

TERMS AND CONDITIONS

1. DEFINITIONS AND INTERPRETATIONS

- 1.1 “Agreement” means this Agreement as amended from time to time and includes the Schedule.
- 1.2 “Borrower” means the person described in the Schedule as the Borrower and includes the successors of any Borrower and the personal representatives of the Borrower and any Associate of the Borrower.
- 1.3 “Loan” means any amount lent by the Lender to the Borrower on or after the Date of the Loan and includes:
 - (a) any advance of money or advance of other assets by the Lender to the Borrower,
 - (b) any provision of financial accommodation by the Lender to the Borrower including any forbearance by the Lender from collecting any amounts due to the Lender from the Borrower for goods or services provided by the Lender to the Borrower.
- 1.4 “Lender” means African Banking Corporation Zambia Limited trading as Atlas Mara Zambia and includes its successors and associates.
- 1.5 “Date of the Agreement” means the date specified in the Schedule as the Date of the Agreement.
- 1.6 “Security” means the security given to or held by the Lender for the payment of the whole or part of the principal sum and interest thereon stated in the Schedule.
- 1.7 “Parties” means the Borrower and the Lender and any other Person who may become a party to this Agreement.
- 1.8 “Period” shall be the full calendar month, irrespective of date of loan disbursement or settlement.
- 1.9 Broken Period interest is the interest that accrues from the day the loan is disbursed to the time the first instalment is paid.

2. DECLARATION AND AUTHORISATION BY THE BORROWER

- 2.1 The Borrower declares, agrees, and confirms that:
 - 2.1.1 the Borrower has seen the schedule of information in the Loan Application form, setting out the full details of everything that the Borrower has to pay if the loan is granted, and this information is the same as the information that was shown and/or discussed with the Borrower before the Borrower signed the terms and conditions of the agreement and the Key Facts Statement.
 - 2.1.2 the Borrower has read and understands the terms and conditions of this agreement or it has been explained to the Borrower prior to signing of this Agreement.
 - 2.1.3 where the Agreement provides for repayment instalments to be deducted from the Borrower’s Salary the Borrower agrees that he may not unilaterally cancel any order or consent given pursuant to clauses 5 and 17 of this Agreement until the loan is repaid in full.
 - 2.1.4 the Bank has made all required statutory disclosures to the Borrower in connection with this Agreement under the Laws of Zambia.
 - 2.1.5 the Lender has not imposed insurance Cover onto the Borrower.
- 2.2 The Borrower agrees by signing the Credit Application Form and the Terms and Conditions that the Borrower gives the Lender permission to:
 - 2.2.1 contact anyone to check that the information provided by the Borrower in the Credit Application is correct.
 - 2.2.2 give information about this loan to any party including any credit bureaus, and to transmit to any credit bureau, data about the Borrower’s application and the granting of Credit to the Borrower pursuant to this Agreement.
 - 2.2.3 enquire with the credit bureaus to which the Lender transmits information to provide a credit profile and possibly a credit score on the creditworthiness of the Borrower to third parties.
 - 2.2.4 obtain details from any party about the Borrower’s financial status and banking details including a credit record and payment history.
 - 2.2.5 forward marketing material and offering of other products offered by the Lender to the Borrower even after this

- 2.2.6 agreement has been terminated.
- 2.2.6 to disburse sanctioned amounts in the event that the amount the Borrower qualify for is less than the amount applied for and the Borrower confirms that the above declaration holds for the new amount.

3. APPLICATION, APPROVAL AND DISBURSEMENT OF LOAN

- 3.1 The Borrower applies for a loan by completing and signing the Loan Application form, Terms and Conditions, the Key Facts Statement and the Payroll Instruction (for loans with deduction at source) of this Agreement. The Borrower’s signature will constitute an offer to the Bank to enter into such an Agreement that may be accepted or declined by the Lender at its sole discretion. The Lender is under no obligation or duty to approve the Borrower’s application for the said Loan and as such may decline or reject the Borrower’s application for any reason whatsoever. For non-scheme customers, the loan is provided on the basis that the customer’s salary will be deposited into Atlas Mara Account until the loan is fully repaid; any transfer of the salary to any other account will constitute a breach in the contract and may result in the Bank recalling the facility.
- 3.2 Once the Lender has approved the Borrower’s application and makes payment of the Loan to the Borrower on the disbursement date, by way of electronic funds transfer to the Borrower’s bank account as indicated in the Credit Application Form or by any other means, the Borrower’s offer as set out in the Terms and Conditions is accepted and a Loan Agreement on such terms comes into force and effect between the Borrower and the Lender.

4. REPAYMENT

- 4.1 The Lender may, at its sole discretion, collect each instalment due under this Agreement on the Borrower’s salary day or at any time when funds are available in the Borrower’s bank account provided always that such collection dates fall on or after the due date of any such instalment. The Borrower acknowledges that any such collection by the Lender does not constitute a waiver of its rights to enforce payment of any instalment under the provisions of clauses 6.1 and 6.2 and is an indulgence granted to the Borrower by the Lender.
- 4.2 Subject to provisions of the law, we may assign repayment amounts received from you to pay interest before paying off the principal amount you owe us or to pay amounts you owe us in any order we choose. The Bank may, therefore, allocate a higher proportion of your instalments to interest rather than to the principal amount you owe us.

5. LOAN RESCHEDULING AND DEMAND

- 5.1 The Borrower acknowledges that in the event of any instalment, or other payment, not being made on its due date, the Lender shall be entitled (but not obliged) without prejudice to any other rights which the Lender may have, to either demand immediate payment of all amounts that will then be owing to the Lender or to reschedule the loan repayments, in which event a new schedule (Credit application form) will be deemed to have been executed by the Borrower in favor of the Lender.
- 5.2 The Borrower further acknowledges and agrees that in the event of the loan(s) being rescheduled, the terms of the Loan Agreement shall operate in favour of African Banking Corporation Zambia Limited trading as Atlas Mara in respect of the rescheduled loan, together with any amendments, as if this Agreement had been signed and executed by the Borrower in respect of the rescheduled Loan.
- 5.3 Without detracting from, and without prejudice to the provisions of Clause 5.1, the Borrower acknowledges that in the event of his loan repayments falling into arrears, the Lender shall be entitled (but not obliged) to cancel the existing Loan and reschedule the Loan repayments due by

the Borrower, in which event:

- a. the balance of the existing Loan inclusive of capital, interest and any and all other amounts or charges then owed by the Borrower to the Lender ("the rescheduled capital") will be calculated by the Lender.
- b. the rescheduled capital will be deemed a further Loan made by the Lender to the Borrower.
- c. the rescheduled capital together with interest thereon and other charges will be repayable by the Borrower to the Lender by way of monthly instalments over a fixed period to be determined by the Lender.
- d. the Borrower shall repay the rescheduled capital together with all other charges in accordance with the provisions of the aforesaid schedule and the terms hereof.

6. INTEREST

- 6.1 The Borrower shall be liable to the Bank for the payment of interest should the Borrower fail to pay to the Bank on the due date any amount owing or which may become owing by the Borrower to the Bank in connection with this Agreement.
- 6.2 The Borrower may agree with the Bank to postpone the payment of any installment due or amount owing under this Agreement in which case the particular installment or amount shall be considered as borrowed by the Borrower from the Bank and the Bank will be entitled to charge interest on the said installment or amount at the rate mentioned in the Loan Application.
- 6.3 The Lender reserves the right to vary the interest rate, including the margin, and other charges and the method of calculation thereof at any time in line with market conditions at its own discretion. The Bank shall give written notice to the Borrower of such amendment and its effective date within a reasonable time. The Borrower shall be notified of the said changes through the press media and/or displayed notice at the Bank's branches across the country. However, any failure by the Bank to so advise shall not in any way prejudice the Bank's right to recover interest charged subsequent to such amendment.
- 6.4 Should the Borrower fail to promptly make any payment payable in terms of this Loan Agreement, the Bank shall be entitled, subject to the provisions of the Law, if applicable, in addition to and without derogating from such other rights as the Bank may have under this Loan Agreement, in its discretion, to charge interest on such overdue amount as permitted by Regulation 10 of the Banking and Financial Services Act Cost of Borrowing Regulations Statutory Instrument No. 179 of 1995 or any amending legislation or enactment thereof and/or to increase the top up margin on the prevailing Bank of Zambia Policy Rate (BPR).
- 6.5 Interest will be calculated by the Bank on a day-to-day basis on a year of 365 days and shall be paid on the last day of each interest period, normally the last day of the month. Such interest shall be paid monthly in arrears and shall be capitalized by the Bank if not paid on due date.
- 6.6 Interest on this facility will be aligned to and calculated on the basis of the Bank of Zambia Policy Rate (BPR) as prevailing from time to time plus a top up margin on the BPR, such margin to be subject to alteration at the sole discretion of the Bank with notification of any such alteration to be published within the Bank's business premises. Should monthly interest not be serviced, compound interest shall be charged to the account.
- 6.7 The Bank will collect broken period interest along with the monthly instalments over the tenor of the loan. This will not apply in cases where this interest is collected upfront or at the end of the loan.

7. RIGHT OF SET OFF

- 7.1 The Bank may set off any amounts due under the Agreement against any sums owing by the Bank to the Borrower (whether jointly or severally) and otherwise combine and consolidate all or any of the accounts of the Borrower with the Bank at any branch of the Bank and whether current, deposit, loan or any nature and whether accounts in the Borrower's name or jointly with others and whether in any other currency. Any currency conversions required to be effected by the Bank pursuant to this right shall be effected in accordance with the usual practice of the Bank.
- 7.2 If there is more than one Constituent Loan, any payment

made by the Borrower to the Lender, whether by set off or otherwise, shall be applied to the Constituent Loans on a pro-rata basis unless the Parties otherwise agree in writing. The Lender may set off against the Agreed Loan any debt owed by the Lender to the Borrower.

8. INSURANCE

It is the Bank's requirement that the Borrower take insurance to cover death and/or permanent disability and retrenchment through the Bank's approved insurance plan unless the Borrower has provided evidence of cover at the time of application from another Insurance provider.

9. COLLECTION FROM EMPLOYER

- 9.1 If you are employed, your salary must be paid into your account with the bank during the term of this Agreement, unless your employer deducts your installments from your salary before it is paid to you. You agree that should your employment with the employer terminate for any reason whatsoever, that your employer can withhold all terminal benefits and gratuity and remit them to the bank to apply them towards reduction or full settlement of your loan.
- 9.2 By signing the salary deduction consent (Payroll instruction) that the Lender has included in this Loan Agreement, the Borrower has authorized the Lender to satisfy the Borrower's obligations by way of deductions directly from the Borrower's salary. The Borrower acknowledges that the Lender is under no obligation to seek payment solely by way of deductions from the Borrower's salary and that it has a right at any time to call for payment by other methods including, without limitation, by way of making a charge against the Borrower's bank account or directly from the Borrower.
- 9.3 The Borrower will immediately notify the Lender if the Borrower changes employers.

10. EARLY SETTLEMENT

The Borrower may prepay the whole or any part of the Loan together with applied interest (if any) as well as interest accrued up to the date of prepayment.

11. BREACH

The Bank shall also be entitled (but not obliged) to demand immediate payment of all amounts owing to the Bank in terms of this Agreement, should:

- 11.1 A judgment be entered into against the Borrower in any court and he fails to comply with that judgment within 21 days after the date thereof, unless the Borrower, within that period, has appealed against or applied for the setting aside of that judgment;
- 11.2 The Borrower take steps to assign his estate in favour of or compromise with his creditors or commit any act of bankruptcy;
- 11.3 An application is made for the sequestration of the Borrower's estate;
- 11.4 Any of the Borrower's assets, whether movable or immovable, is attached in execution;
- 11.5 The Borrower fails to comply with these terms and conditions;
- 11.6 The Borrower permits his assets to be attached under a warrant of execution;
- 11.7 The Borrower defaults in the punctual payment of any installment due in terms of this Loan Agreement.

12. JURISDICTION AND COSTS

- 12.1 The parties, in respect of any legal proceedings relating to this transaction, hereby agree, in terms of the applicable Law or Regulation, to the jurisdiction of the Courts having jurisdiction in respect of the Borrower in terms of the Law; provided that the Bank shall in its discretion be entitled to institute any such legal proceedings in the High Court of Zambia. In the event that the Bank elects to institute action against the Borrower in the High Court of Zambia, the Borrower shall be liable to pay the costs awarded to the Bank in accordance with the provisions of the High Court tariff.

13. DOMICILIUM

- 13.1 The Borrower hereby chooses his aforementioned business or residential address as his address to service notices for the purpose of this Agreement. All notices to be given by the Bank to the Borrower shall be deemed to have been

duly given if addressed and posted, by prepaid registered mail, or delivered by hand to the Borrower at the said address. Such notice shall be deemed to have been received 2 days after the date on which such notice was delivered by hand and 5 days after the date on which it was sent by registered mail.

- 13.2 The Borrower undertakes to advise the Bank, in writing, immediately upon any change of his address occurring after the signing of this agreement in order to avoid a dispute arising as to non - delivery or delivery, as the case may be, of notices and correspondence.

14. BANK OF ZAMBIA POLICY RATE (BPR)

14.1 Whenever, during the term of this Agreement, the Bank of Zambia Policy Rate (BPR), the basis on which the Bank charges interest to the loan borrowers, is increased/reduced as the case may be, the Bank shall be entitled, as from the date on which the said BPR is increased/reduced or from any other date thereafter, to increase/ reduce the interest respect of this Agreement by the same percentage as the percentage by which the BPR has been increased/reduced, and each installment in question will be increased/reduced by an amount which will give effect to the increase/ reduction in the BPR.

14.2 Any changes to the Bank of Zambia Policy Rate will be published in the national press by the Bank of Zambia from time to time and the Bank shall not be obliged to notify you of any changes to the said Bank of Zambia Policy Rate.

15. GENERAL

15.1 The Bank reserves the right, in terms of the Bank of Zambia's regulation/directive, to place your name on the Credit Reference Bureau, whether as a borrower or defaulter.

15.2 Reference to the male gender shall include a reference to the female gender and vice versa. Reference to the singular shall include a reference to the plural and vice versa.

15.3 The Borrower, at the Borrower's own cost, has the right to seek legal advice on the contents of this Loan Agreement prior to signing the same.

15.4 We will pay your loan (or the balance after we have paid off your debt to another Credit provider) once we have completed our assessment of your ability to repay your loan.

16. PAYROLL INSTRUCTION

In pursuance of the conditions on which the loan, as reflected in the Credit Application, was granted, I/We hereby irrevocably instruct my employer at the date of signing this Agreement, to deduct the instalments as calculated at disbursement of this loan from my

remuneration until the contractual amount including interest and other charges have been paid in full. The instalment amount may be varied at the request of the Lender in the event of a general increase or decrease in the rates of interest applicable to the Loan, or where the instalments are rescheduled as a result of default or other arrangements. A variation, as aforementioned, will result in the total contractual amount being adjusted accordingly.

I/We acknowledge that the Loan would not have been granted to me had my employer not concluded an agreement with my Lender in terms whereof my employer is contractually bound to make the aforementioned deductions. Having regard to this, I/We further acknowledge that the deductions made in accordance with this payroll instruction may only be discontinued when I/We leave employment or once the Loan has been paid in full or where the Lender, in writing, consents to the discontinuation thereof.

Should my employment be terminated before the Loan has been paid in full, I hereby authorize my employer to deduct the then outstanding balance of the Loan from all amounts that become payable to me as result of the termination of my employment.

17. THE ENTIRE AGREEMENT

17.1 The Bank shall be entitled to vary these conditions from time to time in the event of any change in the applicable Law or Regulation or in the application or interpretation thereof or the occurrence of any event, which in the sole opinion of the Bank materially and adversely affects the Banking market. Subject to the requirement of any Statute, notification of any such variation shall be given to the Borrower either in writing or in publication thereof by such means as the Bank may select and a variation so effected shall be binding on the Borrower.

17.2 The Borrower confirms and acknowledges that in entering into this Agreement, the Borrower has not relied on any representation or statement other than those set out in this Agreement.