IN TERMS OF THE NATIONAL CREDIT ACT 34 OF 2005, AND REGULATIONS, AS AMENDED

1. Definitions

1.1. "Credit agreement" means the "pre-agreement statement" or "credit facility" means this agreement, as contained in the Quotation and these Terms and Conditions, which are, and are to be read together as, one document.

1.2. "Payment facility" means the credit limit under this agreement, including the instalments on which the interest is due and payable to the credit provider by the consumer.

1.3. "Principal debt" means the account to which we transfer any of our rights or obligations under this agreement.

1.4. "Service fee" means the monthly fee that may be charged by a credit provider in connection with the routine administration of maintaining a credit agreement, and which does not exceed the prescribed amount in terms of the Act, plus VAT.

1.5. "Year" means the calendar year.

2. Type of Agreement

2.1. Every credit agreement is characterised as a small agreement, an intermediate agreement, or a large agreement, as described in the Act.

2.2. This credit agreement is a small agreement.

2.3. The credit limit under this credit facility falls at or above R15,000.00; or

2.4. The credit limit under this credit facility falls at or above the lower of the thresholds, as determined by the Minister, by notice in the Gazette.

3. Payment Schedule

3.1. The payment schedule, as contained in the Quotation, sets out the information relating to the credit extended and is, and must be read as, part of this agreement.

4. Payments

4.1. The number of instalments, the sum of the instalments, and payment date of the instalments is indicated in the Quotation.

4.2. The date on which the first instalment is due and payable by the consumer, is on the first payment date after the loan amount has been advanced.

5. Early Payments and Crediting of Payments

5.1. At any time, without notice or penalty, you may prepay any amount owed to us under this credit agreement.

5.2. We must record any payment under this credit agreement when it is tendered, even that is before the date on which the payment is due.

5.3. We must credit each payment made under this credit agreement to you, as of the date of receipt, or as of the end of the next business day after the date of receipt.

5.3.1. Firstly, to satisfy any due or unpaid interest charges.

5.3.2. Secondly, to satisfy any due or unpaid fees or charges; and

5.3.3. Thirdly, to reduce the amount of the principal debt.

6. Changes to Interest, Credit Fees or Charges

6.1. In the event that the rate of interest, the amount of a credit fee or charge, or the frequency or time for payment of a credit fee or charge, changes, we will give written notice of at least thirty days to you, setting out the particulars of such change.

6.2. In the event that this credit agreement has a variable interest rate, we will give written notice to you, no later than 30 business days after the day on which a change in the variable interest rate becomes effective, of the new rate and any further prescribed information.

7. Account Statements

7.1. You will be provided with monthly statements of account, which statements will be sent to you or any surety by mail in the Quotation or via your email address, which will:

7.1.1. Show all transactions relating to your account;

7.1.2. Show the current amount due;

7.1.3. Show all interest and other charges deducted by us to your account;

7.1.4. Show all payments made as well as the balance outstanding; and

7.1.5. Inform you of the amount which you must pay to us on or before the due date stated thereon.

7.2. You agree to check the monthly statements of account.

7.3. You undertake to notify us, in writing, within 30 days of the date on the statement, or as soon as reasonably possible thereafter, should you deny any liability for any debt appearing on the statement.

7.4. Non-receipt of the statement does not free you from your obligation to pay any amount due under this credit facility.

7.5. Information with regard to your credit facility account and outstanding amount, may be obtained from us by visiting our offices, by phoning us, by email, or otherwise contacting us.

8. Default Administration Costs

8.1. If you are in default in terms of this agreement we will advise you of this in writing.

8.2. A default includes a cost, if applicable, in the case of default, charged by us, in which event:

8.2.1. default administration charges will be equal to the amount payable in respect of a registered Debit Order under the National Credit Act, 32 of 1944, and any then applicable amendments thereto, in addition to any reasonable and necessary expenses incurred in delivering such letter;

8.2.2. default administration charges will be imposed in respect of each letter necessarily written in terms of Part C of Chapter 6 of the Act, namely:

8.2.2.1. if you are in default under this credit agreement, we may draw such default to your notice in writing and propose that you refer this facility to a Debt Counsellor; additionally a Dispute Resolution Agent, Consumer Court or Ombudsman with jurisdiction;

8.2.2.2. if you are in default under this credit facility, in the event that it is being reviewed in terms of Section 86 of the Act, we may, in respect of this facility, give you notice to terminate such prescription in the prescribed manner.


9.1. Any of the following acts will place you in default of this credit agreement if you do not rectify them (if possible) within 15 days of receiving written notice from us to do so:

9.1.1. you or any surety commit an act of insolvency mentioned in the Insolvency Act 24 of 1936, as amended;

9.1.2. you are suspended or you are provisionally or finally sequestrated / liquidated (whether voluntarily or compulsorily), or have been declared bankrupt under judicial management or administration or, being a partnership, dissolved;

9.1.3. you are made bankrupt or insolvent by a sequestration or liquidation order, or any event that will be equal to the amount payable in terms of the Agricultural Credit Act 28 of 1966, as amended;

9.1.4. you or any surety have furnished information, in this credit facility application, that is inaccurate, or you have failed to disclose material information that would have influenced our decision to grant the credit facility granted;

9.1.5. you or any surety generally do or allow anything to be done that may prejudice your rights, in relation to this credit agreement.

10. Consequences of Default

10.1. If you are in default in any provision of this credit agreement, we may take the steps as set out in Part C of Chapter 6 of the Act. In addition, if you are in default, since your credit facility is a credit facility in terms of the Act, we can at any time, with or without giving any notice, do the following:

10.1.1. reduce the amount of your credit facility in terms of the Act, we can at any time, with or without giving any notice, do the following:

10.1.2. the credit facility.

10.2. The unpaid interest charge.

10.3. The unpaid interest charge.

10.4. The unpaid interest charge.

10.5. The total interest charged by us in the event of default will not exceed the maximum percentage of recoverable interest as stated in your credit facility.

11. Consent to Jurisdiction

11.1. You or any surety agree to submit to the jurisdiction of the Magistrate's Court, or to the jurisdiction of the Consumer Court or Ombudsman with jurisdiction in the Magistrate's Court.

11.2. The parties to this credit agreement, and in relation to any action or proceeding arising out of this credit agreement, all consent to the jurisdiction of the Magistrate's Court to determine any action or proceeding otherwise beyond the jurisdiction of the Magistrate's Court.

11.3. Information Sharing Practices and Credit Bureaux

11.3.1. You confirm that we may transmit, to the credit bureaux, data about your application and opening and termination of an account.

11.3.2. We confirm that information that is in accordance with the terms and conditions of this credit agreement is transferred to the credit bureaux;

11.3.3. You confirm that the credit bureaux have a credit profile and possibly a credit score on creditworthiness of the person subject to the record.

11.3.4. We confirm that where credit bureaux are referred to in this agreement, such reference is to credit bureaux designated as credit bureaux by the Minister, by notice in the Gazette.

11.3.4.1. TransUnion Credit Bureau – 0861 482 482; www.transunion.co.za

11.3.4.2. Compuscan, South Africa – 0861 514 131; www.compuscan.co.za;

11.3.5. You confirm that we have a right to:-

11.3.5.1. contact the credit bureaux;

11.3.5.2. have the credit record discarded;

11.3.5.3. correct inaccurate information.

12. Early Settlement / Pre-Payment

12.1. You may cancel or settle your credit facility at any time, by paying the amount that you owe in accordance with this credit agreement, with or without giving advance notice to us.

12.2. The amount required to settle this credit agreement is the total of the following:

12.2.1. The unpaid balance of the principal debt at that time;

12.2.2. The unpaid interest charges;

12.2.3. All other fees and charges payable by you to us up to the settlement date; and

12.2.4. In the case that this credit agreement is a large credit agreement:

12.2.4.1. at a fixed rate of interest, an early termination charge no more than a prescribed charge or, if no charge has been prescribed, a charge calculated in accordance with 14.2.4.2.1.

12.2.4.2. other than at a fixed rate of interest, an early termination charge equal to no more than the interest that would have been payable under the agreement for a period equal to the difference between:-

12.2.4.2.1. three months; and

12.2.4.2.2. the period of notice of settlement, if any, given by you.

15. Your right to Terminate the Agreement

15.1. You are entitled to terminate this agreement by setting the outstanding amount in full in respect of your credit facility at any time with or without advance notice to us.

15.2. The amount required to settle this credit agreement is the total of the following:-
20.6.2. The unpaid balance of the principal debt at that time;
20.5.2. The unpaid interest charged and due at that time;
20.4.2. All other fees and charges payable by you to us up to the settlement date;
20.4.1. In the case that this credit agreement is a large credit agreement:-
20.4.1.1. A fixed rate of interest, an early termination charge no more than a prescribed charge or, if no charge has been prescribed, a charge calculated in accordance with 15.2.4.2 herein;
20.3.2. Other than at a fixed rate of interest, an early termination charge equal to no more than the interest that would have been payable under the agreement for a period equal to the difference between:-
20.2.1. The consumer is not over-indebted, the debt counsellor must reject the application, even if the credit agreement continued to indicate that a particular credit agreement was reckless at the time it was entered into;
20.2.2. The consumer is not over-indebted, but is experiencing, or likely to experience, difficulty satisfying all the consumer’s obligations under credit agreements in a timely manner, the debt counsellor may recommend that the consumer and the respective credit providers voluntarily consider and agree on a plan of debt re-arrangement; or
20.2.3. The consumer is over-indebted, the debt counsellor may issue a proposal recommending that the Magistrate’s Court make either or both of the following orders:-
20.1. The debt counsellor has concluded that those agreements appear to be reckless; and
20.0.2. that one or more of the consumer’s credit agreements be declared to be reckless credit, if the debt counsellor has concluded that those agreements appear to be reckless; and
20.0.1. that one of the consumer’s credit agreements be declared to be reckless credit, if the debt counsellor has concluded that those agreements appear to be reckless;
19.1. Upon receipt by a debt counsellor of the application, such debt counsellor must:
19.0.2. that one or more of the consumer’s obligations be re-arranged by:-
19.0.1. extending the period of the agreement and reducing the amount of each payment due accordingly;
18.1. In order to apply to a debt counsellor, to be declared over indebted in terms of section 86 of the Act.
17.2. If you move to another residential address, or if your address of employment changes, you must provide us with written notice of your new address by hand or registered mail to 45 McKenzie Road, Windermere, Berea, 4001; or by email to tji@d Challengerfinance.co.za, or by fax to 031 312 5564.
17.1. The addresses provided in the Quotation will be the addresses where the parties will accept documents, pleadings and notices relating to this credit agreement.
16.2. We may terminate this credit agreement before the time provided in this agreement if:-
16.1. If you are in default under this credit agreement, we may take the steps as set out above to enforce and terminate the agreement.
15.2.4.1. In a fixed rate of interest, the consumer’s state of indebtedness and the prospects for responsible debt re-arrangement;
15.2.3. The unpaid balance of the principal debt at that time;
15.2.2. The unpaid interest charged and due at that time;
15.2.1. The consumer is over-indebted;
15.1.2. the features and benefits of the credit facility have been explained to you;
15.1.1. If a consumer is in default under a credit agreement that is being reviewed in terms of section 138 of the Act; or
15.1.0. If you are married in Community of Property, or otherwise require your spouse’s consent to your conclusion of this agreement.
15.0.2. The unpaid balance of the principal debt at that time;
15.0.1. The unpaid balance of the principal debt at that time;
14.0.2. The unpaid balance of the principal debt at that time;
14.0.1. The unpaid balance of the principal debt at that time;
13.1.1. If you are in default under this credit agreement, we may take the steps as set out in section 5 of the Act to enforce and terminate this agreement.
12.1.1. The unpaid balance of the principal debt at that time;
11.1.3. No credit provider may terminate an application for debt review lodged in terms of the Act, if such application for review has already been filed in a court or in the Tribunal.
11.1.2. The unpaid balance of the principal debt at that time;
11.1.1. The unpaid balance of the principal debt at that time;
11.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
11.0.2. The unpaid balance of the principal debt at that time;
11.0.1. The unpaid balance of the principal debt at that time;
11.0.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
10.1.2. If a consumer is in default under this credit agreement, we may take the steps as set out in section 138 of the Act; or
10.1.1. The unpaid balance of the principal debt at that time;
10.1.0. If you are married in Community of Property, or otherwise require your spouse’s consent to your conclusion of this agreement.
9.1.1. If you have read through, or have hereby been instructed to read through the following paragraphs, including all subparagraphs thereof, which are hereby pointed out to you, a clauses which may also affect your rights:
9.1.0. If you have not applied for debt counselling and do not have an administration order or a order for provisional or final sequestration, liquidation or voluntary surrender against you estate;
9.0.1. The unpaid balance of the principal debt at that time;
9.0.0. If you are married in Community of Property, or otherwise require your spouse’s consent to your conclusion of this agreement.
8.1.2. The unpaid balance of the principal debt at that time;
8.1.1. The unpaid balance of the principal debt at that time;
8.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
7.1.2. The unpaid balance of the principal debt at that time;
7.1.1. The unpaid balance of the principal debt at that time;
7.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
6.1.2. The unpaid balance of the principal debt at that time;
6.1.1. The unpaid balance of the principal debt at that time;
6.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
5.1.2. The unpaid balance of the principal debt at that time;
5.1.1. The unpaid balance of the principal debt at that time;
5.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
4.1.2. The unpaid balance of the principal debt at that time;
4.1.1. The unpaid balance of the principal debt at that time;
4.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
3.1.2. The unpaid balance of the principal debt at that time;
3.1.1. The unpaid balance of the principal debt at that time;
3.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
2.1.2. The unpaid balance of the principal debt at that time;
2.1.1. The unpaid balance of the principal debt at that time;
2.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.
1.1.2. The unpaid balance of the principal debt at that time;
1.1.1. The unpaid balance of the principal debt at that time;
1.1.0. If you are married in Community of Property, or otherwise require your spouse’s written consent to enter into a credit agreement in terms of the Act, you undertake to have your spouse consent to your conclusion of this agreement by complying with the spousal consent section on the Quotation.