

Quote ref number 

### 1. IMPORTANT INFORMATION

- PSG Wealth is the brand under which this credit facility is marketed.
- PSG Scriptfin (Pty) Ltd is the credit provider of this credit facility and a company that forms part of the PSG Konsult Group.
- The Borrower is contracting with the credit provider.
- PSG Securities Ltd, Registration Number 1996/000509/06 ("PSG Securities") is an authorised financial services provider (FSP 42996) and a member of the JSE. PSG Securities is a related company of the credit provider and the company that is administering the credit facility.

### 2. DETAILS OF CREDIT PROVIDER

PSG Scriptfin (Pty) Ltd  
 Reg. No. 2000/014937/07  
 NCR CP 5535  
 57 Sloane Street, The Campus, 1st Floor Roland Garros, Bryanston, 2191  
 +27 (11) 996 5200  
[www.psg.co.za](http://www.psg.co.za)

### 3. DETAILS OF BORROWER

BDA Account Number	<input type="text"/>		
Surname (individual)	<input type="text"/>		
Full Names (individual)	<input type="text"/>		
Title	<input type="text"/>	Initials	<input type="text"/>
Entity Name (Company/Trust/CC)	<input type="text"/>		
Identification Type (Individual)	<input type="checkbox"/> RSA ID	<input type="checkbox"/> RSA Passport	<input type="checkbox"/> Foreign Passport
Identity/Passport Number	<input type="text"/>	Passport Expiry Date	<input type="text"/>
Place of Issue of Passport	<input type="text"/>	Occupation	<input type="text"/>
Entity Registration Number	<input type="text"/>		
Tax or VAT Number	<input type="text"/>		
Physical Address	<input type="text"/>	Postal Address	<input type="text"/>
	<input type="text"/>		<input type="text"/>
Country	<input type="text"/>	Country	<input type="text"/>
Postal Code	<input type="text"/>	Postal Code	<input type="text"/>
Telephone (W)	<input type="text"/>	Telephone (H)	<input type="text"/>
Cell	<input type="text"/>	Fax	<input type="text"/>
Email Address	<input type="text"/>		

Please furnish the following particulars of all trustees/directors

FULL NAME	TEL NO	PHYSICAL ADDRESS	IDENTITY NUMBER

Contact details of the authorised person (Trust, Company, etc.)

Telephone number	<input type="text"/>
Cell number	<input type="text"/>
E-mail address	<input type="text"/>
Full names and surname of Borrower	<input type="text"/>

Disclosure in terms of the National Credit Act no 34 of 2005 ("NCA")

In the event of the NCA being applicable to this agreement, the following disclosure are made (in addition to those contained in the Standard Terms and Conditions below) and information required:

Credit Bureau	<b>Experian, Johannesburg (Head office)</b> Experian House, Ballyoaks Office Park, 35 Ballyclare Drive Bryanston, 2021 Tel: (011) 799-3400
National Credit Regulator	Tel: (011) 554 2600
Loan Type	Margin Trading Facility

Are you a registered "small business"?  Yes  No

In the event of the NCA applying to this Loan Facility, the following disclosures are made:

Cost of credit	Refer to clause 9
Credit limit	As determined by the Product Rules which is available on <a href="http://www.psg.co.za">www.psg.co.za</a>
Initiation fee (inclusive of VAT) ("the initiation fee")	R 0.00
Monthly service fee (inclusive of VAT) ("the service fee")	R 0.00

### Complaints

The Borrower may:

- Resolve a complaint by submitting the complaint in writing to the compliance officer of PSG Scriptfin at [compliance@psg.co.za](mailto:compliance@psg.co.za), or
- Resolve a complaint arising from the conclusion of the Agreement by way of alternative dispute resolution as set out in section 134 of the NCA;
- File a complaint with the National Credit Regulator as set out in section 136 of the NCA, and make an application to the Tribunal in terms of section 137 of the NCA;

### Termination

- The Borrower may terminate this Agreement at any time in terms of section 122 of the NCA by paying the Loan Amount to PSG Scriptfin (calculated in accordance with section 125 of the NCA) which will comprise the unpaid balance of the capital at such time, the unpaid interest charges and any other fees or charges payable to PSG Scriptfin up to the final discharge date and any other charges or interest which become due and payable in terms of the Agreement. No penalty is charged in the event that the Borrower terminates the Agreement and pays Loan Amount.
- If you entered into the Agreement at any location other than the registered business premises of the Borrower you may terminate the Agreement within 5 (five) Business Days after the date on which the Agreement was signed by the Borrower by delivering a notice in the prescribed manner to PSG Scriptfin and tendering the return of any money received by the Borrower in respect of the Agreement.

### Prepayment

- The Borrower may prepay any Loan Amount under the Agreement in terms of section 126 of the NCA, which payment PSG Scriptfin will accept, even if it is tendered prior to the date on which payment is due. In the event that such early payment is made, it is allocated as set out in clause 4.6 of the Agreement.

### Application to Debt Counsellor

- The Borrower may apply to a debt counsellor in terms of section 86 of the NCA for a review of indebtedness. Such application is hearing the matter may order that the debt review resume on any conditions the court considers to be just in the circumstances. Such application is made to a debt counsellor using Form 16. The Borrower may not make application for debt review if PSG Scriptfin has commenced proceedings in terms of section 129 of the NCA, whereby PSG Scriptfin has drawn the Borrower's attention to the default, and proposed that the Borrower refer the Agreement to the counsellor, alternatively a dispute resolution agent, consumer court or ombudsman with jurisdiction, with the intention of resolving any dispute under the Agreement and/or has taken further steps and has approached the court for an order to enforce the Agreement after complying with its statutory obligations.
- The Borrower may be required to pay to the debt counsellor an application fee.
- The debt counsellor will provide the Borrower with proof of the receipt of the application and notify every registered credit bureau as well as any credit providers (including PSG Scriptfin) that the Borrower may list in the application.
- The Borrower must comply with reasonable requests by the debt counsellor to facilitate the evaluation of the state of indebtedness and participate in good faith in the review and any negotiations designed to result in a responsible debt rearrangement. The debt counsellor will determine whether the Borrower appears to be over-indebted and if you seek a declaration of reckless credit, whether the Agreement appears to be reckless.
- The debt counsellor will make an assessment and will take one or more of the following steps:
  - i. If the Borrower is not over-indebted, the debt counsellor must reject the application;
  - ii. If the Borrower are not over-indebted, but experiencing or likely to experience difficulty in satisfying all of your obligations under credit agreements in a timely manner, the debt counsellor may recommend that the Borrower and each credit provider to whom you may owe any Loan Amount voluntarily consider and agree on a plan of debt rearrangement; or
  - iv. If the Borrower over-indebted, the counsellor may issue a proposal recommending that the Magistrate's Court make one or both of the following orders:
    - That one or more of the Borrower's credit agreements be declared reckless credit if the debt counsellor has concluded that those agreements appear to be reckless; and
    - That one or more of the Borrower's obligations be rearranged by: Extending the period of the agreement and reducing the Loan Amount accordingly;
- If the Borrower is in default under the Agreement, PSG Scriptfin may give notice in respect of the Agreement to terminate the review in the prescribed manner to the Borrower, the debt counsellor; and the National Credit Regulator, at any time at least 60 (sixty) days after the date on which the Borrower applied for the debt review. If PSG Scriptfin proceeds to enforce the loan under Part C of Chapter 6 of the NCA, the Magistrate's Court hearing the matter may order that the debt review resume on any conditions the court considers to be just in the circumstances.

## Right of the lender to terminate the agreement

PSG Scriptfin has the right, in terms of section 123, read with sections 129, 130 and 133 of the NCA, to terminate the Agreement. The steps which PSG Scriptfin must take include, amongst others, drawing a default under the Agreement to the Borrower's attention, and proposing that the Borrower refers the credit agreement to a debt counsellor, alternative dispute resolution agent, consumer court or ombud with jurisdiction, and thereafter, should the Borrower not respond to PSG Scriptfin's proposal within 10 (ten) Business Days or reject PSG Scriptfin's proposal, PSG Scriptfin may approach the court for an order to enforce the Agreement, once the Borrower has been in default of the credit agreement for at least 20 (twenty) Business Days, and notice in terms of section 129 has been served on the Borrower for a period of 10 (ten) Business Days or longer

## 4. TERMS AND CONDITIONS

### 1. Introduction and Interpretation

1.1 PSG Scriptfin (Pty) Ltd, Registration number 2000/014937/07 (PSG Scriptfin) and the Borrower want to enter into this loan facility agreement. This agreement will regulate the Loan Facility unless specifically agreed otherwise. The parties' also want to secure the obligations of the Borrower to PSG Scriptfin arising from such a Loan Facility by the cession and pledge contained herein.

Agreement	means this document read together with the Product Rules;
Approved Shares	means those shares of the Borrower that appear on the Approved Share List and which form part of the Security Shares that are ceded and pledged to PSG Scriptfin in terms of this Agreement.
Approved Share List	means the list of shares, as determined by PSG Scriptfin in its discretion, describing the share types against which PSG Scriptfin is prepared to grant a Loan Facility. This list is available at <a href="https://www.psg.co.za/wealth/stockbroking/scriptfin/shares">https://www.psg.co.za/wealth/stockbroking/scriptfin/shares</a> and may be amended from time to time.
Available Cash	means any cash in any portfolio that is ceded as security in terms of clause 4.4 to which the Borrower is or becomes entitled in terms of the arrangement between the Borrower, the portfolio custodian or the portfolio manager or in terms of any arrangement with another party.
BDA	means the broker-dealer accounting system.
Borrower	means the person or entity described in the section 3 above.
Business Days	means any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa.
Loan Amount	means the actual amount owing on the Loan Facility.
Loan Facility	means the facility granted by PSG Scriptfin to the Borrower as described in clause 2.
Product Rules	means the document that is known as the Product Rules posted on the PSG Wealth website <a href="http://www.psg.co.za">www.psg.co.za</a> and which explains the rules of a Loan Facility.
Security	means the security described in clause 5 and which is subject to the cession and pledge in clause 6.
Security Shares	means all shares of which the Borrower is the beneficial owner held in a Trading Account by or on behalf of the Borrower from time to time. These shares are made up of the Approved Shares and any other shares (non-Approved Shares) that the Borrower has elected, in the Borrower's discretion, to invest in the Trading Account provided that only the value of the Approved Shares is considered in calculating the Value of the Trading Account;
Trading Account	means the BDA share portfolio trading account in which the Security is held.
Value of the Trading Account	means the value of the Approved Shares held in the Trading Account, calculated at the bid price on a recognised stock exchange (in accordance with PSG Scriptfin's Product Rules) on which such shares are traded, plus the Available Cash, if any, in the Trading Account.

1.2 If there is any conflict between this Agreement and the Product Rules, the Product Rules will prevail.

### 2. Loan Facility

- 2.1 PSG Scriptfin may in its discretion grant a Loan Facility to the Borrower on the terms and conditions set out in this Agreement and the Product Rules.
- 2.2 The Loan Facility is a variable amount as determined by the Product Rules.
- 2.3 The Loan Amount (excluding any interest and fees owing) may never exceed the Loan Facility.
- 2.4 The Loan Amount will attract interest as described in clause 9.
- 2.5 PSG Scriptfin, in its discretion, will at any time be entitled to reduce a Loan Facility in terms of the Product Rules. The Loan Amount on the reduced Loan Facility may not then exceed the reduced Loan Facility upon the effective date of such reduction. If the reduced Loan Facility is exceeded, the Borrower is in breach of this Agreement and the Security is exposed to a margin call in terms of clause 8.
- 2.6 If the NCA is applicable to this Agreement, the Borrower may on written notice to PSG Scriptfin request PSG Scriptfin to reduce (subject to the Product Rules) the Loan Facility provided that the Loan Amount is equal to or less than the reduced Loan Facility. PSG Scriptfin will give written notice to the Borrower of the date on which the reduced Loan Facility will take effect, which will not be more than 30 (thirty) Business Days after the notice from the Borrower.
- 2.7 This Agreement replaces and supercedes all prior agreements between PSG Scriptfin and the Borrower. Any Loan Facility granted in terms of a prior agreement is terminated simultaneously with the conclusion of this Agreement and all indebtedness of the Borrower to PSG Scriptfin arising from the prior facility, is consolidated with, and settled from, the proceeds of the Loan Facility granted in terms of this Agreement.

### 3. Methodology of Contracting, Withdrawals and Payments

- 3.1 The Borrower will complete this Agreement in full, and send the signed copy to PSG Scriptfin via electronic mail or fax.
- 3.2 PSG Scriptfin will not make the Loan Facility available to the Borrower until it has received:
- the signed Agreement;
  - the documentation referred to in clause 10 (if applicable); and
  - the Borrower has furnished PSG Scriptfin with all Security for the Loan Facility, and any conditions, if any, set out in this Agreement and the Product Rules have been fulfilled.

- 3.3** All payments made by PSG Scriptfin are made by electronic transfer to the account designated in the schedule above. The designated bank account must be in the Borrower's name. The designated account is the same account used by the Borrower in terms of the BDA system of the JSE.
- 3.4** PSG Scriptfin will effect such transfer as soon as reasonably possible after receiving the request for advance but will not be liable to the Borrower for any delay in effecting the transfer or the crediting thereof to the designated account. The Borrower agrees and acknowledges that PSG Scriptfin is under no obligation whatsoever to ensure that the designated account is that of the Borrower and that the details are correct.
- 3.5** Where a Borrower has ceded a portfolio of shares or any other securities as Security for a Loan Facility the Borrower may purchase additional shares or securities, as the case may be, in the portfolio account (also referred to herein as the "Trading Account"). In such event, the Borrower hereby:
- Irrevocably authorises PSG Scriptfin, without notice to the Borrower, to make payment of any amount due in respect of such purchase to the Portfolio Manager or the party who holds the portfolio as custodian or agent of nominee of the Borrower ("the Portfolio Custodian"), or any other party who has acted as the agent or nominee of the Borrower in making such purchase on behalf of the Borrower, and to debit the Loan Facility in respect of the amount so paid. Such payment may be made by PSG Scriptfin upon request by any other aforementioned parties ("a request for payment") and PSG Scriptfin will not be obliged to verify the authenticity or correctness of the amount paid; and
  - Agrees that any additional shares or other securities so purchased will form part of the Security furnished in terms hereof and are subject to the cession and pledge contained in clause 6 hereof; and
  - Irrevocably instructs PSG Scriptfin, at its discretion, to cancel any such purchase of shares or other securities in the event that such purchase would result in a request for payment from the Loan Facility that would, in turn, result in a breach of the provisions of clause 2.3 above.
- 3.6** PSG Scriptfin will not be liable to the Borrower for any loss, damages, costs or claims of any nature whatsoever in the event of:
- a request for advance or a request for payment and the details contained therein (including the details of the designated account) being unauthorised, fraudulent, erroneous or in any other manner alleged by the Borrower to be irregular or not capable of being acted upon by PSG Scriptfin; and/or
  - an instruction being given by PSG Scriptfin in terms of clause 3.5, or such instruction being erroneous or PSG Scriptfin, electing, at its discretion not to give such an instruction.
- 3.7** The Borrower furthermore indemnifies and holds PSG Scriptfin harmless against all and any loss, damages, costs or claims of any nature whatsoever arising, whether directly or indirectly, out of:
- the Loan Facility being approved or a request for payment; and
  - PSG Scriptfin cancelling or refraining from cancelling, a purchase as contemplated in clause 3.5; and
  - confirmation of a transaction that is transmitted to the Borrower through an electronic medium, PSG Scriptfin will not be liable to the Borrower or any other person receiving the confirmation for or in respect of any direct, indirect or consequential liability, loss, damages or cost of any kind of nature arising by virtue of the fact that the confirmation is sent through an electronic medium.

#### **4. Terms and repayment**

- 4.1** Subject to clause 8, the Loan Facility has no fixed repayment period, but will terminate:
- at the option of the Borrower, by notifying PSG Scriptfin of its intention to terminate the Loan Facility in writing, provided that the Loan Amount in terms of the Loan Facility, inclusive of interest and fees, must be settled in full by the Borrower upon such termination; or
  - at the option of PSG Scriptfin, and should the NCA be applicable, upon 10 (ten) Business Days' written notice to the Borrower, provided that the Loan Amount in terms of the Loan Facility, inclusive of interest and fees, must be settled in full by the Borrower on such termination; or
  - at the option of PSG Scriptfin, and should the NCA not be applicable, upon 5 (five) Business Days' written notice to the Borrower, provided that the Loan Amount in terms of the Loan Facility, inclusive of interest and fees, must be settled in full by the Borrower on such termination.
- 4.2** All payments are made to PSG Scriptfin free of deduction or set-off of any nature whatsoever, in cash, at the address or the account as advised by PSG Scriptfin.
- 4.3** The Borrower may at any time repay a portion or the full Loan Amount, without notice or penalty.
- 4.4** Where a Borrower has ceded a portfolio of shares or other securities as Security for a Loan Facility and the Borrower is obliged to pay PSG Scriptfin available cash in such portfolio to reduce the Loan Amount, then the provisions of this clause 4.4 will apply:
- The Borrower irrevocably instructs and authorises the portfolio manager and/or the portfolio custodian or any other party who holds the portfolio as nominee on behalf of the Borrower, as the case may be, to pay the Available Cash to PSG Scriptfin in reduction of the Loan Amount.
  - It is recorded that the parties referred to in clause 4.4 (and not PSG Scriptfin) will determine the amount of Available Cash and PSG Scriptfin will not be liable or entitled to determine such amount.
  - PSG Scriptfin will not be liable to the Borrower for any loss, damages, costs or claims of any nature whatsoever arising from or in connection with payment of Available Cash to PSG Scriptfin, or it being alleged that such payment was unauthorised, fraudulent, erroneous or in any other manner alleged by the Borrower to be irregular.
  - The Borrower furthermore indemnifies and holds PSG Scriptfin harmless against all and any loss, damages, costs or claims of a nature whatsoever arising, whether directly or indirectly out of the payment of Available Cash to PSG Scriptfin.
- 4.5** Notwithstanding the provisions of clause 4.1, the Available Cash in the Trading Account from time to time are paid to PSG Scriptfin in reduction of the Loan Amount.
- 4.6** All payments made by the Borrower (including Available Cash where applicable) in respect of a Loan Facility are allocated: if the NCA is applicable to this Agreement, firstly to satisfy any due or unpaid interest charges, and secondly to unpaid fees and charges accrued which includes brokerage fees incurred as a result of trading, and lastly to the Loan Amount.
- 4.7** The amount payable by the Borrower upon settlement of the Loan Facility is the sum of:
- the Loan Amount; and
  - any interest and fees as set out in clause 9.

**5. Security**

**5.1** The Borrower agrees that the Security is subject to the cession and pledge contained in clause 6 and that it is continuing covering security for all the Borrower's obligations to PSG Scriptfin in terms of this Agreement.

**5.2** The Security includes:

- the Approved Shares; and
- any other shares that the Borrower has elected, in the Borrower's discretion, to invest in the Trading Account (including any additional shares that the Borrower may purchase or any additional shares that the Borrower may invest in the Trading Account from time to time, after signing this Agreement, irrespective of whether or not such shares are Approved Shares); and
- the Available Cash.

**6. Cession & Pledge**

**6.1** As continuing covering security for the obligations of the Borrower in terms of this Agreement and the Loan Facility granted, the Borrower hereby cedes, pledges, assigns and makes over to PSG Scriptfin all of the Borrower's present and future rights, title and whatsoever interest in, under and to the Security as described in this Agreement.

**6.2** For the avoidance of doubt, to the extent that any Security does not exist as at the signature date of this Agreement and, therefore, comprises of future rights, the Borrower hereby cedes those rights in anticipation without the need for the parties to take any further steps to give effect to the cession.

**6.3** By making the Loan Facility available in terms of this Agreement and the Product Rules, PSG Scriptfin will accept the cession and pledge of the Security on the terms set out herein.

**6.4** The Borrower acknowledges that, should it transpire that, notwithstanding the warranties contained in clause 11.1, the Borrower has at any time prior to the signature date of this Agreement, ceded and/or pledged or otherwise disposed of or encumbered any of the Security, then (without limiting any other right of PSG Scriptfin as a result of the breach of the warranty):

- This Agreement will operate as a cession of the Borrower's reversionary rights and of all of the Borrower's remaining right, title and interest in and to the Security, including any of the Borrower's rights of action whatsoever against any prior cessionary, pledgee or other holder of the Security for the time being ("Prior Cessionary").
- For as long as any cession in favour of any Prior Cessionary remains in force, PSG Scriptfin is entitled to give notice of this cession and pledge and receive payment directly from the Prior Cessionary of any amounts that the Prior Cessionary receives in excess of the Loan Amount due to it by the Borrower pursuant to a realisation of surrender of the Security.
- If the cession in favour of the Prior Cessionary ceases to be of any force, then this cession and pledge will immediately operate as a first cession by the Borrower to PSG Scriptfin of the particular Security.

**6.5** The Borrower hereby irrevocably authorises and instructs PSG Scriptfin and all relevant parties, who deal with or exercise control over the Security, to give effect to the cession and pledge contained in this clause 6 and the provisions of the Power of Attorney in clause 7.

**6.6** Without limiting the provisions of clause 21, PSG Scriptfin may at any time, without the consent of the Borrower, cede the rights of PSG Scriptfin against the Borrower arising out of this cession to any third party, in which event the cession will operate in favour of that third party.

**6.7** The Security established by this cession and pledge will create a continuing covering security for all present and future obligations of the Borrower in terms of this Agreement and the Product Rules, notwithstanding any fluctuation in the amount of such indebtedness secured by this cession or the temporary extinction thereof. This means that the Security has been ceded and pledged to PSG Scriptfin pursuant to the approval of the Loan Facility, such Security will constitute security for the Loan Facility granted in terms hereof and for any other obligations that the Borrower may have to PSG Scriptfin from time to time.

**6.8** This cession and pledge will remain in force and effect until the whole of the obligations of the Borrower in terms of this Agreement and Product Rules have been satisfied and paid in full.

**6.9** If PSG Scriptfin becomes entitled to enforce this cession and pledge, then without prejudice to any further rights, PSG Scriptfin will have the right to:

- exercise, to the extent applicable, all voting and other rights about the Security or any part thereof, and to appoint a nominee to exercise such voting and other rights; and
- take transfer of all or any of the Security at their fair market value, and to set-off that market value against the Loan Amount. In such event, the fair market value of the Security is determined by PSG Scriptfin and, in the event of a dispute in this regard, by PSG Scriptfin's auditors whose determination is final and binding on the parties or
- realise the Security, or any part thereof, whether by public auction or continuous trading or such other manner as may apply to the particular type of Security; and
- apply all monies received by virtue of this cession and pledge toward the reduction or settlement as the case may be, of the Loan Facility granted in terms of this Agreement and the Product Rules.
- convey valid and lawful title in respect of the Security realised by PSG Scriptfin in terms hereof, provided that if the amount received after PSG Scriptfin has exercised its rights in terms hereof, exceeds the Loan Amount, whether then due or not (together with, to the extent permitted by the NCA if the NCA is applicable to this Agreement, all costs expenses, commissions, charges and other amounts which PSG Scriptfin may incur in exercising its rights in terms hereof), PSG Scriptfin will pay over such excess to the Borrower, without affecting the continuity of this Agreement as security for the Borrower's existing and future obligations in terms hereof.

**7. Power of Attorney**

**7.1** In the event that PSG Scriptfin exercises the cession and pledge contained herein, the Borrower hereby appoints PSG Scriptfin to be the Borrower's lawful attorney and agent, with the power of substitution, and in its name to:

- act on and deal with the Security in the manner contemplated herein;
- sign any document for the purpose above; and generally for such purposes, to do everything necessary in connection with the cession and pledge.

## **8. Margin Calls**

- 8.1** If the Loan Amount exceeds the Loan Facility (as determined by the Product Rules), a margin call is made to the Borrower. This can happen for a number of reasons including:
- if the value of Approved Shares reduces due to negative market conditions; or
  - if over time the Borrower does not make repayments as contemplated in clause 4.3 above and the interest and fees accrued cause the Loan Amount to exceed the Loan Facility; or
  - any shares previously included in the Approved Share List become disqualified by PSG Scriptfin.
- 8.2** If the Loan Facility is breached, PSG Scriptfin will inform the Borrower that the Loan Amount must be reduced to an amount equal to or less than the Loan Facility within 1 Business Day by the Borrower carrying out one or more of the following:
- payment of an appropriate amount in reduction of the Loan Amount;
  - sell or instruct PSG Scriptfin to sell so much of the Security Shares as may be required and using the proceeds (and the Available Cash, if any) to reduce the Loan Amount;
  - cession and pledge of such further Approved Shares as may be acceptable to PSG Scriptfin, which shares, if accepted by PSG Scriptfin, must be invested in the Trading Account(s) and will, immediately upon such investment, be included in the Security Shares and be subject to the cession and pledge contained in 6 above. This may ensure that the Loan Amount does not exceed the Loan Facility.
- 8.3** Notice as aforesaid is referred to as a margin call or margin call notice, as the case maybe.
- 8.4** If the Borrower does not respond timeously and fully to a margin call, the Borrower is in breach of its obligations and PSG Scriptfin is entitled, in addition to any other remedies it may have in terms of this Agreement, to exercise its rights in terms of the cession and pledge and to act upon the Power of Attorney and sell any or all of the Security Shares.
- 8.5** The Borrower acknowledges and agrees that in the event of a sale of Security Shares in terms of this clause 8, such sale, and all matters related thereto, are in the discretion of PSG Scriptfin. PSG Scriptfin will not be liable to the Borrower for any loss, damages, costs or claims of any nature whatsoever arising from the sale of such shares and the attachment of any Available Cash.
- 8.6** Without detracting from the provisions of clause 8.5, in a forced selling situation, PSG Scriptfin will, without being obliged to do so endeavour to sell the Security Shares or such portion thereof as may be necessary on a “minimum-loss” basis. This means that the Security Shares with the closest bid to its lasting ruling price are sold first. The amount needed to remedy the Borrower’s breach is divided by the share price to calculate the quantity of shares to be sold.

## **9. Interest and Fees**

- 9.1** The interest rate is linked to the prime interest rate and may be reviewed at PSG Scriptfin’s discretion from time to time. Should the Borrower’s Security deteriorate, the Borrower may be charged a higher interest with immediate effect. The increased rate is confirmed in writing within 30 (thirty) Business Days after the day on which the change takes effect. Interest is calculated on the daily balance of the Loan Amount after the close of business on each day and compounded monthly, on the first Business Day after the last Friday of each month.
- 9.2** Loan Amounts payable to PSG Scriptfin in terms of this Agreement which are not paid when such Loan Amounts become due will, with effect from the day after they are due, bear interest at 1 percentage point above the interest rate payable by the Borrower in terms of clause 9.1. If the NCA is applicable to this Agreement, then all Loan Amounts, will with effect from the day after they are due, bear interest at the highest interest rate applicable to any part of the principal debt under the Loan Facility. The imposition of such penalty interest is without prejudice to any other rights that PSG Scriptfin may have as a result of such non-payment.
- 9.3** The Borrower is liable, in respect of the Loan Facility (if applicable), for payment of:
- the initiation fee;
  - the service fee; and
  - any other fees to the extent permitted by the NCA, if applicable.
- 9.4** The service fee is charged in arrears on the first Business Day of each and every consecutive month.
- 9.5** PSG Scriptfin may, from time to time, introduce additional fees or amend its existing fees provided that in doing so it will comply with the provisions of the NCA, if applicable, and will furnish the Borrower with 5 (five) Business Days’ notice of such change prior to implementing the change.

## **10. Supporting Documents**

- 10.1** The Borrower will, together with this Agreement, deliver to PSG Scriptfin all documents required for purposes of the Financial Intelligence Centre Act (“FICA”) and any other documents as may be required by PSG Scriptfin in its reasonable discretion. A full list of all documentation required by PSG Scriptfin is set out in the Product Rules.

## **11. Warranties**

- 11.1** The Borrower warrants that:
- the Borrower is and will at all relevant times be the legal and beneficial owner of all Security furnished in terms hereof;
  - the Borrower is acting as principal and not as an agent on behalf of a third party. If the Borrower is acting on behalf of a third party, the Borrower has obtained the necessary consent and authorisation and submitted proof thereof to PSG Scriptfin;
  - The Borrower acknowledges that PSG Scriptfin may amend the Product Rules from time to time, at PSG Scriptfin’s sole discretion. If PSG Scriptfin elects to amend the Product Rules, the revised version is posted on the PSG Wealth website. The Borrower undertakes to check this website regularly for any changes PSG Scriptfin may have made since the Borrower’s last visit to this site since any such changes are binding on the

Borrower. By using this website after PSG Scriptfin has changed or amended the Product Rules, the Borrower acknowledges that he/she will accept those changes or amendments.

- this Agreement is legal, valid, binding and enforceable in all respects;
- the Borrower's details, as provided, are true and correct;
- the Security is not and will not be subject to any right of retention or other limitation or encumbrance for the duration of this Agreement and may not be ceded by the Borrower;
- no right or pre-emption or option exists, or will exist, in respect of the Security;
- where the Borrower is a natural person, the Borrower is older than 18 years of age and that if the Borrower is married in community of property, the due and proper consent of the Borrower's spouse has been obtained and is evidenced by the spouse's signature as inserted at the end of this Agreement;
- where the Borrower is a legal person, it has the power to sign this Agreement and has taken all necessary corporate action to authorise the execution and performance of this Agreement;
- the Borrower has read and understands the Product Rules and terms & conditions of the website;
- the Security Shares are not tainted nor materially impaired in title on the face of the scrip certificate (or any digital replacement thereof);
- the Borrower has disclosed, where applicable, all material information concerning the Security to PSG Scriptfin;
- the Borrower understands the risks, costs and obligations under this Agreement and, where the Borrower is a natural person, confirms that these have been explained to the Borrower;
- the Borrower has fully and truthfully answered any requests for information from PSG Scriptfin in order for PSG Scriptfin to assess and approve the Loan Facility granted to the Borrower in terms of this Agreement;
- the conclusion of this Agreement will not have the effect that the Borrower is over-indebted;
- the Borrower understands the contents of this Agreement.

**11.2** Should it become known that any of the warranties are incorrect, this will constitute a breach of this Agreement in terms of clause 12 below.

## **12. Breach**

### **12.1** Should:

- the Borrower fail to pay the Loan Amount to PSG Scriptfin in terms of this Agreement; or
  - the Borrower fails to respond fully and timeously to a margin call as set out in clause 8 above; or
  - the Borrower breaches any of the warranties or any of the other terms of this Agreement and, if such breach is reasonably capable of being remedied, fail to remedy that breach within 5 (five) Business Days after receipt of a written notice calling upon the Borrower to do so; or
  - an event or circumstance occur which, with the passage of time or the giving of notice, or both be an event which, in the reasonable opinion of PSG Scriptfin adversely affects or may affect the Borrower's ability to meet the Borrower's obligations in terms of this Agreement; or
  - the Borrower be provisionally or finally sequestered or liquidated, as the case may be; or
  - the Borrower be dissolved or de-registered; or
  - the Borrower be put under judicial management or business rescue; or
  - the Borrower enters into or attempts to enter into a general compromise with any of the Borrowers creditors; or
  - a judgement be handed down against the Borrower, which is not satisfied within 14 (fourteen) Business Days or against which an appeal or application for rescission is not noted or made within that period (provided that such appeal or application is properly prosecuted); or
  - any of the Borrower's property be attached pursuant to a writ of execution; or
  - the Borrower commits an act of insolvency (or an act which, if it were a natural person, would have constituted an act of insolvency) in terms of the Insolvency Act 24 of 1936, as amended from time to time;
  - the Borrower, if a natural person, passes away; or
  - the Borrower, if a partnership, be dissolved by reason of the death or sequestration of any of the partners or for any other reason whatsoever; or
  - any changes occur without the prior consent of PSG Scriptfin in the effective control or management of the Borrower and, in the event of the Borrower being a trust, in respect of the persons of the trustees; or
  - the Borrower having failed to disclose all material information regarding this Agreement or have misrepresented any information, or it transpires that the financial statements and/or other financial information furnished by or on behalf of the Borrower to PSG Scriptfin is or was incorrect;
- then in any such event the Loan Amount in terms of this Agreement will immediately become due and payable without further notice and PSG Scriptfin is entitled, without prejudice to any other rights which it may have in terms of this Agreement or in law, to realise, in part or in whole, the Security afforded by the cession and pledge as contained in this Agreement.

**12.2** For the avoidance of doubt, it is recorded that where the Borrower has furnished shares as Security and should PSG Scriptfin exercise its rights in terms of 12.1 above, PSG Scriptfin is entitled to procure the sale of any or all of the Security Shares and to apply the proceeds thereof and any Available Cash in the Trading Account/s, if any, in settlement or partial settlement, as the case may be, of the obligations of the Borrower to PSG Scriptfin in terms of this Agreement and the Loan Facility granted in terms thereof.

**12.3** Should PSG Scriptfin exercise its rights in terms of 12.1 and 12.2 above:

- PSG Scriptfin retains its rights to recover; and
- The Borrower will, on receipt of a written demand, pay to PSG Scriptfin, the Loan Amount by which the whole or any part of the obligations of the Borrower exceeds the proceeds referred to in 12.2 above, subject to 12.4 below.

**12.4** Should the Borrower fail to pay the Loan Amount due to PSG Scriptfin upon written demand as contemplated in 12.3 above and should the NCA be applicable to this Agreement, PSG Scriptfin will not be entitled to commence legal proceedings to enforce payment of such Loan Amount unless:

- PSG Scriptfin has given notice to the Borrower of such default and proposed that the Borrower referred this Agreement to a debt counsellor (in the case of an individual), alternative dispute resolution agent, consumer court or ombud with jurisdiction (if any) with the intent that PSG Scriptfin and the Borrower resolve a dispute under this Agreement or develop and agree to bring the payments under this Agreement up to date; and
- 10 (ten) Business Days have lapsed since such notice, and the Borrower has either not responded to the notice or has responded by rejecting such proposal; and
- The Borrower has been in default for at least 20 (twenty) Business Days.

**12.5** If the NCA is applicable to this Agreement and should the Borrower allege at any time or in any proceedings that this Agreement was recklessly concluded or that the Borrower is over-indebted, the Loan Amount is deemed due and payable.

### **13. Communications, Notices and Address**

**13.1** PSG Scriptfin and the Borrower choose as their chosen address their respective addresses as set out on page 1 (sections 2 and 3 respectively) for all purposes arising out of or in connection with this Agreement, at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination may be validly served upon or delivered to the parties (but subject to 13.3 below).

**13.2** Any notice given in terms of this Agreement is in writing and is regarded as having been received by the addressee:

- if sent by pre-paid registered post, on the 5th Business Day following the date of posting;
- If delivered by hand, on the day of delivery;
- If telefaxed, on the Business Day following the date of transmission by telefax;
- Sent by e-mail, on the Business Day following the date of transmission by e-mail unless the contrary is proved.

**13.3** For the avoidance of doubt, it is recorded that PSG Scriptfin may, at its election, send all notices, statements and documents required in terms of this Agreement, to the Borrower by way of e-mail, fax or post.

### **14. Certificate of Indebtedness**

A certificate signed by any manager or director of PSG Scriptfin (whose, appointment, authority or qualification need not be proved) is prima facie proof of the Loan Amount of the Borrower and the interest rate payable by the Borrower in terms of this Agreement for all purposes, including proof of claims against insolvent and deceased estate. The certificate is valid as a liquid document in any court proceedings for purposes of obtaining provisional sentence or default judgement or summary judgement against the Borrower.

### **15. Renunciation of Benefits**

The Borrower renounces the benefits of the exceptions of the division of debt, multiple debtors, excussion, review of accounts and furthermore (only if the NCA is not applicable), no cause of action, no value or benefit received, errors in calculation, the prohibition on duplum interest (i.e. the prohibition that arrear interest may not exceed the capital amount on which such interest is calculated) and the right to claim that a debt has become prescribed.

### **16. Information sharing practices**

PSG Scriptfin discloses to the Borrower that:

**16.1** Should the NCA apply to this Agreement:

- PSG Scriptfin is obliged to report the conclusion, amendment and termination of this Agreement to the National Credit Regulator;
- If the Borrower does not comply with the terms and conditions of this Agreement, PSG Scriptfin may transfer information regarding such non-compliance to the credit bureau, provided that PSG Scriptfin is obliged to give 20 (twenty) Business' Days prior notice to the Borrower before doing so;
- the Borrower is entitled to resolve any complaint regarding this Agreement by way of alternative dispute resolution or to file a complaint with the National Credit Regulator or to make an application to the National Credit Tribunal;

**16.2** In any event:

- if the Borrower does not comply with the terms and conditions of this Agreement, PSG Scriptfin may transfer information regarding such non-compliance to the credit bureau;
- the credit bureau provides a credit profile and possibly a credit score on the creditworthiness of the Borrower;
- the Borrower is entitled to contact the credit bureau, to have this credit record disclosed and to correct inaccurate information;
- if the Borrower is a natural person, the Borrower may apply to a debt counsellor to be declared over-indebted in terms of section 86 of the NCA - details of the process to be followed may be obtained from the National Credit Regulator.

**16.3** Any reference to PSG Scriptfin in this clause 16 will include a reference to an agent or company within PSG Scriptfin's group of companies who acts on PSG Scriptfin's behalf in reporting and transferring information as set out in this clause 16.

**16.4** The Borrower understands and agrees to the sharing of the Borrower's personal information being shared between companies within the PSG Konsult Group in line with the Protection of Personal Information Act, Act 4 of 2013. The sole purpose of this will be to facilitate the outsourcing of the administration of the Loan Facility, consolidated platform reporting and sharing of information.

### **17. Disclosure of information**

**17.1** The Borrower hereby consents and agrees that PSG Scriptfin, or any agent appointed by PSG Scriptfin, is entitled to:

- perform a credit search on the Borrower's credit record at any registered credit bureau;
- monitor the Borrower's payment behaviour by researching records at any registered credit bureau;
- use information and data obtained from any registered credit bureau;
- record and transmit details (including personal information) in respect of the Borrower's conduct and performance in respect of the Borrower's obligations in terms of this Agreement and the Loan Facility granted in terms thereof;

- obtain and disclose any of the Borrower's information, conduct and performance, if necessary or if it may be of benefit to the Borrower or where PSG Scriptfin is legally compelled to do so or where it is in the public interest to disclose such information, or where the interests of PSG Scriptfin require the obtaining and/or disclosure of such information.

**17.2** The Borrower hereby consents and agrees that the information provided to any registered credit bureau may be used by such bureau in the normal course of its business and accessed by other credit providers and registered credit bureau.

**17.3** The Borrower waives any claim against PSG Scriptfin or its agents in respect of any disclosure and indemnifies PSG Scriptfin and its agents against any loss or liability as a result of PSG Scriptfin or its agents acting in terms of any authorisation granted in terms hereof.

#### **18. Costs of Legal Proceedings**

**18.1** If PSG Scriptfin institutes action against the Borrower in terms of this Agreement, the Borrower is liable to pay to PSG Scriptfin or its attorneys, on demand, all legal fees on the scale as between attorney and own client, together with collection commission, at the rate determined or recommended by the Law Society of the Northern Provinces or its successors-in-title from time to time, but limited, if the NCA is applicable to this Agreement, to:

- default administration charges in respect of each letter necessarily written which may not exceed the amount payable in respect of a registered letter of demand in an undefended action in terms of the Magistrates' Court Act, 1944, in addition to any reasonable and necessary expenses incurred to deliver such letter; and
- collection costs which may not exceed the costs incurred by PSG Scriptfin in collecting the amounts owing to it to the extent limited by the NCA and in terms of the Supreme Court Act 1959, Magistrates' Court Act 1944, Attorneys' Act 1979 or the Debt Collectors' Act 1998, whichever is applicable.

#### **19. Statements of Account**

PSG Scriptfin and the Borrower agree that the Borrower is entitled to receive statements of account in respect of the Loan Facility every month from the date upon which the Loan Facility is made available by PSG Scriptfin under this Agreement.

#### **20. Administration**

The Loan Facility is administered by PSG Securities Ltd. This will include, but not be limited to, the opening of accounts, preparation of the quotation and the Agreement, sending out of month-end statements and levying of interest on the outstanding balances.

#### **21. Whole Agreement, non-variation and divisibility**

**21.1** This Agreement establishes the whole agreement between the parties. No agreements, representations or warranties between the parties other than those set out therein are binding on the parties. Save for the Product Rules document no variation, amendment or cancellation of this Agreement is of any force and effect unless in writing and signed by both parties.

**21.2** No postponement, indulgence or extension displayed or granted by PSG Scriptfin in respect of the enforcement of the terms and provisions of this Agreement is a waiver by PSG Scriptfin of its rights to claim due and punctual performance of the terms of this Agreement.

**21.3** Each and every term and provision in this Agreement is severable from the other. Any term or provision of this Agreement found to be invalid, void, voidable or unenforceable for any reason whatsoever, is void or unenforceable only to the extent of that term or provision and will not affect the validity and enforcement of the remaining terms and provisions.

#### **22. Jurisdiction**

This Agreement is governed by the laws of the Republic of South Africa. The parties irrevocably and unconditionally agree that the High Court of the Republic of South Africa will have jurisdiction regarding all proceedings, transactions, and applications, disputes or the like which may arise out of or in connection with this Agreement. The Borrower consents to the jurisdiction of the Magistrates' Court in respect of any legal proceeding arising from or pursuant to this Agreement. PSG Scriptfin may, despite such consent, still institute action in any High Court in which event the Borrower is liable for costs on the tariff prescribed for High Court matters.

#### **23. Assignment**

**23.1** PSG Scriptfin may, in its sole discretion, at any time, cede, assign and transfer all or any of its rights, title and interest under this Agreement, and/or delegate any obligations under the Agreement to any other party without obtaining the consent of the Borrower. To the extent that any cession, assignment, transfer or delegation constitutes or results in a splitting of claims that requires the Borrower's consent, the Borrower hereby consents thereto.

**23.2** The Borrower will not cede, assign or transfer any of its rights, title and interest under this Agreement nor delegate any of its obligations under the Agreement without obtaining the prior written consent of PSG Scriptfin.

#### **24. Review**

**24.1** PSG Scriptfin may review the Loan Facility periodically on the basis set out in the Product Rules.

**24.2** If any information of any nature comes to the attention of PSG Scriptfin at any time which, in PSG Scriptfin's reasonable opinion, would affect the serviceability of the Loan Facility granted in terms hereof or result in a diminution of the value of the Security held by PSG Scriptfin, or which would negatively affect the financial position of the Borrower at any time, or negatively affect the profitability of the Loan Facility for PSG Scriptfin, PSG Scriptfin is entitled in its sole discretion to:

- invoke the provisions of clause 4.1 hereof and call for immediate repayment of the Loan Amount in terms of the Loan Facility granted in terms hereof; or
- amend the terms of the Loan Facility granted in terms hereof subject to the requirements of the NCA, if applicable, including without limitation requiring the Borrower to make such additional payments into the Loan Facility as PSG Scriptfin deems necessary and/or requiring the Borrower to provide such additional security as PSG Scriptfin deems fit for the obligations of the Borrower in terms of the Loan Facility.

**25. Counterparts**

This Agreement may be signed in counterparts all of which are considered one and the same agreement.

Signed at	on	20
<b>For PSG Scriptfin (PTY) Ltd</b>		<b>As Witness</b>
Duly authorised		Signature of witness
Duly authorised		Signature of witness
<b>For and on behalf of the Borrower*</b>		<b>As Witness</b>
Duly authorised		Signature of witness
Duly authorised		Signature of witness

*\*Notes on signature:*

- The trustee signing on behalf of the Borrower must be the trustee that has been authorised to do so in terms of the resolution authorising this Loan Facility.
- If married in community of property the spouse of the Borrower must counter sign.