



Personal Loans

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Important notice

You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with credit card products. **You must read it in conjunction with our Client Terms, the product brochure and any other documents forming our banking agreement.** To the extent of any inconsistency between these terms and our Client Terms, these terms prevail. These terms do not apply to any existing credit card products you have with us to the extent that they are subject to separate terms and conditions.

Key words

The meaning of key words printed like this and other words used in our banking agreement is explained in our Client Terms. Some additional key words which apply to the products referred to in these terms are explained at the end of these terms.

How to contact us

To find out information (such as current fees and interest rates or if you need us to explain features or terms) in connection with our products, you should contact us at one of our branches, by using phone banking **+267 3615800** or by visiting our website www.sc.com/bw.

1 Choosing the product that is right for you

You should contact us (see contact details under “How to contact us” at the front of these terms) to discuss how we may be able to structure your loan to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any loan product.

2 The loan

We must provide the loan

- 2.1 If we issue an approval, we agree to provide a loan up to the limit and for the term specified in the approval. The limit or term may be different to the limit or term you asked for in your application.

Purpose

- 2.2 You must use the loan only for the purpose set out in the application or as otherwise approved by us.

Requesting funds

- 2.3 If you want us to provide you with funds, you may do so by a written request for a single drawdown made within 3 banking days after the date of the approval. Your request must be made within a reasonable time (for example, at least 10 banking days) before you need the funds.

Right to prepay if limit less than requested

- 2.4 If the limit or the term of the loan is different to the limit or the term you requested in your application, you may prepay the loan in full. If you do so within 14 days from the date of the approval, no prepayment fee is payable.

Top up loan

- 2.5 If you ask, we may agree to provide a top up loan by way of single drawdown up to the maximum principal repaid on terms we notify.

How we provide the loan

- 2.6 Usually we provide the loan by depositing it into the nominated account. However, if you ask and we agree, we may give you a cheque for the loan. If we provide the loan by cheque, the cheque is only valid for the period we specify and instalments are payable even if the cheque is not cashed.
- 2.7 Fees and charges that apply to the loan may be deducted from the loan before depositing it into the nominated account.

3 Interest, fees and charges

Interest

- 3.1 You must pay interest on the loan monthly in arrears at the rate set out in the approval or otherwise in our banking agreement or any other rate we determine.

- 3.2 Unless otherwise specified in our banking agreement, interest accrues on a daily basis and is calculated on the basis of a 360 day year
- 3.3 Interest is charged to your account on the last banking day of each month.
- 3.4 Interest is payable on the dates set out in the approval or elsewhere in our banking agreement.
- 3.5 Any overdue payment incurs interest at the default rate (which is higher than the usual interest rate) set out in the tariff booklet or elsewhere in our banking agreement (see “Interest, fees and charges” in the Client Terms).
- 3.6 The Bank may, with immediate notice to You, change its interest rates in line with any changes in the Prime Rate as set by Bank of Botswana or at its discretion adjust its interest margins. Notification shall be done through channels deemed appropriate by the Bank. Any such changes will become effective 30 days after the date of notice.

Fees and charges

- 3.7 The fees and charges for the loan are set out in the tariff booklet or such other document as we may notify you.

4 Repayment

Repayment by instalments

- 4.1 You must repay the loan in instalments. We notify you the amount of the instalment and each instalment payment date.
- 4.2 Any balance owing for the loan (after payment of all instalments) must be repaid on the final payment date we notify you.
- 4.3 The instalments are payable even if you do not withdraw any of the loan funds we deposit in the nominated account.
- 4.4 If we vary the interest rate on the loan, we may vary the instalment amount and the number of instalments.

Methods of repayment

- 4.5 We advise you of the manner in which you must repay the instalments. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the nominated account.
- 4.6 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.

Deferred repayment

- 4.7 If you ask, we may agree to defer a particular monthly instalment. If this happens, you must pay

the additional interest accrued on the deferred instalment amount on the final payment date we notify you.

Payment in full if we ask

- 4.8 Despite any other term of our banking agreement, at any time we may demand payment of the loan in full, together with all accrued but unpaid interest, fees and costs in connection with the loan.

What happens if you do not pay

- 4.9 If you do not make an instalment on or before the relevant due date:
- the loan plus all accrued but unpaid interest plus any other sum due to us is immediately due and payable; and
 - we charge you a late payment fee as set out in the tariff booklet or elsewhere in our banking agreement.

How we apply payments

- 4.10 Subject to law, we may use amounts we receive from any of your instalments to pay interest rather than to reduce the principal amount you owe us or to pay amounts you owe us in any order we choose. For example, we may allocate a higher proportion of any one or more of your instalments to interest rather than to the principal amount you owe us.

5 Prepayment

- 5.1 You may prepay all or part of the loan if:
- you give us reasonable notice in writing; and
 - when you prepay, you also pay all accrued but unpaid interest, fees and costs in connection with the loan (including any early settlement fees as set out in the tariff booklet. Details of these fees and costs are available by contacting us. If you are unable to give us reasonable notice of prepayment, we may require you to pay us an amount equal to one month's interest (or any other amount we specify) on the loan.
- 5.2 [If you prepay only part of the loan, no early settlement fee is payable. The amount of each instalment is not adjusted.
- [An amount prepaid reduces the remaining instalments due in reverse order by the amount prepaid.]

Early settlement fee

- 5.3 If you prepay in full on the instalment payment date, no early settlement fee is payable. However, if you prepay on any other day, unless you give the Bank 45 days notice, you may be liable to pay an early settlement fee.

Right to reborrow

- 5.4 You may only reborrow an amount prepaid if our approval indicates that the loan permits redraw (known as a revolving loan) and if you satisfy our usual conditions for permitting reborrowing. Any amount you reborrow forms part of the loan.

6 Additional services for your account

- 6.1 We may offer additional services for your account. These may include balance transfer programmes, funds transfer programmes and any other services we advise you or which are otherwise available from time to time. You can find out more about available services by contacting us.
- 6.2 If you sign up for additional services, you are bound by the terms of the additional services. To the extent of any inconsistency between the terms of the additional services and our banking agreement, our banking agreement prevails unless the terms of the additional services specify otherwise.

7 Cancellation

Our Client Terms set out when you and we may end your use of any product and what you need to do if that happens. This includes immediate payment of the balance owing for the loan. This clause sets out additional circumstances in which you or we may cancel the loan.

You may cancel the loan by giving us reasonable notice in writing. However, we may charge you a cancellation fee (see the tariff booklet or contact us at one of our branches or by using phone banking).

Personal line of credit/overdraft

8 Choosing the product that is right for you

You should contact us to discuss how we may be able to structure your line of credit/overdraft to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any line of credit/overdraft.

9 Your limit

Limit

- 9.1 You may only draw on a line of credit/overdraft up to the limit. We may cancel or vary the limit at any time. We may consider the latest income information you have given us in connection with any product when varying the limit.

Exceeding the limit

- 9.2 Sometimes we may allow you to draw in excess of the limit. If we allow you to do so:
- this is not a waiver of our right to require your line of credit/overdraft to be maintained within the limit;

- you must pay the excess immediately; and
- a higher interest rate is payable on the excess until it is repaid (see clause 11).

10 Using your line of credit/overdraft

We make funds available to you through the account for the line of credit/overdraft in accordance with our usual practice. This must be an account of a type we specify which must be maintained at all times for the purposes of our line of credit/overdraft. We may change this account at any time for any reason.

11 Interest, fees and charges

Interest

- 11.1 We charge interest on that part of the balance owing for the line of credit/overdraft which is within the limit at the rate set out in the approval or any other rate we determine.
- 11.2 Interest may be charged at different rates for different parts of the balance owing on a line of credit/overdraft.
- 11.3 Unless otherwise specified in our banking agreement, interest accrues on a daily basis and is calculated on the basis of a 360 day year.
- 11.4 Interest is charged to your account on the last banking day of each month.

Minimum interest amount

- 11.5 If the interest payable is less than any minimum interest amount we specify, you must pay the minimum interest amount instead.

Default interest

- 11.6 If the balance owing exceeds the limit (with or without our approval), we charge interest on that excess at the default rate (which is higher than the usual interest rate)
- 11.7 We also charge interest at the default rate on any overdue amount (including if you do not pay the minimum monthly repayment when due).

When interest is payable

- 11.8 Interest is debited from the account for the line of credit/overdraft monthly in arrears or at any other times we determine.

Fees and charges

- 11.9 The fees and charges for your line of credit/overdraft such as processing fees, commitment fees and renewal fees are set out in the tariff booklet or elsewhere in our banking agreement.

No credit interest

- 11.10 No interest is payable on any credit balance in an account for a line of credit/overdraft.

12 When you must repay

We may ask you to repay all or part of the balance owing for the line of credit/overdraft at any time. If we do so, you must immediately pay the amount we demand.

13 Repayment

Minimum monthly repayment

- 13.1 On or before the due date set out in the statement we issue for a line of credit/overdraft, you must pay at least the minimum monthly repayment as set out in the statement. Alternatively, you may pay the balance owing for the line of credit/overdraft as set out in the statement.
- 13.2 Your liability to us remains even if, for any reason, you do not receive your periodic statement.

Calculation of minimum monthly repayment

- 13.3 We calculate the minimum monthly repayment in accordance with our usual practice. Please refer to our approval or contact us for further information.

Methods of repayment

- 13.4 We advise you of the manner in which you must repay any repayment on the line of credit/overdraft. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the nominated account.
- 13.5 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.
- 13.6 The proceeds of any payment instruction are taken into account in determining the funds available for drawdown on your line of credit/overdraft only after the payment instrument is cleared.

Payment in full if we ask

- 13.7 Despite any other term of our banking agreement, at any time we may demand immediate payment of the balance owing for the line of credit/overdraft.

What happens if you do not pay

- 13.8 If we do not receive the minimum monthly repayment on or before the due date:
- you may not use the line of credit/overdraft until the minimum monthly repayment has been paid; and
 - we may suspend your use of the line of credit/overdraft.

How we apply payments

- 13.9 We may use amounts we receive under our banking agreement to pay amounts you owe us in the following order or any order we choose:

- interest and other charges as set out in the product brochure, tariff sheet or elsewhere in our banking agreement; then
- costs in relation to enforcing any debt you owe us; then
- unpaid transactions and cash withdrawals; then fees, charges and transactions incurred from the use of the line of credit/overdraft not yet shown on the current statement.

14 Right to reborrow

14.1 You may only reborrow an amount repaid if:

- the balance owing for the line of credit/overdraft does not exceed the limit; and
- you otherwise satisfy our usual conditions for permitting reborrowing.

Any amount you reborrow forms part of the line of credit/overdraft.

15 Meaning of words

You also need to refer to our Client Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Client Terms, the definition in these terms applies for the purposes of loans and lines of credit/overdrafts.

Default rate means the rate of interest per annum which applies to overdue payments or amounts owing in excess of a limit as set out in our banking agreement.

Limit means, for a personal loan or a line of credit/overdraft, the limit set out in the approval for the product (as we may vary at any time).

Line of credit/overdraft means a personal line of credit we make available to you under Part B of these terms.

Loan means the outstanding principal amount of each drawdown of a loan made under Part A of these terms. It includes a top up loan.

Our banking agreement means the agreement between you and us formed when we accept an application from you, the terms of which include our Client Terms and these terms.
