

## TERMS AND CONDITIONS.

## PART B - Aug '10

1. **THE EDUCATIONAL LOAN AGREEMENT ("the Loan Agreement")**
  - 1.1 The Loan Agreement consists of Part A, being the quotation, pre-agreement statement and repayment schedule as well as this Part B, being the terms and conditions, once signed by the Parties, and it is the only recordal of the issues addressed herein.
  - 1.2 The Loan Agreement is entered into by and between Eduloan (Pty) Ltd ("the Credit Provider") and the Consumer detailed in Part A.
  - 1.3 The Credit Provider is registered in terms of the National Credit Act No. 34 of 2005 ("National Credit Act") under number NCRCP158.
  - 1.4 The Consumer has the right to delay signing this agreement by 5 (five) business days, to consider the proposed quotation and pre-agreement statement (Part A) (a "business day" being a day which is not a Saturday, Sunday or public holiday in the Republic of South Africa).
  - 1.5 The Consumer has the right to enter into this Loan Agreement prior to the lapse of the 5 (five) business day period.
  - 1.6 The Consumer understands that the terms and conditions applicable to the Loan Agreement will at all times be subject to the provisions of the National Credit Act.
  - 1.7 "Prime rate" means the publicly quoted variable annual rate of interest as charged by the bankers of the Credit Provider and as certified by the auditors of the Credit Provider, whose appointment it shall not be necessary to prove. Details of such bankers will be provided to the Consumer when so requested in writing.
2. **PAYMENTS**
  - 2.1 The quotation and repayment schedule contained in A4 of Part A sets out the information relating to the credit extended.
  - 2.2 The Consumer must make the consecutive monthly payments to the Credit Provider that are due and payable in terms of this Loan Agreement on or before the payment date without any deductions or demand.
  - 2.3 The Credit Provider will credit each payment made under the Loan Agreement to the Consumer's account on the date of receipt of the payment as follows:
    1. firstly, to satisfy any due or unpaid interest charges;
    2. secondly, to satisfy any due or unpaid fees or charges;
    3. thirdly, to reduce the amount of the principal debt.
  - 2.4 The Credit Provider will make the payment of the Loan Amount, as set out in A4 of Part A to the Service Provider, and as directed by the Consumer. "Service Provider" refers to the Educational Institution, Eduxtras Debit Card or any other third party that provides services or goods related to and for an educational purpose and as approved by the Credit Provider.
  - 2.5 The Consumer may also make additional payments to settle the Loan Agreement or monthly payments earlier without any notice to the Credit Provider.
  - 2.6 The Consumer undertakes to inform the Credit Provider in writing of any changes related to his/her payment method and/or his/her employment status.
3. **COSTS, FEES AND CHARGES**
  - 3.1 The interest and fees on amounts in arrears will be the same as the interest rate and fees charged in respect of the Loan Agreement.
  - 3.2 The Credit Provider may charge and recover the following fees in respect of the Loan Agreement provided that these fees do not exceed the prescribed legal maximum in terms of the National Credit Act:
    - 3.2.1 An initiation fee in respect of the costs of initiating the Loan Agreement and which will be levied on the date the Credit Provider agrees to grant the loan. The Consumer has elected that this fee form part of the loan amount. The Credit Provider will, at its election, be entitled but not obliged to charge interest on the initiation fee;
    - 3.2.2 A monthly service fee recoverable by the Credit Provider in connection with the routine administration cost of maintaining the Loan Agreement will be levied at the end of each month to which it relates;
    - 3.2.3 Default administration charges to cover administration costs incurred as a result of the Consumer defaulting on obligations under the Loan Agreement;
    - 3.2.4 Collection costs, being amounts that may be charged by the Credit Provider in respect of the enforcement of the Consumer's monetary obligations under the Loan Agreement not exceeding the maximum amount determined by the National Credit Act, and does not include default administration charges.
  - 3.3 The interest rate applicable to all agreements excluding the laptop finance is fixed for the period of the Loan Agreement provided that it does not exceed the prescribed legal maximum in terms of the National Credit Act. The interest is calculated on a daily basis on the outstanding balance, over a period of a 365 day year, is charged monthly in arrears and is due and payable immediately and is debited to the Consumer's account on the last day of each month.
  - 3.4 The interest rate applicable to laptop finance is linked to the Prime rate, with a margin of 1% (one percent) above the Prime rate for the period of the Loan Agreement provided that it does not exceed the prescribed legal maximum in terms of the National Credit Act. The interest is calculated on a daily basis on the outstanding balance, over a period of a 365 day year, is charged at the end of the month on a monthly basis in arrears and is due and payable immediately and is debited to the Consumer's account on the last day of each month.
4. **EARLY SETTLEMENT AND ACCOUNT TERMINATION BY CONSUMER**
  - 4.1 The Consumer understands that he/she may at any time terminate the Loan Agreement by paying the settlement amount owed to the Credit Provider.
  - 4.2 Should the Consumer decide to settle or terminate the Loan Agreement, a request for a settlement amount may be made to the Credit Provider at the following contact number 0860 55 55 44. The settlement amount provided by the Credit Provider shall be the total of the unpaid balance of the principle debt, the unpaid interest charges and all other fees and charges up to the settlement date, and further, will be valid for the period stated on the settlement letter provided to the Consumer.
5. **STATEMENTS**
  - 5.1 The Consumer requests that the Credit Provider issues statements of account ("statement") at three month intervals.
  - 5.2 The Credit Provider will provide the Consumer with a statement on any existing loan, setting out all charges levied, all payments received and the balance outstanding, at least once every quarter by mail unless an email address has been provided by the Consumer in A1 of Part A, in which case it will be done electronically.
  - 5.3 The Consumer may dispute all or part of the statement delivered to him/her by sending the Credit Provider a written notice to this effect.
6. **DEFAULT AND DEFAULT ADMINISTRATION COSTS**
  - 6.1 Default in terms of this Loan Agreement occurs if:
    - 6.1.1 The Consumer fails to make payments that are due in terms of the Loan Agreement;
    - 6.1.2 The Consumer fails to comply with the terms and conditions of the Loan Agreement;
    - 6.1.3 An administration order in respect of the Consumer or his surety is issued;
    - 6.1.4 A judgment is granted against the Consumer and same is not settled or rescinded within 30 (thirty) days from the date thereof;
    - 6.1.5 The Consumer furnishes any incorrect and/or untrue information regarding himself and/or his financial position to the Credit Provider;
    - 6.1.6 The Consumer does anything and/or allows anything which has a negative effect on the rights of the Credit Provider.
  - 6.2 In the event that the Consumer defaults the following process will be followed by the Credit Provider:
    - 6.2.1 Provide the Consumer with written notice of such default demanding the Consumer to rectify the default; and
    - 6.2.2 Advise him/her that he/she may refer this Loan Agreement to a debt counselor and an alternative dispute resolution, consumer court or, if applicable, an ombud with jurisdiction;
  - 6.2.3.1 The Credit Provider may require payment by the Consumer of default administration charges in respect of each letter necessarily written in terms of Part C of Chapter 6 of the National Credit Act. Such payment may not exceed the amount payable in respect of a registered letter of demand in undefended action in terms of the Magistrates' Courts Act, 1944 in addition to any reasonable and necessary expenses incurred to deliver such letter.
  - 6.2.3.2 In addition to 6.2.3.1, and if applicable, the Credit Provider may charge collection costs which may not exceed the costs incurred by the Credit Provider in collecting the debt - (a) to the extent limited by Part C of Chapter 6 of the National Credit Act, and (b) in terms of - (i) the Supreme Court Act, 1959, (ii) the Magistrates' Court Act, 1944, (iii) the Attorneys Act, 1979; or (iv) the Debt Collector's Act, 1998, whichever is applicable to the enforcement of the Loan Agreement;
  - 6.2.4 The Credit Provider may approach the court for an order to enforce the Loan Agreement only if, at that time, the Consumer is in default and has been in default under the Loan Agreement for at least 20 (twenty) business days and—
    - (a) at least 10 (ten) business days have elapsed since the Credit Provider delivered a notice to the Consumer as contemplated clause 6.2.1, as the case may be;
    - (b) if the Consumer has—
      - (i) not responded to that notice; or
      - (ii) responded to the notice by rejecting the Credit Provider's proposals;
  - 6.2.4.1 The Credit Provider will provide the Consumer at least 20 (twenty) business days' notice of its intention to list the Consumer for the default at the Credit Bureau;
  - 6.2.4.2 List the Consumer at the Credit Bureau for default if the Consumer does not procure payment due to the Credit Provider within the 20 (twenty) business days' notice. The Credit Bureau provides a credit profile and possibly a credit score on the credit worthiness of the person subject to the record that can be affected due to the adverse information and default listing;
  - 6.2.4.3 Request the Service Provider, if legally possible and at the sole and absolute discretion of the Credit Provider, to withhold the academic results of the student in terms of the agreement between the Credit Provider and the Service Provider.
  - 6.3 In the event of such default the Credit Provider will be entitled at its own and absolute discretion and after consultation, to extend the repayment period agreed to in Part A for a required period of months needed to repay the loan in full not allowing the installment to exceed the installment agreed to in Part A except where the installment due is less than agreed to.
  - 6.4 The interest is calculated and charged as more fully detailed in 3.3 and 3.4 above and is debited to the Consumer's account as agreed in A4 and A5 of Part A.

7. **ACCOUNT TERMINATION BY CREDIT PROVIDER**  
In the event of a default as mentioned in 6, the Credit Provider may terminate the Loan Agreement according to the provisions of the National Credit Act. In such cases, the process will be followed as set out in 6.3.
8. **ADDRESSES FOR RECEIVING OF DOCUMENTS**
- 8.1 The Consumer chooses the physical address as provided in A1 of Part A, for the serving of legal notices. The postal address will be used for the sending of other notices and documentation, for example the statement of account if no email address has been provided by the Consumer in Part A of the Loan Agreement
- 8.2 The Credit Provider chooses its physical address as set out in Part A of the Loan Agreement for the serving of legal notices and other documentation or the Consumer may forward such documentation to legal@edulooan.co.za or fax it to 086 632 4445.
- 8.3 Both parties agree to inform the other of the change of the notice address, postal address, telefax number or email address as soon as possible after any such change. The change will be effective on the 5 (fifth) business day after receipt of such notice.
- 8.4 The parties agree that the notices will only be valid if it is in writing and sent to the address as stipulated in Part A of the Loan Agreement.
9. **INFORMATION DISCLOSURE**
- 9.1 The Credit Provider shall not disclose any confidential information obtained in the course of Loan Agreement to outside third parties unless obliged to do so by law or a court order or where consent has been provided in terms of these terms and conditions and as recorded in this Part B of the Loan Agreement.
- 9.2 By entering into the Loan Agreement the Consumer acknowledges, agrees and/or condones that the Credit Provider may provide to any of the Credit Bureaux listed in 9.6 below, any adverse information in the format prescribed by such Credit Bureaux and provided for by the National Credit Act. Such Credit Bureaux provide a credit profile and possibly a credit score on the credit worthiness of the person subject to the record.
- 9.3 The Consumer consents to the Credit Provider forwarding, in its sole and absolute discretion adverse information relating to the loan to the Service Provider, and without limiting the foregoing, in the event of default or if the Student and/or the Consumer is reasonably believed to have fraud.
- 9.4 The Credit Provider may provide details to the South African Fraud Prevention Services ("SAFPS") of any conduct on the Consumer's account or Loan Agreement that gives the Credit Provider reasonable cause to suspect that the conduct is of a fraudulent nature.
- 9.5 By entering into this Loan agreement the Consumer consents and/or ratifies to the Credit Provider obtaining from the Credit Bureau and/or National Loan Register the Consumer's credit record and payment history, and without derogating from the foregoing, that the Credit Provider can withdraw from this Loan Agreement immediately on receipt of any information that the Consumer has failed his/her affordability test as prescribed by the National Credit Act.
- 9.6 The Consumer has the right to contact the Credit Bureau with the following contact details to have the Consumer's record disclosed and to request the correction of inaccurate information:
- |       |                             |                                      |
|-------|-----------------------------|--------------------------------------|
| 9.6.1 | Expert Decision Systems XDS |                                      |
|       | Telephone: 011 645 9100     | E-mail: info@xds.co.za               |
| 9.6.2 | TransUnion Credit           |                                      |
|       | Telephone: 011 214 6000     | E-mail: Disputeinfo@transunion.co.za |
| 9.6.3 | Experian Credit Bureau      |                                      |
|       | Telephone: 0861 105 665     | E-mail: info@experian.co.za          |
| 9.6.4 | Compuscan                   |                                      |
|       | Telephone: 021 888 6000     | E-mail: info@compuscan.co.za.        |
10. **DISPUTE RESOLUTION**
- 10.1 The Consumer agrees that in the event of any dispute or complaint he/she will inform the Credit Provider thereof in writing in order to resolve the issue at hand. The Consumer may forward the notice to legal@edulooan.co.za or fax it to 086 632 4445.
- 10.2 In terms of the National Credit Act the Consumer may also attempt to resolve any complaint or dispute by:
- 10.2.1 alternative dispute resolution;
- 10.2.2 referring the complaint or dispute to the National Credit Regulator established in terms of the National Credit Act; or
- 10.2.3 by making an application to the National Consumer Tribunal established in terms of the National Credit Act.
- 10.3 The National Credit Regulator may be contacted on 0860 627 627 / info@NCR.org.za and the National Consumer Tribunal may be contacted at 012 663 5615/ 0860 627 627
11. **GENERAL**
- 11.1 Any agreed changes to this Loan Agreement will be made in writing and signed by both parties to the agreement or electronically voice recorded by the Credit Provider. The Credit Provider will within 20 (twenty) business days after the date of agreed change to the Loan Agreement deliver to the Consumer by way of email, postal or fax as agreed to by the parties at the time of the amendment, a document reflecting the agreed amendments. The amended agreement will not create a new Loan Agreement unless clearly stated.
- 11.2 The Loan Agreement will be governed by the Laws of the Republic of South Africa.
- 11.3 A translated version of the Loan Agreement will be provided to the Consumer upon request. Should any ambiguities occur in the translated version of the terms and conditions, the English version will get preference.
- 11.4 The Credit Provider may without consent or notice to the Consumer, cede and/or delegate any of its rights and/or obligations under this Loan Agreement.
- 11.5 The Consumer may apply to a debt counsellor to be declared over-indebted by following the procedures below, but not after the Credit Provider has started legal action in terms of 6.2.4 above:
- 11.5.1 Inform the Credit Provider of the Consumer's intention of initiating the debt counseling process by contacting the Eduloan call centre at 0860 55 55 44;
- 11.5.2 The Consumer must visit any debt counsellor of his/her choice and provide the debt counsellor with his/her income and expense information;
- 11.5.3 Should the debt counsellor determine that the Consumer is over-indebted, they may issue a proposal to the Magistrate's Court recommending that it declares one or more of the Consumer's agreements to be reckless or that the obligations of the Consumer be rearranged;
- 11.5.4 The debt counsellor will guide the Consumer through the process of debt counseling.
- 11.6 If at any time, any of the terms or conditions is found to be illegal, unenforceable or invalid in whole or in part, then the remaining portion of such terms and conditions will remain binding and in full force and effect.
- 11.7 In the event that the student cancels his/her studies, and a credit amount is reflected on his/her student account at the Service Provider as a result of such cancellation, the amount will be credited to the Consumer's account with the Credit Provider. The same will be applicable when the Credit Provider makes a payment of a loan amount that is in excess of the amount due to the Service Provider.
- 11.8 In the event of death or retrenchment of the Consumer, the outstanding balance will be regarded as being repaid in full, provided that no amounts payable and due at that stage are in arrears.
- 11.9 Any commission to be paid to an agent for assisting with the completion of the agreement will have no influence on the consumer's cost of credit and will be the same as an agreement where no agent has assisted the Consumer.
12. **DECLARATION**  
The Consumer:
- 12.1 Confirms that he/she applied for a loan with the Credit Provider and that the information furnished therein is to his/her knowledge and belief, true and correct and that no information required for evaluating the Loan/ credit application has been omitted and acknowledges that subject to the correctness thereof, if approved, the application will constitute a binding Loan Agreement;
- 12.2 Confirms that the Consumer understands and will convey to the Student that the Credit Provider will take legal action against any person who commits any act that can be defined as fraudulent. The Credit Provider will be entitled, without limitation, to open a case of fraud against the perpetrator and will forward such details to the Service Provider which will further be entitled to take any action it deems fit;
- 12.3 Understands that the Credit Provider is not an agent or representative of the Service Provider except for the purpose of administering the Persal and/or Persol code and/or the SASSA system as agreed between the Credit Provider and the Service Provider and cannot be held responsible if the Service Provider fails to deliver educational services to the Student;
- 12.4 Acknowledges and consents to the Credit Provider using Nu-Pay for payment requests made from the Consumer's bank account in terms of Part A;
- 12.5 Declares that he/she is presently not under administration, has no intention of being placed under administration and agrees that he/she will not attempt to be placed under administration for the duration of this agreement;
- 12.6 Declares that he/she has not initiated the debt review process, is not under debt counseling and has no intention to initiate the debt review process directly after the loan has been approved;
- 12.7 Declares that by signing this Loan Agreement, he/she acknowledges that he/she fully understands the risks, costs and obligations associated with entering into the Loan Agreement, can afford it and that such portion of the Loan Agreement that required explanation has been fully explained to his/her satisfaction.

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_ DAY OF \_\_\_\_\_

\_\_\_\_\_  
Consumer

\_\_\_\_\_  
Spouse (if married in COP to Consumer)

1. \_\_\_\_\_  
Witness

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