settled by the Bank;
- 8.5. Accept responsibility for the correctness of the bank details of the accounts listed by you and indemnify the Bank from any incorrect settlement based on the details listed and supplied by you.
  - 8.6. Borrower's request to pay loan amount into specified account, not held by himself, and limitation of liability and indemnities, where direct payment instructions have been supplied to the bank.
    - 8.6.1. The Borrower hereby requests the Bank to pay the loan amount payable under the loan agreement into the following account ("the designated account"): (herein after referred to as "the Supplier/3rd Party")
    - 8.6.2. The Borrower hereby undertakes, prior to such payment, to furnish the Bank with their personal bank details against which a debit order will be generated, to service the monthly loan repayments (unless the loan is to be repaid via a payroll deduction).
    - 8.6.3. Such debit order shall allow the Bank to deduct instalments in respect of the loan from the designated account, and the account shall be required to remain in place until all amounts owing under the loan have been repaid to the Bank, or if you change your Banking details you need to inform the Bank at the time of doing this.
    - 8.6.4. The Bank makes no representation or warranty in connection with the services and / or products that may be provided by the Supplier/3rd Party as part of, or otherwise in connection with, the loan.
  - 8.7. The Bank cannot and does not promise that:
    - 8.7.1 The Supplier's/3rd Party's services and / or products are suitable for your particular circumstances or purposes.
    - 8.7.2 The Supplier's/3rd Party's service and / or product delivery will be executed without delay, interruption or failure.
  - 8.8 The Bank will not be liable for:
    - 8.8.1. any claims, loss, damages or liability suffered or incurred by the Borrower arising in connection with any fraudulent, unauthorised or mistaken, transaction, payment instruction, reversal or error correction made by the Supplier/3rd Party;
    - 8.8.2. any cause or event outside the reasonable control of the Bank;
    - 8.8.3. any indirect, consequential or incidental loss, damages or liability suffered or incurred in any circumstances whatsoever in connection with the Supplier's/3rd Party's supply or failure to supply their services and / or products;
    - 8.8.4. the Borrower undertakes to indemnify and keep the Bank indemnified from and against any claim, loss or liability arising directly or indirectly from any negligent or fraudulent act or omission of the Supplier/3rd Party (or persons under its control and direction), such indemnity includes (without limitation) any and all legal costs incurred (on a lawyer and own-client basis) in connection with the Bank attempting to enforce any of their rights.
  - 8.9. Nothing herein excludes, restricts or modifies any rights or remedies, which the Supplier /3rd Party may have under the law.
  - 8.10. The Borrower acknowledges that his/her obligation to repay all amounts owing to the Bank in terms of the loan agreement shall remain unaffected by any act or omission on the part of the Supplier/3rd Party listed on the Credit Agreement.

#### 9. Change in circumstances

During this Credit Agreement we could ask you to pay extra costs, charges or other amounts that we did not foresee and we did not ask you to pay when you signed the Credit Agreement.

#### 10. Credit Insurance

- 10.1. It is a condition of this Credit Agreement that the Credit Agreement will be covered with Credit Insurance.
- 10.2. You have the right to decide if you would like to obtain the cover through Bank's Customer Protection Plan or by means of cession of your existing insurance product.
- 10.3. The Bank reserves the right to inspect your insurance product and advise if it is acceptable for the purpose of the Credit Agreement or not,
- 10.4. You may, at your discretion cancel the Bank's Customer Protection Plan by informing the Bank in writing within 30 days of the date of the application, subject to you ceding to the Bank an acceptable replacement policy, matching or exceeding the Bank's policy, which shall cover the Credit agreement for the duration of the credit agreement.
- 10.5. Features, benefits and limitations of the Customer Protection Plan are set out in the product brochure and you must make yourself fully aware of these before agreeing to the cover.
- 10.6. On the assumption that you will consider the Bank's Customer Protection Plan in order to provide the Bank with the requisite credit insurance cover, we have enclosed the Customer Protection Plan brochure with the Quotation for your perusal.
- 10.7. Should you accept the credit insurance cover provided by the Customer Protection Plan, your premiums will be payable monthly and will be included in your monthly loan repayment amount.
- 10.8. By accepting the credit insurance cover provided by the Customer Protection Plan, you authorise us to:

- 10.8.1. Apply on your behalf to the relevant insurer for cover;
- 10.8.2. Pay over to the insurer any premiums in terms of the cover during the term of the Credit Agreement, on your behalf, when it falls due;
- 10.8.3. Be a first loss payee under the policy to the value of the settlement amount under the Credit Agreement, in the event of an insured event occurring. Any amount in excess of the settlement value will be paid to you or your estate.
- 10.9. We will inform you of the cost of the credit insurance and the amount of any commission, fee, remuneration or benefit that we may receive in relation to arranging this insurance.
- 10.10. Employees are trained, authorised and accredited to explain the contents of the Customer Protection Plan product.
- 10.11. They are salaried employees and do not earn commission.
- 10.12. The maximum cover per loan is R500 000.

#### 11. Early Settlement and your right to terminate the Credit Agreement

- 11.1. You may settle the Credit Agreement in full at any time, without notice, by paying the settlement value to us. In such an event, the settlement value will be calculated as follows:
  - 11.1.1. The unpaid balance of the principal debt as on the settlement date; plus
  - 11.1.2. The accrued unpaid interest; plus
  - 11.1.3. All other fees and charges due and payable as on the settlement date.
- 11.2. If you would like a settlement statement in respect of the Credit Agreement, we will provide such a statement either orally or in writing within 5 business days of your request for us to do so, at no cost to you
- 11.3. Should you not exercise your right to settle within the period for which our settlement quotation is valid, by means of a deposit into our nominated bank account, the Credit Agreement will continue and all your obligations will be due and payable, as originally agreed.
- 11.4. In the event that this credit agreement being signed and accepted at any premises other than a registered Bank premises, you are entitled to cancel the credit agreement within 5 days of signing the agreement by means of notice to the bank, and full payment of the loan amount that was reflected on your pre-agreement and quotation.

#### 12. Our right to enforce or terminate the Credit Agreement

If you do not comply with any term or condition of the Credit Agreement (all of which you agree are material), or if you fail to pay any amounts due under the Credit Agreement, or if there is a material deterioration in your financial position, or you have made misleading statements or misrepresented material facts to us in order to conclude the Credit Agreement, or you allow any judgment to be taken against you, to remain unpaid for more than seven days, or are sequestrated whether provisionally or final, or perform an act of insolvency or enter into a compromise with any of your creditors, then we may (without affecting any of our other rights), proceed with enforcement or termination of the Credit Agreement.

#### 13. Default, Collections and Legal Proceedings

- 13.1. Should we elect to enforce the Credit Agreement; you irrevocably authorise the Bank to make demand on the fund in terms of the guarantee given by the Fund to the Bank. If there is insufficient funds in the Fund to settle the loan then the procedure set out hereunder will be followed:
  - 13.1.1. A letter will be dispatched to you drawing to your attention and notifying you of your default under the Credit Agreement;
  - 13.1.2. A proposal will be made in the letter that you refer the Credit Agreement to a debt counselor, alternatively a dispute resolution agent, consumer court or Ombud with jurisdiction. The intention of such referral will be to resolve the dispute or to develop and agree on an arrangement to bring the payments under the Credit Agreement up to date.
  - 13.1.3. If the Credit Agreement is under review, a notice will be sent to you, 60 business days after you applied for the debt review, to terminate that review.
  - 13.1.4. Legal proceedings will not be commenced against you, unless:
    - 13.1.4.1. You have been in default for at least 20 business days;
    - 13.1.4.2. At least 10 business days have elapsed since the default letter or notice referred to above has been sent (which 10 day period may concurrently with the 20 day period);
    - 13.1.4.3. You have failed to respond to the default letter or you have responded by rejecting our proposal.
- 13.2. If you are in default, you are entitled to reinstate the Credit Agreement at any time before cancellation thereof, by paying all overdue amounts, as well as our permitted default charges and reasonable costs up to the time of reinstatement.
- 13.3. If you are in default, you will be liable for default administration charges and collection costs applicable in the High Court the Magistrate's Court Act, the Debt Collectors Act or the fees prescribed by Law Society of South Africa, whichever is applicable.



#### 14. Arrear Interest and Arrear Amounts

- 14.1. Arrear interest charged to you in respect of arrear amounts will be equal to the interest rate we agreed to with you in respect of this Credit Agreement.
- 14.2. You will also be liable for the default administration and collection costs arising from your failure to comply with any term or condition of the Credit Agreement as well as for legal costs and collection commission on all payments made by you if the matter is referred to an external debt collection company or attorney.

#### 15. Indulgence

Where we have not enforced any of the terms and conditions of the Credit Agreement, you may not assume that the terms and conditions have been altered or varied or does not apply. The terms and conditions will still apply despite such non-enforcement

#### 16. Statements

- 16.1. We will provide you with statements of account on a quarterly basis, or you may approach your nearest FNB branch and request a copy of your statement.
- 16.2. If you have a query in connection with your statement of account, you must deliver a written notice to us, to enable us to assist you with resolving the matter. You may deliver this written notice by way of registered post or hand delivery to our domicilium or address by facsimile to our office..

#### 17. Debit Order Authorisation

Unless you have indicated otherwise, you authorise us to originate a debit order against your bank account for purposes of paying all amounts due by you to us from time to time under the Credit Agreement.

#### 18. Address for Receiving Documents and Notices

The parties choose, for the purpose of legal proceedings and for the purpose of giving any notice in terms of the Credit Agreement, the following addresses:

- 18.1. You: the address, including the fax number and email address if applicable, as provided by you and set out in the quotation, which address you select as your chosen domicilium citandi et executandi.
- 18.2. The Bank legal division,  
1 First Place,  
Bank City,  
Simmonds Street,  
Johannesburg,  
2001
- 18.3. Any notice given in terms of the Credit Agreement will be in writing and be deemed to have been received:
  - 18.3.1. on the date of delivery if delivered by hand during normal business hours;
  - 18.3.2. on the seventh day following posting if posted by either pre-paid registered mail or ordinary mail, as the case may be;
  - 18.3.3. on the date appearing on the transmission report generated by the fax machine if sent by fax;
  - 18.3.4. on the date of transmission if sent by electronic mail.
- 18.4. Any notice, excluding notices for the purposes of legal proceedings, may be sent by ordinary mail, fax or e-mail.
- 18.5. Any written notice actually received will be adequate written notice.
- 18.6. Each party may change its address to another physical address in the Republic of South Africa by giving 14 (fourteen) days written notice to the other party.

#### 19. Certificate

A certificate signed by any authorised employee of the Bank (whose appointment or authority it shall not be necessary to prove) shall constitute prima facie evidence of the outstanding balance owing and/or due and payable by you to the Bank and/or the rate of interest payable by you and/or any other amount owing and/or due and payable by you to the Bank in terms of the Credit Agreement and/or any other matter arising from or related to the Credit Agreement.

#### 20. Credit Bureaus - Profiles, Reporting and Account conduct and your rights in respect thereof

- 20.1. By signing this Credit Agreement you acknowledge and confirm that:
  - 20.1.1. We may transmit any of your personal information and data to any of the credit bureaux in connection with your application for credit, the opening and termination of the Credit Agreement as well as for any other lawful purpose during the existence of the Credit Agreement;
  - 20.1.2. We may submit any information as to how you conduct your account to any of the credit bureaux. The credit bureaux may then use this information to create a credit profile and/or a credit score. Should you not conduct your account in accordance with the Credit Agreement, this may

#### 20.2. You have the right to:

- 20.2.1. contact the credit bureau;
- 20.2.2. have your credit records disclosed; and
- 20.2.3. correct inaccurate information, with the credit bureau.

#### 21. Complaints

- 21.1. If you wish to complain with regards to this Credit Agreement you must contact our help on desk the number provided on the quote.
- 21.2. You have the right to resolve a complaint by way of alternate dispute resolution, by filing your complaint with the National Credit Regulator or making an application to the National Consumer Tribunal. You may contact:
  - 21.2.1. The National Credit Regulator on 0860 627627 or visit the website at [www.ncr.org.za](http://www.ncr.org.za).
  - 21.2.2. The National Consumer Tribunal on 0860 627 627 or visit the website at [www.ncr.org.za](http://www.ncr.org.za).
  - 21.2.3. The Banking Ombudsman on 0860 800 900 or visit the website at [www.obssa.co.za](http://www.obssa.co.za).

#### 22. Your right to Apply for Debt Review

You may apply to and consult with a debt counselor, by means of making contact with, and getting information from the National Credit Regulator's office.

#### 23. Non Variation

The Credit Agreement constitutes the entire Credit Agreement between you and the Bank and no alteration or variation of any term or condition (alleged or otherwise) of the Credit Agreement shall be of any force and effect unless reduced to writing and signed by you and the Bank.

#### 24. Severability

Each and every clause of the Credit Agreement is severable from the others and the invalidity of one or more of clauses will not affect the remainder of the Credit Agreement, which shall remain in full force and effect.

#### 25. Cession and Assignment

- 25.1. You may not cede, assign or transfer the Credit Agreement or any of your rights or obligations to any other party unless we agree to this.
- 25.2. We may cede or transfer the Credit Agreement to any other person and you agree that you will recognise the cession or transfer and fulfill your obligations to the new Credit Provider.

#### 26. Your Acknowledgements and Confirmations

By signing the Credit Agreement you acknowledge and confirm that:

- 26.1. You are not a minor person;
- 26.2. You read the Credit Agreement before you signed it;
- 26.3. If you cannot read, the Credit agreement was explained to you in your own language;
- 26.4. Before you signed the Credit Agreement we explained and you understood and appreciate the costs, risks and obligations associated with you entering into the Credit Agreement;
- 26.5. All the Credit Agreement details were completed in front of you and that you did not sign a blank document and where something was not applicable it was clearly crossed out in your presence.
- 26.6. All the information you gave us in the Credit Agreement is true and correct.
- 26.7. You can afford to make the monthly/fortnightly/weekly payments over the period you have taken the Credit Agreement.
- 26.8. Your employer and/or Pension/Provident fund approve the application.
- 26.9. There is no reason why we should not give you a Credit Agreement.
- 26.10. You are not under Administration as referred to in section 74(1) of the Magistrate's Court Act;
- 26.11. If you have asked us to arrange credit insurance for you, you agree that the terms and conditions of our Customer Protection Plan have been explained to you and that you understand them;
- 26.12. You have not taken up any credit other than as indicated on your application for credit from the date of your application for credit to the date of entering into the Credit Agreement;
- 26.13. You were provided with a selection of the following options on your application for credit:
  - 26.13.1. To be excluded from telemarketing campaigns;
  - 26.13.2. To be excluded from telemarketing lists for mass distribution;
  - 26.13.3. To be excluded from mass SMS and e-mail campaigns; and
- 26.14. All the information that you have provided is true and current in every respect and that we may rely on this information.

#### 27. Agents and Agents commission

No agents commission is payable.

- FirstRand Bank Limited holds professional indemnity insurance.