

Cape Consumers (Pty) Ltd APPLICATION FOR BUDGET ACCOUNT

NO FAXES

A. YOUR PERSONAL DETAILS

Account number ID number

Title Initials Surname

Residential Address

 Postal code

Tel (h) () Tel (w) ()

Fax () Cell

E-mail

B. SPOUSE (if married in community of property)

Full name ID number

Cell Tel (w) ()

C. EMPLOYMENT DETAILS

Current Employer Occupation

Applicant *Spouse*

Monthly income (Please attach proof of income) R R

Budget facility required R (Complete if married in community of property)

Would you like to be considered for an automatic annual credit limit increase Yes No

D. MARKETING OPTIONS (You may select to be excluded from any of the following options by ticking the appropriate box below)

Do you choose to be excluded from marketing of our own products (loans, budgets, HP's etc) Yes No

Do you choose to be excluded from telemarketing campaigns by or on behalf of the Credit Provider Yes No

Do you choose to be excluded from any mass distributions of e-mails or sms messages conducted by the Credit Provider (promotions by the Credit Provider on behalf of our Suppliers) (It is the Credit Provider's policy not to sell or distribute customer lists) Yes No

Do you choose to be excluded from selected key suppliers offering exclusive deals on behalf of the Credit Provider. Yes No

E. INTEREST RATE *Example*

Period	R 1,000.00	
	Instalment	Interest
3	333.33	23.33
6	166.67	40.83
9	111.11	58.33
12	83.33	75.83
15	66.67	93.33
18	55.56	110.83
21	47.62	128.33
24	41.67	145.83
27	37.04	163.33
30	33.33	180.83
33	30.30	198.33
36	27.78	215.83

The charge of credit (interest rate) per annum is 4% above FNB's prime lending rate and will fluctuate together with FNB's prime lending rate. Bonus of up to 5% is applicable on the capital portion of the instalment.

**NO BUDGET PURCHASES
ALLOWED ON LIQUOR, FOOD
OR PETROL**

No purchase of less than R300 will qualify for the budget facility.

Applicant's Initial:

Spouse:

COST OF CREDIT

Payments:

The following charges, where applicable, will be recovered by the Credit Provider:

Cash payments at FNB – cash deposit fee (per R100.00)	R 0.53
All payments at Post Office	R 9.20
All payments at Shoprite Money Market (Subject to change)	R 5.43
SMS Balance enquiry (optional)	R 3.00 per sms

Interest rate:

1. The charge of credit (interest rate) per annum is 4% above FNB's prime lending rate and will fluctuate together with FNB's prime lending rate. Bonus of up to 5% is applicable on the capital portion of the instalment.
2. Any amount not paid on due date, will bear interest at 6% per annum above First National Bank's prime lending rate and will fluctuate together with First National Bank's prime lending rate.

Bonus:

You will forfeit your bonus on any amount not paid on the due date.

Transaction fees

Transaction based:

Purchase transaction fee: **50c**

Monthly:

Surcharge on purchases:

The undermentioned fees are your contribution to purchases which is part of your bonus.

All purchases at Shoprite, Checkers, Checkers Hyper, Hyperama, House & Home and OK Furniture: **2.5%**
Woolworths, participating Spar, Superspar, Pick 'n Pay Family Stores and Trade Centre: **2%**
All purchases at pharmacies (no bonus): **1.25%**

Abovementioned fees are subject to change

TERMS AND CONDITIONS

1. DEFINITIONS:

1.1 The Credit Provider is:

Cape Consumers (Pty) Ltd, Registration No. 1955/003218/07, of 20 Lower Burg Street, Cape Town.

1.2 The Supplier

Any Supplier of goods and/or services with whom the Credit Provider has contracted as a designated supplier to the Consumer.

1.3 The Consumer (the Buyer, as defined in the Articles of Association of the Credit Provider):

The person (Applicant) who accepts the quotation and who is entitled to utilize the b-Smart Card, to buy from the Suppliers as defined herein.

1.4 b-Smart Card:

A valid electronic card issued by the Credit Provider to the Consumer to record transactions conducted between the Consumer and the Supplier.

1.5 Credit limit

The maximum amount the Credit Provider allows the Consumer to spend in any one Trading period as per the quotation, accepted by the Consumer.

1.6 Trading period:

The trading period commences on the 16th day of each successive month and terminates on the 15th day of the following month, or any other dates as determined by the Credit Provider in its sole discretion.

1.7 Budget facility:

A facility granted by the Credit Provider in terms of which the Consumer would be entitled to pay the outstanding amount on said facility over an extended period, which period will be for a maximum of 36 months.

1.8 Credit Bureau means:

Experian (Head Office) who can be contacted on 0861 105 665
TransUnion (Head Office) who can be contacted on 0861 482 482
Compuscan (Head Office) who can be contacted on 0861 514 131
Expert Decision Systems (XDS) (Head Office) who can be contacted on 0860 937 000

1.9 Prime rate:

The prime lending rate as determined by First National Bank.

1.10 Quotation:

The written quotation given in respect of this Application and Terms and Conditions, and as contemplated in the Act, and which quotation will become part of the agreement between the Credit Provider and the Consumer once accepted on signing or voice recorded acceptance by the Consumer.

1.11 Due date:

The last working day of each calendar month

2. PAYMENTS:

The Consumer will make payment of the monthly instalment owing to the Credit Provider on the last day of each calendar month.

3. STATEMENT OF ACCOUNT:

The Credit Provider shall deliver a statement of account monthly to the Consumer by way of mail or e-mail, as per the requirements of the Consumer.

4. DEFAULT ADMINISTRATION COSTS:

Should the Consumer default in terms of the payment schedule as provided herein, the following costs will be due to the Credit Provider:

Unpaid debit order/cheques: **R 60.00**
Fee for letter of demand: **R 28.50**

5. EARLY SETTLEMENT:

The Consumer is entitled to settle the total amount outstanding at any time, with or without any advance notice to the Credit Provider, on condition that the amount required to settle the Credit Agreement is the total of the unpaid balance of the principal debt at the time, as well as any unpaid interest charges and all other fees and charges payable by the Consumer to the Credit Provider up to the settlement date.

Applicant's Initial:

Spouse:

6. CONSUMER'S RIGHT TO TERMINATE:

The Consumer is entitled to terminate this agreement by paying the amount due, as stipulated above, with regard to early settlement.

7. CREDIT PROVIDER'S RIGHT TO TERMINATE:

The Credit Provider is entitled to terminate this agreement upon the default of any of the terms of the agreement, by the Consumer. Upon such termination, the full outstanding amount owing to the Credit Provider will immediately become due and payable.

8. ADDRESS FOR NOTICE:

8.1 The Credit Provider elects the address on the application form, as the address where he will accept documents, pleadings and notices relating to this agreement ;

8.2 The Consumer elects the residential address as on the application form, as the address where he will accept service of all documents, pleadings and notices relating to this agreement.

8.3 A party of this agreement may change their address by delivering to the other party a written notice of the new address by hand, registered mail or electronic mail.

9. REDUCTION OF CREDIT LIMIT UNDER CREDIT FACILITY:

At any time the Consumer under a credit facility, by written notice to the Credit Provider may request the Credit Provider to reduce the credit limit under that credit facility.

10. CREDIT BUREAU INFORMATION:

The Consumer confirms that he is aware of the following and consents thereto:

10.1 The Credit Provider may transmit to the Credit Bureau data about the application, opening and termination of an account and that such information may be shared with other registered credit providers to the prescribed purposes.

10.2 Non compliance with the terms and conditions of the Credit Agreement, will be transferred to the Credit Bureau and that such information may be shared with other registered credit providers to the prescribed purposes.

10.3 The Credit Bureau provides a credit profile and a credit score on credit worthiness of the Consumer.

10.4 A Consumer is entitled to contact the Credit Bureau and have his record disclosed to him and insist that inaccurate information be corrected. You may contact the Credit Bureau on the details provided in clause 1.8.

10.5 The Credit Provider shall inform the Consumer in writing at least 20 (TWENTY) working days beforehand, by way of a notice addressed to the address (domicilium) of the Consumer, of the Credit Provider's intention to forward adverse information to any Credit Bureau, which information is to be accessed by subscribers to the Credit Bureau, before forwarding any such information to the relevant Credit Bureau.

11. GENERAL:

11.1 It is recorded that the Consumer is the holder of a b-Smart card, issued in terms of a previous agreement for credit by the Consumer and as such, the Consumer is entitled to utilize said card to buy from Suppliers as defined in that agreement;

11.2 In terms of this agreement, the Consumer is now entitled to utilize said card to buy on the budget account, as defined herein.

11.3 The Credit Provider will disburse monies on behalf of the Consumer by effecting payment to the Suppliers who have rendered services and/or supplied goods to the Consumer. The Consumer undertakes to pay the Credit Provider all the aforementioned amounts owing in accordance with the Terms and Conditions contained herein.

11.4 The Credit Provider undertakes to effect such payment for and on behalf of the Consumer against receipt of a valid claim from the Supplier.

11.5 The Credit Provider shall issue a b-Smart Card to every Consumer and other nominated persons agreed to by the Credit Provider in its absolute discretion.

11.6 A Consumer shall be entitled to use the b-Smart Card and enjoy all such benefits as are offered to him from time to time, subject to the terms and conditions set forth herein.

11.7 The Consumer acknowledges that the b-Smart Card shall at all times remain the property of the Credit Provider and shall be obliged to surrender and return to the Credit Provider any b-Smart Card issued on his account, for any reason whatsoever, forthwith upon demand by the Credit Provider.

11.8 The Consumer shall take due care of his/her b-Smart Card, which shall include, taking all reasonable steps to prevent the loss, theft or damage thereof.

11.9 In the event of theft or loss of the b-Smart Card or if it comes to the Consumer's attention that the b-Smart Card has been used by a person other than the Consumer, the Consumer shall be obliged to forthwith notify Cape Consumers on (021) 409 7600 during office hours (08:30 – 16:30) or Nedbank, agent of the Credit Provider, at Tollfree number 0800 110 929 after hours.

11.10 The Credit Provider will not impose liability on the Consumer for any use of a credit facility after the time that the Consumer has reported the loss or theft of the associated card, unless:

11.10.1 The Consumer's signature appears on the voucher, sales slip or similar record evidencing that particular use of the credit facility; or

11.10.2 The Credit Provider has other evidence sufficient to establish that the Consumer authorized, or was responsible for that particular use of the credit facility.

11.11 The Credit Provider shall notify the Consumer in writing of any variation in the cost of credit applicable to this agreement.

12. RIGHTS OF THE CONSUMER:

12.1 The Consumer shall be allocated a budget account limit, as per the quotation that will be supplied.

12.2 The Consumer shall receive an annual bonus as declared by the Credit Provider in terms of the Articles and Memorandum of Association of the Credit Provider. This bonus is based on contributing purchases during the financial year of the Credit Provider, same being July to June and will be effected as a credit on the following November's statement.

12.3 The Credit Provider shall make regular contributions at the sole discretion of the Credit Provider to the Consumer's Reserve Fund which is held for and on behalf of the Consumer in terms of the Articles and Memorandum of Association of the Credit Provider. The funds retained in the Consumer's Reserve Fund will be paid to the Consumer on termination of the membership as stipulated in the Articles and Memorandum of Association, except if the membership is terminated as a result of any default in terms of this agreement by the Consumer.

12.4 The Consumer may request from time to time a "List of Suppliers" being designated Suppliers with whom the Credit Provider has contracted for and on behalf of the Consumers.

12.5 The Consumer shall be entitled to tender the b-Smart card to the Suppliers in lieu of payment and the Credit Provider shall be obligated to effect payment to the Supplier in question for and on behalf of the Consumer, subject to the conditions contained herein, and up to a maximum amount as per the budget account limit.

12.6 The Credit Provider shall not, however, be liable to effect payment in respect of any purchase made by the Consumer with any merchant who is not a Supplier as defined herein.

12.7 It is recorded that the Consumer is the holder of a b-Smart card in terms of a separate agreement with the Credit Provider. Should the Consumer fail to make payment in terms of this agreement it might have with the Credit Provider, all monies owing to the Credit Provider in terms of this agreement, or any other agreement, will immediately become due and payable and interest will be charged on all outstanding accounts as mentioned at 6% per annum above First National Bank's prime lending rate and will fluctuate together with First National Bank's prime lending rate.

12.8 The Consumer is entitled to prepay any amount owed to the Credit Provider under this agreement, at any time, without notice or penalty. If the Consumer has more than one agreement with the Credit Provider, he must clearly specify in terms of which agreement he wishes to make a pre-payment, when requesting to do so.

12.9 If the Consumer wishes to increase his credit limit at any given time, he may request the Credit Provider to do so in writing and said request will be considered once a new financial assessment has been completed by the Credit Provider. The request for an increase does not relate to the automatic annual increase in the Consumer's credit limit, which the Credit Provider may grant at its sole discretion, if the Consumer has requested the Credit Provider to do so in the appropriate block on the application.

12.10 If the Consumer has requested the Credit Provider to automatically increase the credit limit from time to time, the Credit Provider will do so unilaterally in terms of the applicable Act.

Applicant's Initial:

Spouse:

- 12.11 The Consumer is entitled to do the following:
- 12.11.1 Apply to a Debt Counsellor to be declared over indebted;
 - 12.11.2 Resolve a complaint with regard to the Credit Provider by way of an alternative dispute resolution agent, consumer court or ombud with jurisdiction;
 - 12.11.3 File a complaint about the Credit Provider with the National Credit Regulator; and
 - 12.11.4 Make application to the Tribunal
- 12.12 It is recorded that the Consumer has been informed that the contact details for the National Credit Regulator are the following:
127 – 15th Street, Randjespark, MIDRAND
Switchboard: 011 554 2600, Call Centre: 0860 627 627 or 0860 NCR NCR
E-mail: info@ncr.org.za or complaints@ncr.org.za, Website: www.ncr.org.za
- 13. OBLIGATIONS OF THE CONSUMER:**
- 13.1 The Consumer agrees to pay the Credit Provider all the costs as per the quotation which will be provided in terms of the Application and which quotation will be part of this agreement when accepted by the Consumer. The aforementioned costs will be reflected on the Consumer's monthly statement and will include administration costs and interest, as per the quotation.
- 13.2 The Consumer agrees and undertakes to pay to the Credit Provider all/any amount that shall be paid to Suppliers by the Credit Provider for and on behalf of the Consumer, in respect of all purchases made by the Consumer, or any other person as described in paragraph 11.5, in terms of the paragraph 12.6 hereof, which amount shall be paid to the Credit Provider on or before the due date and in the amount reflected in the monthly statement posted/emailed (at the election of the Consumer) to the Consumer by the Credit Provider. This obligation to effect payments to the Credit Provider is unconditional and irrevocable, whether or not:
- 13.2.1 the Consumer himself or any other party paid by means of the b-Smart Card; and/or
 - 13.2.2 the amount recorded in respect of any such purchase is correct; and/or
 - 13.2.3 there is any dispute between Suppliers and the Consumer; and/or
 - 13.2.4 the Suppliers are entitled to receive payment from any other source.
- 13.3 The monthly statement shall constitute prima facie (on the face of) proof of the Consumer's indebtedness to the Credit Provider in respect of purchases and the Consumer hereby agrees that the onus to show otherwise rests on the Consumer.
- 13.4 The Consumer warrants and undertakes to not exceed the Credit limit allocated in terms of the quotation.
- 14. TERMINATION:**
- 14.1 This agreement shall endure for an indefinite period, but subject to the provisions contained herein, as well as it may be cancelled by the Credit Provider on condition that the Credit Provider give written notice to the Consumer, at least 10 (TEN) working days before the credit facility is closed.
- 14.2 In the event of termination of this agreement, for which ever reason, all amounts due on personal loans and budget accounts are transferred to the Consumer's b-Smart card account.
- 14.3 If the Consumer enters into an agreement with the Credit Provider to pay the outstanding amount in monthly instalments, after the Credit Provider has closed the Consumer's account, it does not imply that the Consumer's account has been re-opened or re-instated.
- 15. BREACH:**
- 15.1 The Credit Provider shall have the right to, when the Consumer breaches any term of this Agreement, close the Consumer's account, cancel the card/s and demand that the Consumer repays the Credit Provider the full amount outstanding on the Consumer's account and immediately give the card/s, back to the Credit Provider.
- 15.2 In the event of the Credit Provider instituting action against the Consumer for the recovery of any amount due in terms hereof, the Consumer consents to:
- 15.2.1 the jurisdiction of the Magistrate's Court for the purpose of any action instituted against the Consumer in connection with this agreement, notwithstanding the fact that by virtue of the amount or the relief claimed, the said action will otherwise not be within the jurisdiction of the Magistrate's Court, and
 - 15.2.2 pay all legal expenses on the scale as between attorney and client, which shall include interest, tracing fees and collection commission, as the case may be.
- 15.3 The parties agree that this agreement arises at the place where and when the Credit Provider is informed by the Consumer that the quotation in terms hereof is accepted.
- 15.4 In the event of the Consumer breaching any of the terms and conditions recorded herein, the Consumer shall forfeit to the Credit Provider all rights and monies, including the annual Bonus and Consumer's share of the Consumer's Reserve Fund, held by the Credit Provider for and on behalf of the Consumer.
- 15.5 The Consumer hereby grants to the Credit Provider the rights to appoint a tracing agent, in the event of the Consumer defaulting in terms of agreement and the Credit Provider not being able to trace the whereabouts of the Consumer.
- 16. APPLICATION FOR DEBT REVIEW:**
- 16.1 The Consumer has the right to apply to a Debt Counsellor to be declared over-indebted.
- 16.2 The Consumer may not apply to a Debt Counsellor to be declared over-indebted if, at that time, the Credit Provider has started with legal action in terms of clause 17.
- 16.3 The Debt Counsellor will determine whether the Consumer is over-indebted and, if the Consumer sought a declaration of reckless credit, the Debt Counsellor will make a finding on whether any of the credit agreements are indeed reckless.
- 16.4 The Debt Counsellor may reject the Consumer's application or may recommend that the Consumer and the respective credit providers consider and agree on a debt rearrangement plan.
- 16.5 If the Debt Counsellor finds that the Consumer is indeed over-indebted, he may issue a proposal recommending that the magistrate's court make an appropriate order.
- 16.6 If the recommendation suggested by the Debt Counsellor is accepted by the Consumer and each credit provider, it must be recorded in the form of an order, and if all parties consent, it may be filed as a consent order by the Debt Counsellor.
- 16.7 If the Debt Counsellor rejects the proposal, the Consumer may with leave of the magistrate's court apply directly to the magistrate's court for an appropriate order.
- 17. PROCESS OF DEFAULT:**
- 17.1 If the Consumer is in default, the Credit Provider will give the Consumer written notice and propose that the Consumer refer the Agreement to a Debt Counsellor, alternative dispute resolution agent, the Consumer Court or the ombud with jurisdiction, with the intention to resolve any disputes or develop and agree on a plan to bring the payments up to date.
- 17.2 If the Consumer applied for debt review under Section 86 of the Act and the review is not finalized within 60 (sixty) business days after the Consumer applied for it, the Credit Provider may send a notice terminating the debt review in terms of Section 86 (10) of the Act.
- 17.3 The Credit Provider can also approach the court for an order enforcing the agreement if, at the time, the Consumer has been in default for at least 20 (twenty) business days and at least 10 (ten) business days have elapsed since the default letter or notice referred to above has been delivered (which 10-day period may run concurrently with the 20-day default period) and the Consumer has failed to respond to the default letter or has rejected the Credit Provider's proposal.
- 18. CESSION:**
- The Consumer hereby irrevocably and in rem suam (concerning one's own affairs) authorises the Credit Provider to cede to any one or more of the Suppliers, all rights title and interest in and to all or part of the Consumer's indebtedness to the Credit Provider from time to time.
- 19. NON-VARIATION:**
- No addition to or variation, consensual cancellation or novation of this agreement and no waiver of any right arising from this agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all parties or their duly authorised representatives.
- 20. RELAXATION:**
- 20.1 The Consumer agrees that no relaxation or indulgence granted by the Credit Provider and no omission by the Credit Provider to timeously and/or diligently enforce rights under this agreement, shall be deemed to amount to waiver of that or any other right.
- 20.2 The Consumer shall nor cede or assign or otherwise transfer or dispose of his rights in terms hereof to any third party.
- 21. FOR AND ON BEHALF OF LEGAL ENTITIES:**
- If the Consumer in terms hereof is a Close Corporation, Private or Public Company, or a Trust, the person who accepts the quotation on behalf of said entity, warrants that he is duly authorised to do so and accept responsibility for payment of the amount due in terms hereof, as surety and co-principal debtor with said entity.

Applicant's Initial:

Spouse:

22. ACKNOWLEDGEMENT, CONFIRMATION AND CONSENT:

22.1 You warrant that you have read the Terms and Conditions on the reverse side of your application and that you fully and truthfully answered all and any requests for information made by the Credit Provider relating to this Agreement.

22.2 You confirm that you understand and appreciate the risks and costs inherent in this Agreement, and your rights and obligations under this Agreement.

Applicant's signature

Spouse signature
(if married in community of property)

Signed at _____ on this _____ day of _____

FOR OFFICE USE

Manager

Date

Approved budget limit

Received at Cape Town