

Variation Agreement Revolving Facility

Terms & Conditions



Important: This important document sets out your and our rights and duties to each other. These terms and conditions must be read with your credit agreement, quotation and pre-agreement statement. The FNB General Terms and Conditions, which are available on www.fnb.co.za also apply to you.

You must read all these rules and terms & conditions carefully. You must contact FNB if you don't understand any part of the terms & conditions or if you are not sure which parts of this document apply to you.

Repayment Period

(Only applicable if you have an existing Revolving Loan credit agreement)

You agree that the repayment period of your credit agreement is amended, and you will no longer be required to repay 15% of your original loan amount (principal debt) before you can use the facility. You will have the ability to use the facility whenever the need arises. You must make payment of the instalment on the date(s) it is due every month. This is the fixed monthly amount payable, which together with the interest, fees and charges, you repay by way of 48 equal monthly instalments.

General terms and conditions

1. What do headings mean?

The headings of clauses are provided for convenience only and must not be used to interpret these terms and conditions.

2. Is South African law applicable?

South African law will apply to these terms and conditions.

3. Could terms be severed from the credit agreement?

Each and every term of these terms and conditions are severable from the others. This means that if any one or more of the terms are found to be unlawful, the rest of the credit agreement will still apply.

4. How do statements work?

We will make a statement available to you every month on one or more of the following channels: Online, App, ADT, Cellphone banking or at any branch. You may ask for extra statements and you may be charged for this.

5. Credit bureaux

Credit bureaux give a credit profile and a credit score on your credit worthiness. You have the right to ask them for information about your credit record and to correct any information that is wrong. We will give you 20 (twenty) business days' notice before giving adverse information about you to credit bureaux. We share information with the following credit bureaux:

- **TransUnion** on 0861 482 482;
- **Consumer Profile Bureau (Pty) Ltd** on 010 590 9505;
- **Experian Information Solutions Inc.** on 0861 10 56 65;
- **Xpert Decision Systems (XDS)** on 0860 937 000
- **Compuscan** on 0861 51 41 31.

6. How can I complain or bring a dispute?

You have the right to: refer a dispute about this facility to an Ombudsman with jurisdiction; file a complaint with the National Credit Regulator; or apply to the National Consumer Tribunal as allowed in the NCA. The contact details to file complaints / disputes are:

- **FRB:** on 0875759408; Care@fnb.co.za; www.fnb.co.za
- **The Ombudsman for Banking Services:** on 0860 800 900; www.obssa.co.za
- **The National Credit Regulator:** on 0860 627 627; www.ncr.org.za
- **The National Consumer Tribunal:** on 012 294 1450; www.thenct.org.za

7. What are the rights to end or close the facility?

You can end this facility at any time by paying the full amount you owe us including interest, fees and charges. We may close this facility if you are in breach or for any valid reason, which we will not provide you with.

8. How do I settle the credit agreement early?

You may settle this facility at any time by paying the settlement amount you have asked for from us, which is the total of the following up to the settlement date: Unpaid used credit limit; and unpaid interest; fees and charges. We will give you a statement showing the settlement amount within 5 (five) business days of you asking, which will be valid for 5 (five) business days after delivery, subject to the conditions set out in the statement.

9. What is my right to pay early?

You may pay any amount you owe us before it is due. We will accept any payment when it is made. We will apply each payment received (also for a judgment granted) on this facility in this order, on a pro rata basis: unpaid interest, then unpaid fees or charges, and then the outstanding credit limit. Payments received will not be refunded.

10. How are changes to the credit agreement made?

Changes to the credit agreement will not be legally binding unless it is recorded and signed by both parties or voice-logged. A change to this credit agreement does not create a new credit agreement.

11. What is a waiver?

We may allow you extra time to meet your obligations or decide not to exercise a right. We can insist on the strict application of all our rights at any time. This does not change the credit agreement.

12. What is debt review and how do I apply for it?

You have the right to apply for debt review. The debt counsellor will inform your credit providers and the credit bureaux of the application. The debt counsellor must determine whether you are over-indebted. If you are over-indebted, the debt counsellor must make a recommendation to the Magistrates' Court or refer a debt re-arrangement agreement to the National Consumer Tribunal for a consent order. If the debt counsellor rejects your application you may, with the permission of the Magistrates' Court, apply to be confirmed over-indebted. This facility may not be included in debt review if we have begun with legal action.

13. Addresses for receiving of documents

You agree that we may send you any communication by hand, ordinary mail, registered mail, fax, e-mail, printable webpage or any other electronic communication method. NCA section 129(1)(a) notices will be delivered to you by registered mail or by hand. Legal documents that we serve on you, will be served at your last street address we have on record for you. You choose this address as your domicilium address for serving legal documents. Legal documents you want to send to us must be delivered to the following address: FNB Legal; 3rd Floor; 1 First Place; Bank City; Corner Simmonds and Pritchard Streets; Johannesburg; 2001. Either one of us may change the chosen address by giving 10 (ten) business days written notice of the new address before the change will apply. Communications and legal documents will be treated as received:

- **If delivered by hand during business hours (between 8h00 and 17h00)** – on the date it was delivered.
- **If posted by registered mail** – at 10h00 on the fourth day after the post office issued the registration receipt.
- **If posted by ordinary mail** – at 10h00 on the fourth day after the document is posted.
- **If sent by fax** – on the date shown on the receipt the fax machine generates.
- **If sent by e-mail** – on the date on which the notice was e-mailed. If sent by printable webpage - on the date the page is displayed.

14. When are you in default of the credit agreement?

You will be in default if you do not rectify the following acts within 15 (fifteen) calendar days of delivery of written notice from us to do so:

- Failing to pay any amount owing to the Bank when it is due.
- Exceeding your maximum credit limit.

15. Addresses where you and FNB will receive legal and other notices

You will be in breach if:

- Any of your accounts with FirstRand Bank Limited is not in good standing. This means that none of your accounts should be overdrawn, in arrears, in default, or be subject to any legal process with us. Legal process means any legal proceedings in any court of law involving you and us, including but not limited to: business rescue, collections, liquidation, administration and sequestration proceedings. Legal process excludes debt review as provided for in s86 of the National Credit Act.
- Any breach of the terms of this credit agreement or any other credit agreement with the FirstRand Group is committed or allowed by you or a surety (if applicable);
- A judgment is given against you and is not satisfied within 15 (fifteen) business days thereafter;
- You or any surety commit an act of insolvency mentioned in the Insolvency Act 24 of 1936, as amended;
- You or any surety have furnished information in your Credit Agreement application that is incorrect, or you have failed to disclose material information that would have influenced the Bank's decision to grant any credit;
- You do, or allow anything to be done, that may prejudice the Bank's rights or interests;
- Your monthly income/salary is not deposited to your linked FNB transactional account every month;
- You or any surety are provisionally or finally sequestrated;
- You or any surety sell the whole or a major portion of your business or assets; or
- You or any surety applies for assistance in terms of the Agricultural Credit Act 28 of 1966 as amended.
- Any instrument issued by you is dishonored due to insufficient funds;
- You do or omit to do or allow anything to be done which may, in any way, prejudice our rights or security under this Agreement, or by which we may suffer any loss or damage.

16. What will happen if you default or breach on the facility

If you are **in default or breach** of this facility we may, without affecting any of our other rights: claim payment of the full outstanding balance; and further interest, fees and charges to date of payment; or cancel this facility; or all of the above.

We may follow this process:

We will inform you of your **default** in a NCA section 129(1)(a) notice which will give you at least 10 (ten) business days to do one of the following: correct the default by making payment; refer this facility to a debt counsellor to work out and agree a plan with us to bring the payments up to date; or refer this dispute to an accredited Alternative Dispute Resolution Agent, Consumer Court or Ombudsman with jurisdiction. Where you are in **default** for more than 20 (twenty) business days and you have not used the options above, we may take legal action against you, and if successful get a judgment.

We will inform you of your **breach** in a letter of demand which will give you at least 10 (ten) business days to correct the breach. If you do not correct the **breach**, we may take legal action against you, and if successful get a judgment.

If this facility has been in debt review for more than 60 (sixty) business days and you are in **default**, we may give you a NCA section 86(10) notice to terminate this facility from debt review. We may not terminate this facility from debt review if a debt review application has been served on us and filed at court or with the National Consumer Tribunal.

We may place a hold on your facility without notice, which means that you will no longer have access to the facility. We may reduce the credit limit on your facility and provide you with notice of the reduced limit.

17. Which court has jurisdiction?

You consent to us taking legal action in a Magistrates' Court that has jurisdiction. We may also take legal action in the High Court or any other court with jurisdiction.

18. What is a certificate of balance?

A certificate signed by our authorized employee (whose appointment, authority or signature does not have to be proven) will be proof of this credit agreement, what you owe us, the costs of credit and any other matter arising from this credit agreement, unless you can prove otherwise.

19. What is my right to re-instate the credit agreement?

When in default, you have the right to re-instate the credit agreement at any time before the cancellation of the credit agreement. To re-instate this credit agreement, you must make payment of: all the overdue amounts; permitted default charges and reasonable collection costs.

20. Cession of rights, delegation of obligations and assignment of both (transfer of rights and obligations)

You may not cede any rights or delegate any obligations in terms of this credit agreement. You consent to any cession of our rights and/or to any delegation of our obligations including security held under this credit agreement. You agree to splitting of claims. We (or any person to whom our rights and/or obligations are ceded, delegated and/or assigned) will be entitled to cede, delegate and/or assign our rights and/or obligations under this credit agreement, either absolutely or as collateral security to a person. If any agreement and/or document be required to be entered into by or on your behalf about the cession and/or delegation, you agree to upon asking action any such agreement and/or document. Upon cession, delegation and/or assignment and on notice to you, you must make payment directly to the cessionary, without any set-off, deduction or withholding. You agree that we may share this credit agreement and information about you with any person to whom we cede, delegate and/or assign our rights and/or obligations under this credit agreement. If the credit agreement is ceded and assigned (transferred) to another, the payment instruction may also be ceded and assigned (transferred) to that person.

Specific terms and conditions:

1. Increasing your credit limit

You may choose to increase the credit limit of your facility at any time. If you ask for a credit limit increase, we will do an assessment which may result in the limit being approved; declined or approved at a lower credit limit.

2. Decreasing your credit limit

You may choose to decrease the credit limit of your facility at any time by informing us in writing, calling our call centre on 087 575 9404, visiting your Private Banker or on online banking at www.fnb.co.za. You will receive written notice of the changed credit limit and effective date from us within 30 (thirty) business days of the change. We may choose to reduce your credit limit without your consent by giving you the required notice.

3. Exceeding your credit limit

We may refuse to accept transactions if you have exceeded your credit limit on your facility. If we accept a transaction that results in you exceeding your credit limit, it does not mean that we have increased your credit limit, and you must immediately bring your facility in line with the credit limit we contracted with you at. You are responsible for managing the credit limit on your facility and must make sure that you do not exceed this limit.

4. The Revolving Facility is linked to your FNB Transactional Account

- To have a Revolving Facility you must have a linked FNB transactional account and you must comply with the terms and conditions applicable to your linked FNB transactional account. You must deposit your monthly income/salary into your linked FNB transactional account. If this account is closed, on demand from us the full outstanding balance, including unpaid interest, fees and charges, of your Revolving Facility must be paid back by you.
- All funds deposited into the Revolving Facility account will be made available once it has been cleared. Cash deposits are not allowed into the Revolving Facility account.
- Any funds deposited into the Revolving Facility which is more than the credit limit will be automatically moved into the linked FNB transactional account.
- You can only access or make use of the funds from the Revolving Facility in the following ways:
 - by transferring money from the Revolving Facility into any of your RMB Private Bank/FNB accounts and then accessing the funds from that account.
 - opt into the shortfall protection functionality which will look at the overdrawn amount on the FNB Transactional account and if there are available funds in the Revolving Facility, the funds will automatically move from the Revolving Facility to the FNB Transactional account, in order to reduce the overdrawn amount. If the available funds in the Revolving Facility is not enough to cover the overdrawn amount but can cover the value of transaction(s), those transaction(s) may be honoured and the remaining transaction(s) may not be honoured. We will not be held liable should the transaction(s) not be honoured. If the transaction(s) are not honoured after the shortfall protection functionality takes place, you have the option to transfer the funds back into the Revolving Facility at your convenience.
- You may select the Revolving Facility as the account to transact from for specific transactions such as inter-account transfers and Electronic Funds Transfers (excluding Pay and Clear Now)