

**Loan Agreement
Pre-Agreement Statement**

in terms of section 92 of the National Credit Act No 34 of 2005

You must understand Pre-Agreement Statement disclosures before you accept any specific terms in your Quotation.

By applying for a loan, you confirm that:

- You have not applied for or are currently under administration, provisional or final sequestration or debt review;
- You are not currently over-indebted;
- You are not going through financial difficulty;
- A court has not declared you mentally unfit;
- You have not borrowed any more money or accepted further credit after you first applied for this loan with the Credit Provider;
- All information given is true and correct;
- If married in community of property, or by customary or tribal law your spouse has given written consent for you to enter into this Agreement;
- If your spouse did not give consent, you understand that the Credit Provider may lay a charge of fraud against me and / or take legal steps and hold me responsible on my own under this Agreement
- the Credit Provider may check and verify any information required in connection with this Agreement.

Definitions

In this Agreement the following words have the meanings as set out in this definition clause and the definition clause in the General Terms and Conditions.

"Act" means the National Credit Act 34 of 2005, as amended from time to time.

"Agreement" means your loan agreement with the Credit Provider, which was recorded and concluded either through electronic channels, or otherwise in writing, or verbally and which includes:

- Pre-Agreement Statement, Quotation, and General Terms and Conditions

"Annual interest rate" is the fixed annual interest rate you must pay on any amount of the Principal Debt that you still owe (the outstanding balance) in terms of the Agreement.

"Credit Cost Multiple" means the Total Cost of Credit divided by the Loan amount.

"Credit Provider" is First Rand Bank Limited, company registration number 1929/001225/06, an authorised financial services provider and registered credit provider with registration number NCRCP20. Its chosen address for legal documents is 4th Floor, 4 Merchant Place, 1 Fredman Drive, Sandton, 2196.

"Debitcheck" refers to the mechanism of authenticating your debit order mandate electronically through online banking, at an ATM, on a cell phone (USSD), etc. A mandate means a written, verbal or electronic authority you give, allowing the Credit Provider to debit your bank account.

"Direct Axis (SA) (Pty) Ltd", company registration number 1995/006077/07, an authorised financial services provider who offers the credit life insurance policy. Its chosen address for legal documents is 108 De Waal Road, Diep River, 7800.

"General Terms and Conditions" refers to the terms you will receive before concluding the Agreement and together with the Pre-Agreement Statement and Quotation make up the Agreement.

"Loan amount" is any loan amount paid to you in terms of this Agreement.

"Loss payee" means the Credit Provider nominated under a credit life insurance policy that applies to this Agreement.

"Personal/Customer Protection Plan" or the **"Plan"** is the credit life insurance policy offered, underwritten by the insurer as specified in your credit life insurance policy.

"Pre-Agreement Statement" refers to the terms set out in this document as required by the Act.

"Principal Debt" is the amount on which interest is calculated. It includes the loan amount paid out to you in terms of the Agreement, interest and any other fees and costs added as allowed for in the Act when they become due.

"Quotation" means the quote provided in terms of the Act that sets out the cost of credit, and other information required in terms of the Act.

"Total Cost of Credit" means Loan amount, all fees, interest and credit life insurance (if applicable) that will apply to the Agreement, charged in terms of the Act.

"you or your" means the person who enters into the Agreement with the Credit Provider.

1. Quotations

If your application is successful, you will receive a Quotation containing all costs and other loan information specific to you.

Quotations are valid for 5 (five) business days (**which excludes Saturdays, Sundays and official public holidays**) after the date on which the Quotation is presented in terms of the Act. Once accepted, the Agreement is conditional upon the receipt of required documents. These may include proof of your identity, residential address and income, proof of payment of the initiation fee and proof of credit life insurance policy. The Credit Provider will not pay out the Loan amount before it has received and validated the documents. Should these documents not be received and validated within 5 (five) business days of the Quotation being presented or if the documents do not reflect the information provided at application, or be found to be unsuitable, the Credit Provider may withdraw or recalculate your Quotation.

2. Costs of credit (costs related to the Agreement)

You must pay the following costs of credit:

- **Interest** at the fixed annual interest rate set out in the Quotation, which is calculated daily and added to the Principal Debt every month on your chosen payment date. The interest rate charged on default amounts will never exceed the interest rate charged on the Principal Debt.
- **Initiation fee** for the costs of preparing a new Agreement, which you may:
 - pay upfront and send proof before pay-out of the loan amount; or
 - include in the Principal Debt and will be charged interest on.
- **Service fee** which is a monthly fee for managing your Agreement. If you enter into the Agreement during the month, a pro rata fee (just the relevant portion) for that calendar month will apply. The monthly fee will be added to the Principal Debt. The service fees charged will never exceed the maximum fee in terms of the Act (which fee may be amended from time to time if the Act is amended). You will receive at least 5 (five) business days' written notice if this fee increases.
- **Premiums** for any Personal/Customer Protection Plan you decide to take out, charged monthly.

3. Debit Order Mandate

- The Credit Provider may use DebiCheck mandates with a maximum collection amount of 1.5 times your instalment amount. Should you have a DebiCheck mandate in place, you agree and authorise the Credit Provider to debit an amount up to the maximum collection amount:
- if your instalment amount changes as a result of your total cost of credit changing or
- in order for the Credit Provider to recover any arrears due by you.

You further agree that:

- your monthly instalment will be paid in terms of this debit order mandate that you have provided. You authorise the Credit Provider to deduct payments from the bank account your income is paid into.
- The deduction will take place on the same day your salary is paid which is your deduction date.
- if your salary payment date changes, you agree that we may change your deduction date to always be the same as your salary date.

- if deduction date falls on a non-processing day (like Saturday, Sunday or official public holiday), you agree that we or your bank may process the payment up to two processing days before the deduction date;
- if we suspect that your salary or income is paid earlier, we may track your bank account in order to deduct on the earlier date; and
- if there is insufficient money, we or your bank may track your bank account and deduct the payments due (which includes the instalment and arrear / overdue amounts) once money is available.

4. Credit Life Insurance

The Credit Provider requires you to maintain credit life insurance to cover your outstanding obligations under the Agreement at any time, and to be nominated as the “Loss Payee” under the policy.

You have the right to waive the Plan offered, and to substitute it with an equivalent credit life policy of your choice. In such a case, the Credit Provider requires documentary proof of the existence of this cover, the details thereof, and that the Credit Provider has been named as a Loss Payee under the policy up to the settlement value of the Agreement (as per Form 23 of the Act). The Loan amount will not be advanced until such time as the Credit Provider has received and are satisfied with the proof provided.

You acknowledge that you have free choice as to the policy, the broker or intermediary and the insurer, and that you have exercised this choice without being coerced or induced.

5. Statement of account

Unless otherwise agreed, the Credit Provider will send you a quarterly statement of account to the email address or postal address that you selected as the address at which you wish to receive statements.

Loan Agreement General Terms and Conditions

You must read the General Terms and Conditions with your Quotation and Pre-Agreement Statement.

Your application information, the Quotation, Pre-Agreement Statement, General Terms and Conditions and any subsequent confirming SMS/MMS or telephone call of the cost of credit, form the whole Agreement between you and the Credit Provider. If you have chosen the credit life insurance offered, the relevant insurance policy will also form part of the record of the Agreement. No changes may be made to the Agreement unless these changes are agreed to in writing or verbally (voice-recorded and confirmed in writing) or unless the Act allows it.

1. Other Cost of credit

Default administration and collections cost may be charged when you do not pay any amounts due on time. Default and collections cost include any administration, legal and/or costs and commissions that a debt collection company or attorney may charge in terms of relevant laws.

2. Further Payment Arrangements and Allocating your payments

Your payments first go towards (1) interest then (2) any fees, and then (3) the loan amount.

You further agree that:

- you will notify the Credit Provider should your bank account details change;
- you may cancel the debit order mandate, but the Agreement and the obligations will remain;
- we or the bank may re-present your payment instruction at no additional cost to you to ensure that you always meet your payment obligations. This re-presented payment shall be separate but in addition to your current payment;
- amounts which have been collected from the account under the debit order mandate cannot be reclaimed if such amounts were legally owed to the Credit Provider;
- that the Credit Provider can deduct the amounts due (instalments, interests, fees, charges and arrear amounts) from your bank account until this credit agreement has been paid in full; and
- the Credit Provider reserves the right to require you to authenticate the DebiCheck mandate sent by your Bank to you in order to deduct payments from your bank account before your loan is paid out or during the course of your Agreement. Should you not authorise the mandate, your loan might not be paid out.

If we are allowed to change the debit order or track your bank account to determine when funds are available, we may be able to stop default on your Agreement. Default may lead to legal action or negative credit bureau listings.

3. Further information relating to the Credit Life Insurance

In this regard, a Plan which is priced to your actual risk profile and the benefits (e.g. death, disability, dread disease or retrenchment) you can claim for will be offered. The Plan provides cover to settle your outstanding balance of Principal debt and provides limited cover for retrenchment or loss of income (where applicable).

The terms of the insurance are specified in the policy agreement entered into between you and the relevant insurer.

The insurers details are Hollard Life Assurance Company Ltd: phone 0800 000808. Further contact details are specified in your policy agreement.

4. Consolidation Loan

Where this Agreement is intended to be an agreement in terms of which certain of your existing credit agreements are to be settled and closed by this Agreement ("Consolidation Loan Agreement"), you acknowledge and confirm that:

- you have requested the Credit Provider to utilise the proceeds of your Consolidation Loan Agreement to settle certain of your existing accounts as you specified;

- the Credit Provider will instruct your existing creditors to close such accounts and to terminate any credit facility that may exist under any such agreement;
- you are responsible for ensuring that these accounts are closed and the facilities are not utilised;
- if the amount paid was insufficient to settle any account, you will pay any shortfall directly to your existing creditors and will communicate with your existing creditors to ensure that the account is then closed and any credit facility on the account terminated;
- you will not incur any further debt on any credit facility that you may have on any of the specified accounts from the date of this Agreement even if your existing creditors do not terminate the facility; and
- your obligation to repay all amounts owing in terms of this Agreement shall remain unaffected by any act or omission on the part of your existing creditors.

You further agree that the Credit Provider will not be liable for:

- any claims, loss, damages or liability suffered or incurred by you arising in connection with any fraudulent, unauthorised or mistaken transaction, payment instruction, reversal or error or correction made by your existing creditor listed on the Consolidation Loan Agreement;
- any cause or event in connection with the Consolidation Loan Agreement outside the reasonable control of the Credit Provider; and
- any indirect, consequential or incidental loss, damages or liability suffered or incurred in any circumstances whatsoever in connection with services or products supplied by your existing creditor listed on the Consolidation Loan Agreement.

5. Opting out of marketing

You have the right to be excluded from any:

- marketing phone calls (telemarketing) by or on behalf of the Credit Provider;
- marketing or customer list sold or shared by the Credit Provider or
- mass email or sms messages sent by or on behalf of the Credit Provider.

You may exercise your above rights during the application process or at any other time by phoning Customer Care on 0217643404 or by emailing customerservice@directaxis.co.za.

6. Pre-Payment is allowed without penalty

You may pay any amount you owe in terms of the Agreement even if it is before the date which the payment is due. The Credit Provider will credit each payment made under the Agreement as follows: (1) due and unpaid interest, then (2) any due and unpaid fees or charges, and then (3) the loan amount. Pre-payments made and allocated will not be refunded.

7. Early settlement of the entire amount is allowed

If you want to pay the total outstanding amount in terms of the Agreement, you must request a settlement amount from us. The settlement amount is made up of the unpaid balance of your loan amount, unpaid interest, plus other fees and charges payable up to the date of settlement. The Credit Provider will give you the settlement amount at no cost within 5 (five) business days from when you request the settlement quotation. The settlement quotation may be given to you: in person, by e-mail, telephone, or other form of electronic communication. The settlement amount quoted must be paid within 5 (five) business days from the date that it was delivered. If you do not pay the settlement amount within 5 (five) business days, the settlement quotation will no longer be valid. The Agreement will continue as normal and you will need to get a new settlement quotation if you still want to pay up your loan early.

8. Breach

If you do or fail to do or allow anything that could harm the Credit Provider's rights or cause any loss under the Agreement, you will immediately be in default of the Agreement. This includes if you pay late or do not pay in terms of the Agreement.

If any payment is late, you must pay extra interest on the arrears at the interest rate in the Quotation.

If you do not pay any amounts due under the Agreement, the Credit Provider may start legal action against you to enforce and terminate the Agreement, as allowed for by the Act. This does not affect the Credit Provider's rights. If you are in default, you will immediately owe the balance of the Principal Debt plus default costs that apply in terms of relevant law.

If the Credit Provider decides to enforce the Agreement, the following procedure applies:

We will inform you of your **default** in a NCA section 129(1)(a) notice which will give you at least 10 business days to do one of the following: correct the default by making payment; refer this Agreement to a debt counsellor to work out and agree a plan with us to bring the payments up to date or refer this Agreement to the National Credit Regulator for debt intervention if you meet the eligibility criteria; or refer this dispute to an accredited Alternative Dispute Resolution Agent, Consumer Court or Ombud with jurisdiction. If you have applied for debt review and it is not finalised within 60 business days from the date you applied for the debt review, the Credit Provider may send a notice ending the debt review (under section 86 of the Act).

The Credit Provider will not start legal action against you unless:

- you have been in default for at least 20 (twenty) business days; and
- at least 10 (ten) business days have passed since delivery of the default letter or notice referred to above (which could be at the same time as the 20 (twenty) days); and
- you have failed to respond to the default letter, or have rejected our proposal.

If the Credit Provider terminates the Agreement under section 123 of the Act, the same procedure set out above will first be followed.

You may reinstate any Agreement in default by paying all overdue amounts plus default costs before the Agreement is terminated.

9. Credit reporting and credit sharing practices

The Credit Provider may share information to the credit bureau about your application, the Agreement and any adverse (negative) information about you (which includes late repayments and legal action taken against you to recover debt). The Credit Provider will give you at least 20 (twenty) business days' notice before reporting any adverse (negative) information about you. The credit bureau may use the information shared with them to create a credit profile and score indicating your credit worthiness.

You may ask any credit bureau at any time to see your credit record and to correct any information that might be incorrectly displayed at the credit bureau (if the Credit Provider cannot show it is correct).

The Credit Provider may report your information to the following credit bureau :

- **Transunion:** phone 011 214 6000 or 0861 482 482 or email webmaster@transunion.co.za
- **Experian:** phone 011 799 3400 or 0861 105 665 or email info@experian.co.za
- **Xpert Decision Systems:** phone 011 645 9100 or email info@xds.co.za
- **Compuscan:** Phone 021 888 6000

10. Complaints and disputes

If you have a question, complaint or dispute about this Agreement or the Plan offered, please first contact Customer Care on behalf of the Credit Provider who will do their best to help you. Please refer to your accompanying welcome letter for contact details.

Should they be unable to help, you can contact:

- **Banking Ombudsman:** phone 011 838 0035/38/39 or email info@obssa.co.za
- **National Credit Regulator:** phone 0860 627 627 or email info@ncr.org.za
- **National Consumer Tribunal:** phone 012 683 8140 or email Registry@thenct.org.za
- **Long Term insurance Ombudsman:** phone 021 657 5000 or email info@ombud.co.za
- **FAIS Ombud:** Phone -012 470 9080 or info@faisombud.co.za

You may resolve a complaint by way of alternative dispute resolution in terms of section 134 of the Act. You may also ask the Banking Ombudsman to help you resolve a complaint or dispute.

11. Right to apply to a debt counsellor

You may apply to a debt counsellor to be declared over-indebted under section 86 of the Act. You may apply before the Credit Provider takes legal action against you for any default under this Agreement. The debt counsellor will help you with your application and you will have to pay the relevant fee. They could reject your application in terms of the Act.

If you apply for debt review, you may not apply for or accept any more credit until your application has been rejected or you have settled all your debts under credit agreements as agreed by the court. This means you may not borrow any money, enter into any credit agreement or incur any charges under a credit facility (such as a credit card).

The National Credit Regulator may give you contact details of debt counsellors in your area.

12. Certificate of amount due

The Credit Provider may issue a written notice showing the amount you owe and how it has been calculated.

You agree that the Credit Provider may take legal action based on the amount in the notice, but you have the right to prove to any court that a particular amount is not owing.

13. Cession and assignment (transfer) of debt

The Credit Provider may transfer any of its rights and responsibilities under the Agreement, including the right to collect the amounts due by you as agreed in terms of the debit order mandate. You must continue to fulfil your responsibilities as set out in the Agreement to the person to whom the rights and responsibilities have been transferred.

14. Addresses and receiving documents

You agree that the Credit Provider may send legal notices to the residential address you provide from time to time in writing.

You agree that the Credit Provider may send you other communications, including statements of accounts, to the email address that you provide from time to time. The Credit Provider may assume that you receive any notice or letter five days after it has been posted, or two days after it has been emailed to you. You agree to receive any notice in terms of section 129 by registered email or registered mail at the residential address you provide from time to time.

You must inform the Credit Provider directly about any change of legal name, address, email address, telephone number or other contact details. You must send proof of any change in legal name and/or residential address.

15. Changing this Credit Agreement

The Credit Provider will change this Agreement only where necessary and in accordance with the requirements of the Act. We will give you at least 5 (five) business days' written notice of an intended change.

16. Customer and Transaction Screening

The Credit Provider will do its best to stop and/or prevent any criminal activities including money laundering and terrorist financing. In assisting with this you acknowledge that the Credit Provider:

- may verify (check and confirm) your identity as well as that of any persons related to or acting on behalf of or involved with you at the start of the business relationship and as often as reasonably necessary thereafter.
- will not willingly and knowingly do business with any person, that appears on any "sanction" list in terms of legislation or in the management of its risk or that is linked to any person that appears on such sanction list, or linked to any restricted countries or the government agencies of such restricted countries. Note that these lists are updated on a regular basis.
- may monitor any transactions, instructions, and recipients and can request/verify further information before acting on an instruction or transaction. This could result in a delay in carrying out the instruction.

- may refuse to carry out any instruction or transaction, and place a hold on any account should it consider necessary.

You agree to assist the Credit Provider to comply with the laws by providing all the information and documents reasonably required from time to time. If you fail to do so or provide false information, the Credit Provider can refuse to enter into a relationship with you, refuse to carry out an instruction or process an instruction and can also end its relationship with you.

PLEASE NOTE: The Credit Provider will not be responsible to you, or any person, or customer for any loss or damage, you or they suffer if any steps mentioned in this clause or anything else necessary to comply with the laws.

17. Privacy Term

Your personal information will be held by entities within the FirstRand Group. To better understand the entities that form part of the FirstRand Group and how your personal information is treated, please refer to FirstRand's Privacy Policy which forms part of this privacy term. The Privacy Policy can be found on our website at www.directaxis.co.za.

In this privacy term references to "we", "us" or "our" are references to the entities in the FirstRand Group, and all affiliates, associates, cessionaries, delegates, successors in title or third parties (authorised agents and contractors), when such parties are acting as responsible parties or operators in terms of applicable privacy laws, unless stated otherwise. The responsible party (the party that decides on how to process your personal information) is the party that you contracted with under this Agreement as well as other entities in the FirstRand Group which are listed in our Privacy Policy as responsible parties.

By accepting this Agreement or by utilising any products or services ("Solutions") offered by us, you acknowledge that in order to:

- conclude and fulfil contractual terms or obligations to you;
- comply with obligations imposed by law; or
- to protect or pursue your, our, or a third party's legitimate interests, including offering Solutions that best meet your needs;

your personal information may be processed through centralised functions and systems across entities in the FirstRand Group and may be used for the purposes as set out in our Privacy Policy.

Where it is necessary to obtain consent for processing outside of this privacy term, we will explicitly seek your consent separately.

We want to ensure that you fully understand how your personal information may be used. We have described the purposes for which your personal information may be used in detail in our Privacy Policy. We have also set out further information about accessing, correcting or objecting to the processing of your personal information in our Privacy Policy. We strongly advise that you read our Privacy Policy.

18. Other acknowledgements and confirmations

You confirm that:

- you have reviewed the Quotation, Pre-Agreement Statement and General Terms and Conditions and that you understand and appreciate the costs of credit, risks, rights and obligations that apply to the Agreement;
- the Credit Provider may cancel the Agreement at any time before the Loan amount has been paid out if it finds out anything that might make it more difficult for you to repay the loan or if the information provided is not true or correct. The Agreement will then have no effect and neither party will have any claim against the other;
- the Credit Provider may contact you on any day of the week in line with applicable laws about any amount you have not paid under the Agreement; and
- any payment made by you or another would be an acknowledgement of liability for the full outstanding balance