Mortgage Loan Quotation and Agreement

Confidential

Quotation

Mortgage Loan Account number	8091414002
Date	17-11-2021
Credit Provider: Absa Bank Limited (NCRCP7)	ABSA BANK LIMITED (REGISTRATION NO. 1986/004794/06) AN AUTHORISED FINANCIAL SERVICES PROVIDER. NCRCP7 Registered Credit Provider
Credit Provider's address	4th Floor ABSA Towers West, 15 Troye Street, Johannesburg 2001
Contact telephone number of the Credit Provider	0860 111 007
Quotation number	11771111
Name of client	RADUE MR AC & MRS LE
Client's physical (street) address	PLOT 40 WELLINGTON ROSETTA MOOI RIVER ESTCOURT 3300
Contact number of client	0311234567 0722462887
ID-/CIPC-registration/Trust registration number	7804265084085

Property (asset given as security for Mortgage Loan):

PORTION	334
ERF NUMBER	2170
TOWNSHIP	FS

Principal Debt (being the total of the following amounts):	R 951 037.50
• Mortgage Loan Amount (including Bond registration fees, if applicable)	R 945 000.00
• Initiation Fee (charged to your Account on the day your Bond is registered and may be paid upfront directly thereafter)	R 6 037.50
• Life Insurance (if you choose Absa Insurance the yearly premium is added to the Principal Debt and interest is calculated on the outstanding balance on your Account):	
• Credit Life Insurance yearly premium (Life Insurance to cover the outstanding balance on your Account in the event of your death). If you choose Absa Insurance the premium will change yearly in line with the outstanding balance on your Account.	R 0.00
• Property Insurance, yearly premium [an amount will be added to your monthly repayment to repay the yearly premium over 12 (twelve) months]	R 0.00

Note: You may choose your own insurance provided that the Insurer and insurance policy are accepted by us.

Monthly Service Fee					R 69.00	
Yearly variable interest rate- Mortgage Lending Rate	7.000	plus	0.350	%	7.350	%
Total Interest over the term of the Mortgage Loan (at quoted interest rate and assuming the interest rate stays the same)					R 1 239 166.86	
Total Interest and fees over the term of the Mortgage Loan (at quoted interest rate and assuming the interest rate stays the same)					R 1 267 560.36	

Repayments:

Estimated amount of each repayment	R 6 828.89
Number of repayments	324
Frequency of payments	Monthly
Repayment day	1st

- If the day upon which we pay out your Mortgage Loan Amount is less than 20 (twenty) Business Days before your Repayment day, your first Repayment will be due on the next Repayment day that you have chosen.
- If your Mortgage Loan is a building loan and the day upon which we pay out the final amount of your Mortgage Loan or 9 (nine) months after the day the Bond is registered, whichever is earlier, is less than 20 (twenty) Business Days before your Repayment day, your first Repayment will be due on the next Repayment day that you have chosen.

Important: Please consider the total cost of credit and credit cost multiple set out below

Total cost of credit, consisting of:	R 2 212 560.36
• Mortgage Loan Amount (including bond registration fees, if applicable)	R 945 000.00
• Interest (aggregated)	R 1 239 166.86
• Initiation fee	R 6 037.50
• Monthly Service fee (aggregated)	R 22 356.00
• Life Insurance, if you choose Absa Insurance (aggregated)	R 0.00
• Property Insurance, if you choose Absa Insurance (aggregated)	R 0.00

Aggregated values are calculated according to the term of the Mortgage Loan.
Aggregated interest, fees and insurance are calculated on an assumption that the interest rate, fees and premium stay the same.

Credit cost multiple (this means total cost of credit divided by the Mortgage Loan Amount)	2.34

Fee/Commission/Other benefit paid to us/another person by the Insurer in relation to insurance:

• Life Insurance (if applicable)	R 0.00
• Property Insurance (if applicable)	R 0.00

The granting of this Mortgage Loan is subject to the following conditions:

1 Standard Conditions specific to this Mortgage Loan:
- The registration in our favour of a covering mortgage bond or a covering mortgage indemnity bond as applicable, in an amount of R945,000.00 plus an additional amount of R189,000.00 over the property.
- You have been granted a FlexiReserve facility for access to the amount in excess of the repayments.
- Life insurance with the option of disability cover is compulsory on your life.
- The property to be mortgaged is to be insured for not less than the full asset value (replacement value) of the property as it may change from time to time. We encourage you to seek external advice on the value provided. The current estimated full asset value is R2,093,568.00.

2 Special Conditions specific to this Mortgage Loan:
- Loan repayments must be made by debit order, unless another payment arrangement acceptable to us has been made.
- You qualify for a R5 000 cash back on your home loan on condition you open or have an existing Absa cheque account and sign a monthly debit order to pay your
- Home Loan from this account when signing with the bond registration attorney. The cash back will be paid into the Absa account from which your debit order is
- paid, on date of registration. Impose Hold Code 077. Attorney to provide a 50% discount on the bond registration fee only. The customer is responsible for payment of the
- bond registration costs after the 50% discount, including all administration, postage, petties and deeds office registration costs. This is payable directly to the bond
- attorney. The 50% discount is not cash convertible or transferable to any other form. You qualify for 0.25% concession on your variable interest
- rate if you open an Absa Cheque Account and sign a debit order to pay your Home Loan from this account. The concession will apply for as long as your Home Loan
- Account remains up to date, your Home Loan repayment is made from your Absa Cheque Account and you deposit at least R3 000 (Gold)and (Premium)
- or R35 000 (Private Banking) into your Absa Cheque Account monthly. Impose Hold code 143.

- Please obtain cession of approved Guardrisk property Insurance policy
- Borrower's education certificate to be provided before registration.

Please pay extra attention to all highlighted text in this Agreement as it will emphasise a risk, right or obligation that we wish to draw to your attention.

1 Mortgage Loan Quotation and Agreement

This Quotation and Agreement:

- sets out our terms;
- is open for you to accept for 5 (five) Business Days; and
- is the Agreement between us if you accept.

2 The terms used in this Mortgage Loan Agreement have the following meanings:

- **Account** means your Mortgage Loan Account with us, in your name, where your Principal Debt, interest, fees and charges will be debited and your Repayments credited;
- **Agreement** means this Mortgage Loan Quotation and Agreement;
- **Bond** means the Continuing Covering Mortgage Bond or Continuing Covering Indemnity Mortgage Bond to be registered over the Property in the Office of the Registrar of Deeds as security for all amounts loaned to you under this Agreement;
- **Business Day** means any day other than a Saturday, Sunday or public holiday in South Africa;
- **Guarantee** means the Guarantee provided by the Guarantee SPV, that guarantees payment to us of your Principal Debt, with fees, interest and charges;
- **Guarantee SPV** means Absa Home Loans Guarantee Company (RF) Proprietary Limited with Reg No 2003/029628/07, its successors in title or assigns;
- **Indemnity** means the indemnity agreement signed by you, agreeing to pay the Guarantee SPV any amount that it has to pay to us under the Guarantee;
- **Mortgage Loan** means the sum of money that we agree to lend to you under this Agreement; and
- **Security Document** means any Bond, Surety, Guarantee or cession given by you or a third party to secure your obligations to us, under this Agreement, or to the Guarantee SPV under the Indemnity.

3 How our Mortgage Loan works

3.1 Our Mortgage Loan allows you to borrow a sum of money for any purpose, including:

- to purchase a residential property or vacant residential stand;
- to build, renovate, or repair your home;
- to increase your existing Mortgage Loan Amount; or
- to re-finance your mortgage loan currently with another bank or financial institution, with us.

3.2 We agree to lend you the Principal Debt in the Quotation and you agree to repay it by making regular Repayments over an agreed period, with fees, charges and interest.

3.3 We may withdraw your Mortgage Loan if:

- you do not sign the documents needed to register the Bond within 2 (two) months after you accept this Agreement;
- the Bond is not registered against the property within 4 (four) months after the date that your last Quotation is issued; or
- at any time before the Bond is registered, we become aware of information that may negatively affect the Property or the Bond or that may change the risk relating to the Mortgage Loan.

3.4 If the Mortgage Loan is not a building loan and the Mortgage Loan Amount is not fully paid out to you within 4 (four) months after the day that the Bond is registered, we may withdraw the funds that have not paid out.

4 Receiving your Mortgage Loan Amount

4.1 We will pay the Mortgage Loan Amount, excluding the Bond registration fees, if applicable, to you or your nominated beneficiaries once you have complied with all the standard and special conditions in the Quotation and we have received the required Guarantee.

4.2 If we agree to pay any portion of the Mortgage Loan Amount to you earlier, you agree to pay interest, at your yearly variable interest rate, on any amount paid out early until the day your first Repayment amount is due.

5 Repayment of your Mortgage Loan Amount

5.1 You agree to repay the Principal Debt with fees, charges and interest, by making Repayments on your Repayment day until your Mortgage Loan has been paid in full.

5.2 You agree that the Monthly Service Fee will be included in your Repayment amount and if you have multiple Mortgage Loan Accounts relating to the Property with us, you agree to pay a Monthly Service Fee for each separate Account.

5.3 If your insurance premiums are paid from your Account, your Repayment amount will change if your insurance premiums change.

5.4 Repayment of your Mortgage Loan will be made by debit order. You may use an alternate repayment method of your choice, as long as we agree to this method and you ensure that your Repayments are received on each Repayment day and are sufficient to cover your Repayment amount.

6 FlexiReserve

6.1 We may agree to add FlexiReserve to your Mortgage Loan.

6.2 **How FlexiReserve works**

- FlexiReserve is a credit facility that we may grant to you allowing you to re-draw amounts that you have paid into your Account in excess of your required Repayments ("**Pre-payments**").
- We will set and adjust from time to time, in our sole discretion, the maximum amount that you are allowed to re-draw. The maximum amount that we allow you to re-draw may be less than the total amount of your Pre-payments.
- We will set the minimum amount that you can re-draw at a time.
- You do not earn any interest on your Pre-payments as they are applied to reduce your Principal Debt.
- When you re-draw your Pre-payments your Principal Debt increases.

6.3 **Suspending FlexiReserve**

- We may suspend your FlexiReserve at any time, meaning that while it is suspended you cannot re-draw any Pre-payments.
- This may happen if you do not comply with one of your obligations under this Agreement, despite us notifying you and allowing you time to comply.

6.4 **Ending FlexiReserve**

- FlexiReserve ends automatically when your Mortgage Loan term ends. You can end your FlexiReserve at any time.
- We can cancel your FlexiReserve at any time by giving you 10 (ten) Business Days written notice. You can withdraw up to the maximum amount that we have notified to you during the notice period, provided that we have not suspended your FlexiReserve.
- If you are in default of this Agreement we may cancel your FlexiReserve immediately.

7 MultiPlan

7.1 When increasing your Mortgage Loan ("**Primary Account**") with us, MultiPlan allows you to structure your Mortgage Loan into multiple accounts ["**Secondary Account(s)**"] to suit your needs.

7.2 **How MultiPlan works**

Each Secondary Account will have its own:

- Account number;
- Mortgage Loan Amount;
- Yearly variable interest rate;
- Number of repayments (not exceeding the number of repayments under the Primary Account); and
- FlexiReserve.

7.3 **Defaulting under the terms of the Primary and/or Secondary Account(s)**

- You agree that if you do not comply with any of the terms of the agreement/s relating to the Primary and/or Secondary Account(s), your default will be deemed to be a default under the terms of the agreements relating to your Primary as well as your Secondary Account(s).

8 Fees

8.1 You agree to pay:

- a Monthly Service Fee, that will be debited to your Account monthly in arrears; and
- cash handling fees on any cash payments made into your Account.

8.2 We can change our fees by notifying you in writing at least 20 (twenty) Business Days before the change takes effect.

9 Interest

9.1 We will charge you interest on the balance outstanding of your Mortgage Loan daily at midnight. Interest is calculated by multiplying the balance outstanding of your Mortgage Loan, by your yearly variable interest rate and then dividing the total by 365 (three hundred and sixty five) to get to a daily interest amount.

9.2 We add interest to your outstanding balance, in arrears, on your Repayment day. Your interest rate on your Mortgage Loan is variable and will change as our Mortgage Lending Rate changes.

9.3 Our Mortgage Lending Rate is our published base yearly percentage interest rate for residential mortgage loans, which varies from time to time.

9.4 We may increase or reduce your Repayment amount according to the change in interest rate to ensure that your Mortgage Loan is repaid in the same time as it would have been had the interest rate not changed.

9.5 Within 30 (thirty) Business Days after a change in our Mortgage Lending Rate, we will notify you in writing of the change and your adjusted Repayment amount.

9.6 If we grant you a beneficial interest rate under the special provisions of this Agreement, you agree that the yearly variable interest rate provided in the Quotation may be charged on any arrear or late payments.

10 Pre-payments and Early Termination of your Mortgage Loan

10.1 You can pay instalments early or pay the full outstanding balance of your Account at any time.

10.2 If you want to pay the full outstanding balance you must notify us, and we will give you a statement telling you how much you owe.

10.3 If you choose to terminate this Agreement by paying the full outstanding balance of your Account early, an early termination charge, as prescribed in Section 125 of the National Credit Act 34 of 2005, as amended ("**NCA**"), calculated from the day we receive your notice of termination, will be debited to your Account.

11 Security

11.1 It is a condition of this Agreement that you provide us and/or the Guarantee SPV with the Bond as security and any additional Security Document that we may require. The Property and any additional security for your Mortgage Loan may not be used as security for any other purpose or transaction without our written consent.

11.2 If a Mortgage Loan is approved subject to the registration of a Bond, our attorneys will prepare the Mortgage Loan and Bond documentation and attend to the registration of the Bond in the Office of the Registrar of Deeds, at your cost.

11.3 If you cancel or withdraw from this Agreement after you have signed the Mortgage Loan and Bond documentation with our attorneys but before the Bond is registered, you will be responsible for the attorneys' fees payable up to date of cancellation or withdrawal.

12 Property

12.1 Our valuation of the Property is solely for us to determine the value of the security for your Mortgage Loan. Our Assessors may not have physically inspected the Property and have not assessed the condition of the Property, structural or otherwise. The valuation is not intended to be an indication of the present or future value of the Property and may not be the same as the purchase price.

12.2 You agree to ensure that no changes, relating to the usage, zoning or anything that may negatively affect the Property, are made to Property without our prior written consent. You agree to notify us, in writing, of any changes made to the Property and, if necessary, to adjust your insurance policy to accommodate such changes.

13 Transfer of Rights and Obligations

13.1 If the Property is expropriated or any servitude is registered against the Property during this Agreement, you agree to transfer to us, as additional security, all your claims (including compensation) as a result of the expropriation of, or servitude registered against the Property.

13.2 You may not transfer any of your rights and obligations under this Agreement to a third party without our prior written consent.

13.3 We may, at any time, and without your permission, transfer any or all of our rights and/or obligations under this Agreement to a third party of our choice after providing you with notice of such transfer of rights and/or obligations.

14 If your Mortgage Loan is a building loan

14.1 If we grant you a Mortgage Loan to build new buildings or additions to existing buildings ("**buildings**") on the Property, you agree:

- to complete all building operations within 9 (nine) months from date of registration of the Bond;
- to erect the buildings in terms of the plans and specifications approved by us;
- to advise us of changes to the plans, specifications, building contract or building contractor, if applicable;
- that if your Mortgage Loan Amount is less than the amount required to cover the cost of your building contract and vacant land purchase price (if applicable), you have sufficient funds to cover the shortfall;
- that any shortfall shall be paid to your building contractor and seller (if applicable) before we make any progress payments from your Mortgage Loan;
- that the Mortgage Loan Amount, excluding the Bond registration fees, if applicable, will be paid out to you or your nominated beneficiaries, on your written instruction, in a maximum of 6 (six) progress payments;
- that the value of the progress payments will be calculated on building work that has already been completed and no funds will be advanced in respect of labour or building materials for building work still to be completed;
- that the outstanding balance of your Mortgage Loan, from time to time, will be secured by the buildings and that your building contractor will not be able to retain possession of the buildings as security for payment under the building contract. The building contractor will be required to waive his right of retention over the buildings (known as a contractor's "**lien**") in our favour; and
- to ensure that your building contractor is covered by sufficient "**Builders All Risk**" insurance until completion of the buildings and, upon completion, that the Property is insured for all risks against which such property will normally be insured.

14.2 We will add interest, at your yearly variable interest rate, on the progress payments made from your Account, monthly, in arrears, until the day that the final amount of your Mortgage Loan is paid out. If you do not make interim payments to cover this interest, the funds available under the Mortgage Loan will be reduced and may not be enough to complete the buildings.

14.3 You will start repaying your Mortgage Loan on your Repayment day as set out in your Quotation. If the full amount of your Mortgage Loan has not been paid out on your Repayment day, your Repayment amount will be calculated on the outstanding balance of your Mortgage Loan (including interest, charges and fees) as at your Repayment day. Once the full amount of your Mortgage Loan has been paid out, your Repayment amount will be adjusted to cover the outstanding balance of your Mortgage Loan (including interest charges and fees) as at day of final pay-out.

14.4 We may stop payment of your progress payments if:

- construction of the buildings is not proceeding to our satisfaction or is being unnecessarily delayed; or
- construction of the buildings stops for longer than 1 (one) month; or
- infrastructure services, such as sewerage, water, electricity and road services, have not been completed to our satisfaction; or
- the buildings are damaged or destroyed, or the continuing of building operations is made impossible due to intervening factors, including but not limited to poor subsoil conditions, landslides, flooding, earthquakes and civil unrest.

15 Insurance

15.1 Until you have paid off your Mortgage Loan you agree to maintain:

- Life Insurance, if required, for an amount not less than the outstanding balance on your Account;
- Property Insurance for all risks against which such property is normally insured, for an amount of not less than the full replacement value of the buildings and improvements on the Property. Our estimate of the full replacement value is provided in your Quotation.

15.2 You may choose not to take a policy of insurance that we suggest to you and take insurance cover with an insurer of your choice provided that the Insurer and the policy terms are, on reasonable grounds, acceptable to us.

15.3 You agree to nominate us as loss payee on the insurance policy, meaning that we are authorised to receive first payment of the proceeds under the insurance policy if an insured event causes a life event or total loss of the Property, and to pay off the full amount of your Mortgage Loan, including interest, charges and fees.

15.4 You may deal with the day to day maintenance claims under your Property Insurance policy without involving us. We will agree to be removed as loss payee from this policy once you have paid off the full amount of your Mortgage Loan, including interest, charges and fees.

15.5 You agree to pay all premiums due under the insurance policy(ies) at all times and to ensure that the insurance policy does not lapse or become invalidated at any time until the Mortgage Loan is paid in full.

15.6 If Absa Insurance Company is not the Insurer under your Property Insurance policy, you agree to provide us yearly, no later than 15 (fifteen) Business Days after the anniversary date of the insurance policy, with an updated and current Property Insurance policy schedule confirming that the insurance policy will be valid for another year.

15.7 You acknowledge that if the Property is a unit in a sectional title complex, all insurance requirements will apply **unless** the Body Corporate of the complex can provide us with suitable proof of Comprehensive insurance cover for the Property.

15.8 You acknowledge that it is your responsibility to keep the value of the Property Insurance at the full replacement value of the Property and any under insurance will be at your sole risk.

15.9 If Absa Life is not the Insurer under your Life Insurance policy and life cover is a condition of your Mortgage Loan, you agree to provide us with a copy of your policy schedule when we ask you to do so.

15.10 If you do not take insurance cover with an insurer of your choice, you agree to:

- appoint us as your agent to arrange insurance cover, subject to the provisions of Section 106 of the NCA, if applicable; and
- authorize us to pay any premium on the insurance policy, when it falls due, and to debit your Account with such premiums.

Your risks if you have no or inadequate Property Insurance or no Life Insurance.

- If you have no or inadequate Property Insurance, in the event of a total loss you would still owe us the amount outstanding on your Account.
- If you have no Life Insurance and you suffer permanent disability or you die, you/your estate will have to settle the amount outstanding on your Account.

16 Safe Keeping of Bond and Title Deed

16.1 We will notify you when you have settled all amounts due under your Mortgage Loan, including interest, charges and fees, and we will notify you to have the Bond cancelled in the Office of the Registrar of Deeds by our attorney, at your own cost.

16.2 If you do not proceed with cancelling the Bond within 20 (twenty) Business Days of receiving our notice, we will place the Bond and Title Deed in safe keeping.

Your risk if your Bond and Title Deed are placed in safe keeping and your insurance premiums are paid from your Account
The insurance premiums will no longer be paid from your Account and **unless** you make alternate arrangements for payment of insurance premiums, your insurance policy(ies) will lapse or be cancelled and you will not have any cover should an insured event cause the total loss of the Property or should you die.

17 Default

You will be in default under the terms of this Agreement if:

17.1 you do not pay any financial obligation, arising under this Agreement, into your Account on your Repayment day;

17.2 you do not comply with any of the terms of this Agreement and/or the Indemnity Agreement, or any other agreement relating a Security Document provided under this Agreement, and you fail to remedy your non-compliance within 5 (five) Business Days of receiving our written notice to do so;

17.3 any person providing security on your behalf ("**security provider**") does not comply with the terms of the Security Document recording such security;

17.4 you or a security provider fails to satisfy a judgment or a warrant of execution, for the attachment of assets to be sold to satisfy the judgment, within 5 (five) Business Days of the judgment or warrant being issued;

17.5 you or a security provider, being an individual:

- apply(ies) for the voluntary surrender of your/the security provider's estate;
- are/is placed under Administration as provided for in Section 14 of the Magistrates' Court Act 32 of 1944;
- commit(s) an Act of Insolvency as described in the Insolvency Act 24 of 1936;
- are/is provisionally/finally sequestrated or placed under Curatorship by a third party;

17.6 You or a security provider, being a legal entity:

- are/is wound up by resolution, liquidated by a third party, dissolved or de-registered;
- are/is unable to pay your debts;
- begin(s) business rescue proceedings under Section 132(1) of the Companies Act 71 of 2008 or have/has such proceedings started against you.

18 Consequences of default

18.1 Subject to the terms of this Agreement, at any time before we end this Agreement, you may remedy a default by bringing your financial obligations up to date.

18.2 If you default under the terms of this Agreement, before we take enforcement action against you, we will notify you in writing (a "**Default Notice**") and allow you the opportunity to bring your financial obligations up to date, and to seek the assistance of a debt counsellor, alternative dispute resolution agent, consumer court or ombud with jurisdiction in order to resolve any complaints or disputes.

18.3 We may, not less than 20 (twenty) Business Days after the date of your default and not less than 10 (ten) Business Days after we have delivered the Default Notice to you:

- end this Agreement by written notification to you requiring you to pay the full outstanding balance of your Mortgage Loan;
- bring proceedings against both you and the security provider to:
  - recover all amounts owing under this Agreement. A certificate signed by one of our managers is acceptable proof of what you owe unless you can prove otherwise and you agree that we do not have to prove the appointment of our manager,
  - exercise our rights in terms of the Bond or the Guarantee, and
  - cause the Guarantee SPV to exercise its rights under the Bond;
- take steps to sell the bonded Property or any other asset, pledged or ceded to us as security for the Mortgage Loan; and
- claim from you all legal costs paid by us, including costs on an attorney own client scale.

18.4 We may also issue a debt review termination notice immediately if you fail to comply with a debt re-arrangement agreement or order.

18.5 You are entitled to choose whether to receive a Default Notice by registered mail ("**Option A**") or delivery to an adult at your residential ("physical address") ("**Option B**"). If, at the time we issue a Default Notice, you have not recorded your choice with us, you agree that we can use Option A or Option B and that we will use the last address information ("physical or postal") that you have provided to us.

19 Collection costs

19.1 If you are an individual, a stokvel, or a trust with two or less individuals as trustees ("**NCA client**"), and you default under the terms of your Agreement we are entitled to collections costs/commission as follows:

- for a Default Notice, the amount prescribed under the NCA; and
- for work undertaken for us by registered debt collectors to recover your debt, amounts prescribed under the Debt Collectors Act 114 of 1998; or
- for enforcement action to recover your debt or damages which we may suffer, amounts prescribed under the Magistrates Courts Act 32 of 1944 or the Superior Courts Act 10 of 2013.

19.2 You agree that we are also entitled to recover from you the fees, expenses and commissions that attorneys charge us on the attorney/client basis:

- for collections work as prescribed under the Legal Practice Act 28 of 2014; and
- for legal proceedings to recover your debt or our damages, as determined by the court, or through taxation if not agreed.

19.3 If you are not an **NCA client**, and you default under the terms of this Agreement, you agree that we will be entitled to recover all collection costs, expenses, fees and commissions on an attorney-own-client basis, incurred by us in enforcing our rights under this Agreement and/or to claim the recovery of our damages.

19.4 You agree that we may debit the collections costs, expenses, fees and commissions described above to your Account, and that these amounts will be added to and form part of your outstanding balance once granted, taxed or agreed.

20 Debt counselling

20.1 If you are an **NCA client**, and you experience difficulty in meeting your financial obligations under this Agreement, you have the right to apply to a debt counsellor for a declaration that you are over-indebted and for re-arrangement of your financial obligations under this Agreement.

20.2 If the debt counsellor determines that you are over-indebted, the debt counsellor will propose a re-arrangement of your financial obligations. If we agree to the proposal, your financial obligations under this Agreement will be re-arranged under a Magistrates Court order. If we do not agree to the proposal, the debt counsellor will refer it to a Magistrates Court which may exercise its power to re-arrange your financial obligations under this Agreement.

21 Complaints and Dispute Resolution

21.1 If you have a complaint or a dispute with us you can:

- complain to us (Complaints line 0800 414 141 OR the Home Loans Contact Centre 0860 111 007); or
- seek assistance from the Ombud responsible for banks on 0860 800 900 (sharecall) and +27 11 712 1800; or
- seek assistance through the courts in South Africa.

21.2 If you are a NCA client, disputes and complaints can be resolved also by:

- seeking resolution of a dispute by alternative dispute resolution under the NCA; or
- filing a complaint with the National Credit Regulator (+27 11 554 2600); or
- applying to the National Consumer Tribunal (0860 627 627).

22 General Provisions

22.1 Charges to other accounts

If you do not pay any financial obligation, arising under this Agreement, into your Account on your Repayment day or when due ("**arrear amounts**"), you authorise us to use amounts that you have available in any of your bank accounts, now or in the future, to pay such arrear amounts.

22.2 Multiple parties to the Agreement

If there is more than 1 (one) party entering into this Agreement, each party is individually and jointly responsible for the obligations, financial or otherwise, arising under this Agreement and/or the Indemnity Agreement, or any other agreement relating a Security Document provided under this Agreement (This means that we may we take enforcement action against the parties individually or together).

22.3 Legal Entities as parties to the Agreement

If you are a Company, Close Corporation or Trust, you agree to notify us, in writing, of any changes that you want to make to your directors, shareholders, members or trustees and that no changes will be made before receiving our written consent.

22.4 Account statements

We will make available to you account statements every 6 (six) months, **or**, every 3 (three) months, if FlexiReserve has been added to your Mortgage Loan. Your account statement is the official record of your Account. You agree to check your account statements promptly and to let us know if you think anything may be incorrect by contacting your banker, any of our branches or our call centre number. We make statements available by electronic means such as email or on our Banking App, unless we agree with you otherwise.

22.5 Credit reporting and information sharing

Under credit reporting requirements we communicate to credit bureaus details of:

- your application for a Mortgage Loan;
- the provision of credit to you;
- its termination; and
- any failure on your part to comply with your obligations under this Agreement.

Credit bureaus maintain and provide to others a credit profile about you and, possibly, a credit score on your creditworthiness.
You have the right to contact credit bureaus to have your credit record disclosed and to correct any inaccurate information (**Experian** on 0861 10 5665 or **TransUnion** ITC on 0861 482 482).

22.6 Your contact details

You agree always to provide to us:

- your current residential ("physical") address (and a PO Box number as your postal address if you do not want mail delivered to your physical address); and
- a functioning email address and cellphone number at which we can reach you.

You agree that we may use any of the contact details that you have last provided to us for all legal purposes.

Contact details – your risk

If you do not keep your contact details up to date and ensure any cellphone number or email address that you have provided to us is functioning you risk not receiving important communications from us that may affect your legal position.

22.7 **Delivery of communications**

You agree as follows:

- When we send items to you by post they are deemed to be delivered within 5 (five) Business Days after the date of posting (the "**Post Delivery Period**"), and when we send you emails, SMSs, or other electronic messages, they are deemed to be delivered by the end of the day on which we send them (the "**Electronic Communication Delivery Period**"), unless you can on reasonable grounds show otherwise.
- **If**
  you say that you did not receive a communication from us or received it later than the Post Delivery Period in the case of an item sent by post, or the Electronic Delivery Period in the case of an email, SMS, or other electronic communication, and you cannot show on reasonable grounds that you kept your contact details up to date and ensured any cellphone number or email address that you have provided to us was functioning at the relevant time,
  then
  where this Agreement provides for us to notify you of something in writing that takes effect on delivery of the notification, or when a period has elapsed after delivery of the notification, the notification will take effect in accordance with the Post Delivery Period or the Electronic Communication Delivery Period, as applicable.
- These provisions will also apply to communications delivered to you after your Agreement has ended.

22.8 **How we treat your personal information:**

We collect and process your personal information to enable us to provide you with products and services, amongst other things, and we may share it with:

- the Absa Group, its service providers and other third parties to comply with our regulatory obligations; and
- any party to whom we assign our rights under this Agreement or any of our agreements for products and services; and
- credit bureaus where credit products are applied for by you.

All the personal information we share is subject to our privacy and security requirements and we are responsible for ensuring that your personal information is processed lawfully and in a reasonable manner that does not infringe your privacy rights. We may make automated decisions based on your personal information and should you be unhappy with the outcome, please feel free to contact us. We will notify you if we intend using your personal data for other purposes.

We use your personal information to tell you about products or services that may interest you. We may contact you via SMS, email, telephone, or post. If you do not wish to receive direct marketing communication, you can update your preferences via our website, banking app or at your nearest branch.

We will keep your personal information only for as long as the law requires us to. After this time, we will securely destroy or de-identify this information.

You have the right to ask us for access to your personal information and to instruct us to amend and/or delete any personal information or to object to us processing your personal information. You can also let us know if you want us to stop or to limit how we use your personal information.

If you do not agree with how we use your personal information, you can lodge a complaint at actionline@absa.co.za

You can access our Privacy Statement on absa.co.za or at your nearest Absa Branch.

22.9 **Financial crime, international sanctions, and prohibited business activity**

We implement measures and operate controls relating to international sanctions, the detection and prevention of financial crime and prohibited business activity both within and outside South Africa in order to comply with our legal and regulatory obligations. This may delay, restrict or prevent us from providing our products and services to you, or require us to terminate this agreement and our agreement for particular products and services (subject to any restrictions imposed by law) without prior notice to you.

In order for us to conduct customer due diligence, you agree to provide information and documents as requested about the purpose of this Account, yourself and your banking transactions. Failure to provide the information may result in restriction or suspension of activity on your Account.

22.10 **Service outages**

Our products and services rely on technological infrastructure (e.g. ATMs and computer systems). You understand and accept that service outages occur.
During a service outage it may not be possible for you to access your Account, and there may be delays in your transactions being processed and being reflected in your Account statements.

22.11 Our partners' services

We agree with commercial partners that they will provide complimentary services to you with some of our products and services, or that they will offer you their services on special terms.
Our partners are solely responsible for their services and their terms and conditions will apply.

22.12 Changing our Agreements

We can change this Agreement by giving you reasonable written notice of the change before it comes in to effect.

Our branch and contact centre employees do not have authority to change this Agreement in their interactions with you except for authorised staff who may agree the re-arrangement of your financial obligations under this Agreement.

Any change to this Agreement that our authorised staff agree with you must be recorded either electromagnetically or in writing.

The changes that we may make to this Agreement and the manner in which changes may be made may be prescribed or limited by law as set out in this Agreement.

If you continue to use your Account after a change comes into effect, the change will apply to you.

22.13 Replacing existing Agreements

If you have an existing mortgage loan agreement relating to the Property with us, this Agreement will replace the existing agreement.

22.14 Duration of this Agreement

This Agreement will continue until you have fulfilled all your obligations to us or we cancel this Agreement because you are in default.
We can end this Agreement (subject to any restrictions imposed by law) without prior notice to you if we find that you have given us materially inaccurate information about you or it is otherwise necessary to protect our interests.
Our obligations to you under this Agreement relating to how we treat your personal information continue after your obligations in terms of this Agreement have been fulfilled.

22.15 When we do not use our rights

The fact that we do not always use or act on all our rights does not mean that we have given them up.

22.16 Governing Law

This Agreement is governed by the laws of South Africa.

22.17 Language Statement

This Agreement includes both the English and translated version in your language of choice. In the event of conflict, the English version will apply.

22.18 Marital consent

I/We have the spousal consent(s) required to enter into this agreement if I/We am/are married, or deemed to be married in community of property or under foreign law.

Signed at ______________________________ on ______________________________

____
For and on behalf of credit provider

Signed at ______________________________ on ______________________________

____
For the borrower who warrants that he/she may sign this agreement

____
For the borrower who warrants that he/she may sign this agreement

Copy hereof received by the borrower

______________________________ Date ______________________________
Borrower signature

______________________________ Date ______________________________
Borrower signature