

# PERSONAL LOAN AGREEMENT

- **THE PARTIES.** This Personal Loan Agreement ("Agreement") made on this date \_\_\_\_\_ is between:

- **Borrower:** \_\_\_\_\_ with an ID number of \_\_\_\_\_  
\_\_\_\_\_ ("Borrower") and agrees to borrow money from:

- **Lender:** \_\_\_\_\_ with a mailing address of \_\_\_\_\_  
\_\_\_\_\_ ("Lender") and agrees to lend money to the Borrower under the following terms:

- **LOAN AMOUNT.** The total amount of money being borrowed from the Lender to the Borrower is R\_\_\_\_\_ ("Borrowed Money").

- **INTEREST RATE & FEES.** The Borrowed Money shall bear interest and fees:

I. **Maximum Annual Percentage Rate (APR): 60%**

II. **Initial Fees (VAT inc.):**

- **Amount less or equal to R1000: 17.5%**
- **Amount greater than R1000: 11.5%**

III. **Processing/Service fees: R69**

IV. **Late Fees: 5% of loan outstanding amount**

- **TERM.** The total amount of the Borrowed Money, including principal and interest, shall be due and payable on \_\_\_\_\_ ("Due Date").

- **PAYMENTS.** The Borrower agrees to repay the Borrowed Money to the Lender under the following payment schedule:

☐ **Lump Sum.** The Borrower agrees to repay the Lender, in full, on the Due Date.

- The Borrower agrees to repay the Lender, in full, on the Due Date with the **Lump Sum** amounting to R\_\_\_\_\_

☐ **Installments.** The Borrower agrees to repay the Lender, in installments, on the Due Date

- The Borrower agrees to repay the Lender, in installments, on the Due Date with the **Installments** amounting to R\_\_\_\_\_

Hereinafter known as the "Payment Schedule." All payments made by the Borrower shall be first applied to any accrued interest and second to the principal balance.

- **LATE PAYMENT.** If the Borrower has not paid by the agreed date, it shall be considered late. If a payment is late, the Borrower shall pay late payment fees
- **SECURITY.** As part of this Agreement, the Borrower agrees to:
  - **Pledge Security.** The Borrower agrees to secure this Agreement by pledging the following collateral: \_\_\_\_\_ ("Security"). In the event the Borrower defaults under this Agreement, the Lender shall obtain possession of the Collateral: (check one)
    - ☐ - In its entirety and without discount to the amount owed.
    - ☐ - Equal to the amount owed of which a sale may be required.
- **ACCELERATION.** The Lender shall have the right to declare the Borrowed Money to be immediately due and payable, including interest owed, if any of the events are to occur:
  - a. **Late Payment.** If any payment is late that is due under the Payment Schedule of more than 15<sup>th</sup> day by the end of subsequent month;
  - b. **Default.** If the Borrower should default on any of the conditions of this Agreement; or
  - c. **Security.** If assets or property that are pledged as Security as part of this Agreement are transferred or sold.
- **SEVERABILITY.** If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities, or circumstances shall be affected, thereby, but instead shall be enforced to the maximum extent permitted by law.
- **GOVERNING LAW.** This Agreement shall be construed and governed by the laws located in the state of **National Credit Act No.34 of 2005** ("Governing Law").
- **ENTIRE AGREEMENT.** This Agreement contains all the terms agreed to by the parties relating to its subject matter, including any attachments or addendums. This Agreement replaces all previous discussions, understandings, and oral agreements. The Debtor and Creditor agree to the terms and conditions and shall be bound until the Borrowed Amount is repaid in full.
- **IN WITNESS WHEREOF,** Borrower and Lender have executed this Agreement as of the day and year first above written.

**Borrower's Signature:** \_\_\_\_\_.

Print Name: \_\_\_\_\_.

Date: \_\_\_\_\_.