

Personal Loan Terms

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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 term *loans* and *line of credit/overdraft 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 and if there is any inconsistency between the *approval* and any other part of our banking agreement, then the terms in the *approval* prevail. These terms do not apply to any existing personal instalment loan, personal revolving loan or line of credit/overdraft 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 (01) 2704611-4 or by visiting our website www.sc.com/ng.

Part A - Term loans

1 Choosing the product that is right for you

You should contact us (see contact details under *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*. The *limit* may be different to the *limit* 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.

Additional condition precedent and undertaking

- 2.3 Before you can use a *loan*, you must give us a letter from your current employer irrevocably undertaking to deposit:

- your salary; and
- any other amount payable to you in connection with your employment,

in the *nominated account*. You must give us a new letter each time you change your employment.

Top up loan

- 2.4 If you ask, we may agree to provide a top up loan by way of single drawdown up to an amount we approve (which may be different to the *limit*) on terms we notify.

How we provide the loan

- 2.5 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.

- 2.6 Fees and charges that apply to the loan may be deducted from the *loan* before depositing it into the *nominated account*.

Balance transfer option

- 2.7 If you owe an amount to a third party and that amount is less than the *limit*, we may provide:

- part of the *loan* equal to that amount directly to the third party by cheque; and
- the remainder of the *loan* to you,

provided that you satisfy all conditions we specify.

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 365 day year (a 366 day year in the case of a leap 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 *approval* or elsewhere in our banking agreement (see "interest, fees and charges" in the Client Terms).
- 3.6 If we vary the interest rate, we will give you notice of the effective date of the revised interest rate.

Fees and charges

- 3.7 The fees and charges for the *loan* are set out in the *approval* or are available by contacting us.
- 3.8 In addition to charging interest at the *default rate*, we may charge a late payment fee for any overdue payment as set out in the *tariff sheet* or elsewhere in our banking agreement. Please contact us for further details.

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. If you pay instalments by post-dated cheques, we may ask you to replace them. If you fail to do so, we may use the post-dated cheques you have given us and:
- we pay any excess to you; or

- you must pay any shortfall to us.

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 immediate 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 sheet* or elsewhere in our banking agreement.

How we apply payments

- 4.10 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 of the *loan* or a minimum of nine instalments if:
- the prepayment occurs at least 6 months after we provide the *loan* to you;
 - 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 sheet*. 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*, the amount of each instalment is not adjusted. Any amount prepaid is credited to your *account* for the *loan* as payment for the next instalment.

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, 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

- 6.1 We may offer additional services in connection with your *loan*. 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 sheet* or contact us at one of our branches or by using phone banking).

Part B - 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 365 day year (a 366 day year in the case of a leap 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 sheet* 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 the repayment schedule 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*.

14 Right to reborrow

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*.

Part C - Meaning of words

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.