

General terms and conditions applicable to all Personal Loans

(Salary Earners Scheme Guaranteed and Non-Guaranteed, Fixed Term Loan, Revolving Term Loan, Revolving Line of Credit)

1 Repayment

- 1.1 All payments by the applicant, whether of principal, interest, fees, costs or otherwise, shall be made in fully cleared funds, without set-off or counterclaim and free and clear of any deduction or withholding on account of tax or otherwise.
- 1.2 In all instances the onus is on the applicant to ensure that sufficient funds are available on the specified date to meet such repayments as indicated in the repayment schedule, annexed hereto.
- 1.3 The applicant may wish to repay the outstanding balance of the loan in full prior to the loan maturity date.
- 1.3.1 Should the applicant repay a loan prior to the loan maturity date, an Early settlement charge may be levied. The applicable rate can be provided to the applicant on request.
- 1.4 Notwithstanding that the Bank may allow the applicant to reduce the outstanding balance on the Revolving Term Loan and the Revolving Line of Credit in monthly instalments as set out in the repayment schedule as may be amended from time to time, the monthly instalment payable by the applicant does not imply that the said loan will be repaid in full over the initial term of such loan, as a result of redraws and/or subsequent payments made into loan account by the applicant and/or fluctuations in the interest rate applicable from time to time.

2 Interests

- 2.1 Interest payable on the loans shall:
 - 2.1.1 be calculated on the basis of a 365 day year, for loans denominated in Malawi Kwacha and a 360 day year for loans denominated in foreign currency, irrespective of whether or not the year in question is a leap year.
 - 2.1.2 Accrue for day to day.
 - 2.1.3 Be debited to the applicant's loan monthly in arrears; and
- 2.2 Rates of interest quoted or determined initially or altered subsequently by the Bank apply to the utilisation of loans within the limit(s) agreed to by the Bank in writing. Any indebtedness is incurred and/or at any time thereafter. Advising this rate does not constitute an agreement by the Bank to allow borrowings in excess of the approved loan limits.
- 2.3 If any sum payable by the applicant under any of these loans is not paid when due, that sum will attract interest at a default rate to be determined by the Bank from time to time from the date on which that sum fell due to the date on which it is actually paid.
- 2.4 The Bank may, from time to time, vary the interest rate applicable to applicant's loan if the base interest rate fluctuates during the agreed term of the applicant's loan.
- 2.5 The rate of interest payable as of the date that the loan is made available to the applicant is set out in the repayment schedule as may be amended from time to time to which these terms and conditions are attached.
- 2.6 The Bank reserves the right to vary the rate of interest payable on revolving/ re-draw of the Revolving Term Loan and Revolving Line of Credit.

3 Changes in the Law

The Bank may immediately amend the pricing structure of the loan if there is any change in law, statute, regulation, ruling, directive, policy or any similar event with which the Bank is obliged to comply resulting in an increase in cost to the Bank. The bank will notify the applicant through various methods including but not limited to the media notices in the ATMs, notices inside the Bank and any other means that the Bank may deem necessary from time to time.

4 Certificate of amount owing

The amount of the indebtedness at any time and the fact that such indebtedness

(including any interest and the rate at which and the period for which interest is calculable) is due, may be determined and proved by a certificate stating the same signed by any authorised officer of the Bank, whose appointment and authority to sign need not be proved. Such certificate shall be prima facie proof of the facts stated therein.

5 Income

The applicant undertakes that they shall immediately issue irrevocable written instructions to their employer (which instructions shall be signed by the customer and copied to the Bank), instructing them to deposit their salary into their transactional or current account in the books of the Bank. The applicant irrevocably authorises the Bank to debit the above account with the monthly instalments referred to in the repayment schedule as may be amended from time to time and in the loan agreement together with any monthly Bank fees and charges incidental thereto. Such instructions will remain standing until the Bank authorises their cancellation. During the tenure of this loan, the applicant undertakes that they will not make any contra payment instructions without the Bank's prior written consent.

6 Revolving Term Loan and Revolving Line of Credit

- 6.1 The applicant has requested and the Bank has agreed that the applicant may consider revolving any amount under the:-
 - 6.1.1 Revolving Term Loan subject to a period of six months from the date of most recent loan being granted and drawn subject to clauses 6.1.3 and 6.1.4 and 6.1.5 below;
 - 6.1.2 Revolving line of Credit on request by the applicant subject to clauses 6.1.3 and 6.1.4 and 6.1.5 below;
 - 6.1.3 Confirmation by the Bank that the applicant has conducted business with the Bank (on all accounts) on an entirely satisfactory basis;
 - 6.1.4 The Bank carrying out satisfactory credit appraisals on receipt of the applicants request to revolve; and
 - 6.1.5 The terms and conditions of the said approvals shall be subject to the terms and conditions applicable to personal loans and shall also be embodied in a formal re-draw agreement to be executed by the Bank and applicant.
- 6.2 The applicant is required to only revolve in multiples of 1000 from the applicant's loan account to the applicant's transaction account.

7 Fixed Term Loan-SES Guaranteed or Non Guaranteed

During the tenure of the Fixed Term, SES Guaranteed or Non-Guaranteed Loan, no increase in the amount of the loan or further loans will be allowed nor will the applicant be able to apply for a secondary loan, until this loan has been repaid in full.

8 Default and termination

- 8.1 The Bank will not be obliged to make any transfer to revolve any amount under the loan and the Bank may convert the loan to one repayable on demand and/ or the Bank may revise any of the terms and conditions and/ or increase the interest rate charged if any of the following default occur:
 - 8.1.1 the applicant breaches any of the terms and conditions of the loan or any other agreement between the Bank and the applicant and fails to remedy this breach within 7 days of written notice having been given to the applicant to do so;
 - 8.1.2 the applicant fails to pay any instalment due in terms of this agreement;
 - 8.1.3 the Bank is of the opinion that there has been a material deterioration in the conduct of the applicant's transactional account;
 - 8.1.4 any representation or warranty made in connection with the loan or any documentation supplied by the applicant is, in the Bank's opinion, incorrect, incomplete or misleading;
 - 8.1.5 Proceedings are initiated to declare the applicant bankrupt; or
 - 8.1.6 any compromise arrangement between the applicant and its creditors is sanctioned or otherwise becomes effective; or
 - 8.1.7 a writ of execution issued by any competent court attaching any of the applicant's assets.
- 8.2 In any of the events envisaged in 6.1, the Bank shall have the right, without prejudice to any other rights or remedies available to the Bank, to terminate the loan and claim immediate repayment of the outstanding balance effective immediately or from a date stated in any notice. If the loan is cancelled any amounts owing to the Bank become payable:
 - 8.2.1 immediately, if stated in the notice; or
 - 8.2.2 on the date stated on the notice.

9 Set-off and realisation

- 9.1 in the event of default, the Bank may at any time without further notice to the applicant, and notwithstanding any settlement of amount or other matter whatsoever, consolidate or combine all or any of the applicant's existing accounts with the Bank, including those held in the name of the Bank or the applicant alone, or jointly with others wherever situate (whether current, deposit, loan, or any other accounts of any nature whatsoever whether subject to notice or not) and set off or transfer any sum standing to the credit of any one or more such accounts in or toward satisfaction of any obligations or indebtedness of the applicant to the Bank, whether those liabilities be present, future, actual contingent, collateral, joint or several and the applicant waives any rights of set off that it may have, so far as is permitted by law.
- 9.2 Any security provided may be, if realised, appropriated against any indebtedness of the applicant to the Bank, at the Bank's sole discretion notwithstanding that such indebtedness may be expressed in a currency other than the currency received by the Bank in realisation thereof.

9.3

10 Cost

- 10.1 The application irrevocable authorises the Bank to debit its current/transactional account and recover (whether or not the loan is drawn) all legal fees and other out of pocket expenses (including stamp duty and value added tax) incurred by the Bank in connection with the creation or any revaluations of security (if any) or the enforcement or preservation by the Bank of its rights under this agreement or under any amendments hereto.
- 10.2 The applicant will pay all the fees, costs and charges referred to in this agreement and all fees, costs charges, taxes and duties the Bank may incur or pay in connection with the preparation, conclusion or enforcement of the loan including:
- 10.2.1 Legal cost, including costs between an attorney and own client, collection commission, tracing fees and other fees or disbursements incurred in collecting or endeavouring to collect all or any amounts owing to the Bank with value added tax where applicable;
- 10.2.2 Any increase in fees, costs and charges as determined and published from time to time;
- 10.2.3 All other fees and charges will be payable in accordance with the Bank's standard Tariff from time to time. The applicable rate can be provided to the applicant on request
- 10.2.4 A monthly maintenance fee in respect of Revolving Line of Credit Loan is chargeable in accordance with the Bank's standard Tariff from time to time and shall be debited monthly to the applicant's transaction account. The applicable rate can be provided to the applicant on request;
- 10.2.5 An origination fee is a once off fee applicable to all loans, which is chargeable in accordance with the Bank's standard tariff which may change from time to time and is payable upfront on final approval by the Bank. The applicable rate can be provided to the applicant on request;
- 10.2.6 A Revolving fee may be chargeable in respect of all Revolving Loans in accordance with the Bank's standard tariff. The charge of each approved revolve will be debited to the applicant's transaction account. The applicable rate can be provided to the applicant on request.

11 Loan protection

The Bank requires all loans to have adequate loan protection cover. The Bank will effect the cover in order to secure the loan in the event of death or permanent disability of the borrower until such time as the loan is settled in full. The cost of the loan protection shall at the Bank's sole discretion either be deducted from the loan amount upon disbursement or included in the monthly instalments. The Loan Protection Benefit remains valid during the period of the Borrower's full compliance with these General Terms and Conditions. A copy of the Loan Protection Terms and Conditions is available on request.

12 Foreign currency loans

In the event of any legislation or extreme change in market conditions affecting the Bank's ability to provide or find loans in foreign currency, the Bank reserves the right,

at its sole discretion, to switch any foreign currency indebtedness by the applicant into Malawi Kwacha at the rate ruling on the day of such switch. Also in the event that the Bank demands repayment of any indebtedness of the applicant, after demand has been made, the Bank reserves the rights, as its sole discretion, to switch any foreign currency indebtedness by the applicant into Malawi Kwacha at the rate ruling at the day of such switch. In exercising the rights to switch foreign currency indebtedness of the applicant into Malawi Kwacha the Bank will not be liable for any losses resulting from exchange rate fluctuations.

13 Variation

The Bank may at its discretion be entitled to vary any of the terms and conditions from time to time on written notice to the applicant, and no such variation and no agreement inconsistent therewith shall be of any force or effect unless it is recorded in writing and signed by both the applicant and the Bank.

14 Force majeure

The Bank will not be liable for any failure to perform caused by reasons beyond the Bank's control or resulting directly or indirectly from the action or inaction of the Government, any Government Authority, or any riot, strike, boycott, blockade, act of God. Revolution, civil strike or any change in legislation or extreme change in market conditions.

15 Assignment

The applicant shall be entitled to assign all or any part of their rights, or benefits hereunder without the prior written consent of the Bank.

16 General undertakings

- 16.1 while the loans remain available, the applicant undertakes to procure that;
- 16.1.1 The obligations of the applicant in respect of the loan shall at all times rank at least pari passu with all its other present and future unsecured obligations;
- 16.1.2 The applicant shall, immediately upon becoming aware of it, notify the Bank of any material litigation, arbitration or administrative proceedings pending or to the best of its knowledge, information threatened against the applicant which may adversely affect the applicant ability to honour any terms and conditions in this agreement.

17 Confidential Information

The applicant hereby irrevocably authorises the Bank to disclose details of and relating to the applicant's accounts and loans to any credit reference agency or other institution, as it deems necessary, provided that such disclosure shall fall within the laws of Malawi.

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Customer to Initial: _____