

(English)

BUSINESS CLIENT AGREEMENTS (NATIONAL CREDIT ACT 34 OF 2005 – “NCA”)

Fusion Guarantees (Pty) Ltd (“the credit provider”) agreements with you (“the consumer”) strictly deals with credit facilities that are secured against which guarantees and sureties are issued. The credit facility agreements are also secured loan transactions.

If you have entered into an agreement with “the credit provider” the following information is important to know.

Important Information about the National Credit Act 34 of 2005 (“NCA”)

The NCA applies to your credit facilities if you are any of the following;

- An individual;
- A stokvel;
- A Trust which is not a juristic person; or
- A juristic person that is not an organ of state, if, according to what the consumer tells the credit provider that applied for credit;
 - o Your annual turnover is less than R1 million; or
 - o Your asset value is less than R1 million
- Including any other juristic persons to whom you are related and your credit agreement is not a “large agreement” (meaning it is not a mortgage agreement or one for a principal debt equal to or exceeding R250 000)

The National Credit Regulator does change the thresholds from time to time.

Some parts of the NCA do not apply to juristic persons:

- A juristic person includes a partnership, association or other body of persons, corporate or unincorporated
- A trust is a juristic person if it has three or more individual trustees or a juristic person as trustee; and
- A stokvel is not a juristic person

In our agreements we refer to you as “the Consumer”.

1. Bank Accounts

The reference to the Consumers bank account is for refund purposes. The declaration of bank account on official bank letterhead is to ensure that the correct legal entity is refunded. Any changes in bankers, we shall require an official bank letter confirming the new bank account. No third parties will be paid.

2. Credit Facility Accounts statement

The Credit Provider will make statements available to the Consumer which are the official record of your Credit Facility and transactions against the facility. Outstanding amounts will reflect interest due and additional costs such as legal costs. The consumer agrees to check them promptly and to let us know if you think anything may be incorrect.

3. Fees

The consumer agrees to pay fees and these fees may include;

- Service fees
- Initiation Fees



- Securities fees
- Credit Agent fees
- Delivery fees

Fees are charged to your account either at the time of transaction or in arrears.

The credit provider may change their fees subject to the consumer signing a new agreement.

4. Risk on Credit Facility

Fees may become payable on the consumer's account when the guarantees or sureties issued against the consumer's facility exceeds the original billing period. These amounts are payable on request and does not form part of the credit facility limit granted.

The credit provider will not be allowed to grant further credit.

The consumer will pay interest on outstanding amounts. Interest is charged at secured loan transaction rates – repo rate x 2.2 plus 10%. The account will be considered to be in default.

Where amounts have been discharged to a beneficiary the consumer must repay the amount within 90 days. Failing to do so the account will be in default and interest will be charged at the specified default rate.

5. Cheque payment

Should the consumer pay with a check, the account will only be adjusted to reflect payments once the check has cleared.

6. Set-off

Any amount due to the credit provider may be set-off against amounts available in the credit facility.

7. Dormant facilities

If a consumer do not use a facility for a long time it may become "dormant". This means that you will not be able to use the facility or have access to any facility information until you have contacted us and claimed the dormant balances. We may ask you for information and documents to support your claim.

8. Closing of facilities

The facility can only be closed once all outstanding amounts have been settled and guarantees and sureties returned.

9. Dormant facility account records and consumer records

The credit provider will keep records up to 5 years after closing of any facility.



10. Credit

The consumer will receive a pre-agreement quote clearly indicating the facility limit granted, the costs of the facility and the security requirements. A credit agreement will then be entered into, whereby the Consumer will provide instructions pertaining to nominated beneficiaries and project detail.

10.1 Using of credit facilities

The consumer agree to use the facilities for the purpose stated in the application form.

10.2 Credit Reporting and Information Sharing

Under credit reporting requirements we communicate to credit bureaus details of:

- The consumer's application for credit, the provisions of credit, its termination; and
- Any failure on the Consumer's part to comply with their obligations under the credit agreements.

Credit bureaus maintain and provide to others a credit profile about the consumer and possibly, a score on the consumer's credit worthiness. The consumer has the right to contact bureaus to have your credit record disclosed and to correct any inaccurate information.

10.3 Debt Counselling

If the consumer is an individual, a stokvel or a trust with less than 3 (three) trustees, none of whom is a juristic person (the consumer is not an NCA justice person) and the consumer experience difficulty in meeting their financial obligations under the Credit Provider's credit agreement, the consumer has the right to a debt councillor for a declaration that the consumer is over-indebted and for re-arrangement of financial obligations under the credit agreement.

10.4 Default

Subject to the terms and conditions of the credit agreement, at any time before we end the credit agreement, the consumer may remedy a default by bringing the financial obligations up to date.

If the consumer has defaulted, the Credit Provider will notify the consumer, before the credit provider take enforcement against the consumer. We will grant 20 (twenty business days) notice after the event to remedy the default. A default notice will also be provided by the credit bureau. After the notice periods provided the consumer will be considered to be in default of the credit agreements if the consumer has failed to comply with the provisions of the credit agreement.

10.5 Collection costs

If the consumer is in default under the agreements, the Credit Provider is entitled to collection costs and this will include all costs including notice costs as prescribed by the NCA.

The consumer agree that the credit provider are entitled to recover from the consumer fees and commissions that attorneys charge the Credit Provider on the attorney-client basis;

- For the collection work as prescribed under the Attorneys Act 53 of 1979; and
- For legal proceedings to recover the consumer's debt.

These costs are mentioned in the securities and credit agreements.



11. General

11.1 The Consumer contact details

The consumer agrees to provide us;

- The consumer's current physical address
- A functioning telephone number at which we can reach you; and
- A functioning email and cellphone number

The consumer agrees that the credit provider may use any of the contact details that have been provided in the application form.

Important – If the consumer do not keep contact details up to date and ensure that all cellphones and email addresses that have been provided to the credit provider is functioning the consumer have a risk of not receiving important communication from the credit provider that may affect the consumer's legal position.

11.2 Delivery of documentation

Agreements are delivered via email communication and security documentation will be collected via courier services at the designated address stipulated by the consumer.

Any documents delivered and collected whereby the consumer has not taken delivery or the courier services could not reach the consumer, whereas the consumer has willfully not collect or provide the courier services with the required documentation, such additional costs will be borne by the consumer.

11.3 Purpose for which you use our products and services

The consumer agrees to use the facilities and agreements for the purposes applied for. Products cannot be ceded to any unknown parties as required in terms of FICA Regulations.

11.4 Business days

Any reference to business days shall mean any day other than Saturdays, Sundays or any other public holidays in South Africa.

11.5 Personal information

How do we deal with personal information?

We collect as part of our credit assessment processes the consumer's personal information including that of directors and shareholders.

The information shared is with credit bureaus and National Credit Regulator when required.

11.6 Service outages

Our products and services rely on technology. Should there be any outages service deliveries might be delayed.



11.7 Our partner's services

The credit provider make use of commercial partners that provide complimentary services to the consumers. These service providers have their own terms and conditions and the commercial partners are solely responsible for their products and services offered.

11.8 Duration of the agreements

The agreements will remain in full force until the consumer has met all their obligations under the agreements.

11.9 Transferring agreements

The Agreements entered into between the credit provider and the consumer cannot be transferred to any other party without written consent by the credit provider.

11.10 When will the Credit Provider use its rights?

The credit provider might not always use all our rights, but it does not mean that we have given up our rights.

11.11 Facility statements

A facility statement provided by our accounts managers is sufficient evidence of any amount owed by the Consumer.

11.12 Governing Law

All agreements are governed by the laws of South Africa.

11.13 Complaints and dispute resolution

If you have a complaint or dispute contact us at (011) 867 7500
Email complaints@fusionguarantees.co.za

If you are an NCA client, disputes and complaints about a credit agreement can be resolved also by;

- Filing a complaint with the National Credit Regulator; or
- Applying to the National Consumer Tribunal

11.14 Important contact details

National Credit Regulator: 0860 627 627 or 0860NCRNCR
National Consumer Tribunal: 012 394 1450
Credit bureau – Experian 0861 105 665

11.15 Language statement

Our agreements are in English but can be made available in your language choice. In the event of conflict, the English version will apply.





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