

# Retail Products Terms and Conditions

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# **Current/ Savings Account and Fixed Deposit Terms**

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### Important notice

#### You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with *current/cheque account, fixed deposit and savings* account products. **You must read it in conjunction with our Client Terms, the tariff booklet, the product brochure and any other documents forming our banking agreement included in your Welcome Pack.**

To the extent of any inconsistency between these terms and our Client Terms, these terms prevail. These terms do not apply to any existing current/cheque account, fixed deposit account or savings account products you have with us to the extent that they are subject to separate terms and conditions.

#### Key words

The meaning of key words printed like this and other words used in our banking agreement are explained in our Client Terms. Some additional key words which apply to the products referred to in these terms are explained at the end of these terms.

#### How to contact us

To find out information (such as current fees and interest rates or if you need us to explain features or terms) in connection with our products, you should contact us at one of our branches, by using phone banking

**+255 784 109 999** or by visiting our website [www.sc.com/tz](http://www.sc.com/tz)

## 1 Choosing the account that is right for you

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We offer a variety of *current/cheque accounts*, *fixed deposits* and *savings accounts* designed to suit your personal banking needs. The particular types of *current/cheque accounts*, *fixed deposits* and *savings accounts* we offer are set out in the *product brochure*. If you need us to explain any of the features of, or the terms applying to, any *current/cheque account*, *fixed deposit* or *savings account*, please contact us (see under "How to contact us" at the front of these terms).

## 2 Savings accounts

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### Minimum or maximum age for some savings accounts

- 2.1 If you are required to be of 18 years and above apply for a *savings account*, below that age you will need a guardian to operate the account on your behalf

### No cheque facility

- 2.2 *Savings accounts* do not include a cheque facility.

### Interest

- 2.3 If you have a credit balance in a *savings account* you may be entitled to receive interest depending on the type of *account* (see the *product brochure* and the *tariff booklet*). The rate of interest may be fixed or varied as we determine. We pay interest monthly or at other regular intervals we determine.
- Interest is calculated on a compound basis for a *savings account* in TZS
  - simple interest for a *foreign currency deposit*.
- 2.4 Interest accrues daily and if the credit balance of your *savings account* is denominated in:
- Tanzanian Shilling or British Pounds we calculate interest on the basis of a 365 day year, and 360 days for all other currencies.

### ATM cards

- 2.5 For some savings accounts you are issued with an *ATM card*.

## 3 Fixed deposits

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### Minimum age for fixed deposits

- 3.1 You must be at least 18 years old to apply for a *fixed deposit*.

### Interest on fixed deposits

- 3.2 Interest on a fixed deposit is paid at a rate we determine for the duration of the fixed deposit and is payable monthly, quarterly or annually or at maturity. The applicable interest rate is available by contacting us at one of our branches or by using phone banking.

### Withdrawals before maturity

- 3.3 The deposit will automatically roll over for a similar period on maturity at prevailing counter rate, unless written instructions are given to us to the contrary. Terminating or cancelling of the term deposit before maturity is not allowed. In the event of a partial or total early withdrawal, charges may apply and you will forfeit all the interest accrued. In the event that interest has been paid before maturity the Bank will recover the paid interest from you.
- 3.4 Interest accrues daily and if the credit balance of the *fixed deposit account* is denominated in:
- TZS and GBP, We calculate interest on the basis of a 365 days a year
  - any other currency, we calculate interest on the basis of a 360 day year (or any other basis we choose)
- 3.5 You may recover any tax that may have been deducted prior to the withdrawal of the deposit before maturity from the relevant tax authority.

### Maturity of fixed deposit

- 3.6 If a fixed deposit:denominated in:
- is denominated in TZS and matures on a day which is not a banking day in Tanzania then the date is extended to the next banking day; or
  - is denominated in any other currency and matures on a day on which banks are not open for general banking business in Tanzania and any other city we specify for that currency, then the date is extended to the next such day.
- 3.7 You must instruct us in writing (or any other way we agree to accept) before the maturity date (and in the case of *foreign currency deposits*, at least two banking days before the maturity date) whether you want:
- to renew the *fixed deposit*; or
  - us to pay you the principal and interest on the maturity date.

If you do not instruct us, we may renew the *fixed deposit* for a similar term with interest at the prevailing interest rate for the term. However, we have no obligation to do so.

- 3.8 Interest ceases to be payable after the maturity date unless the *fixed deposit* is renewed.

### Additional funds

- 3.9 If we receive additional funds for deposit without instructions, we place them on deposit for successive terms of one month until you instruct us otherwise. Any interest payable on the additional funds is calculated by us in accordance with our usual practice

## 4 Current/cheque accounts

*Current/cheque accounts* are accounts with a cheque facility.

### Minimum age

- 4.1 You must be at least 18 years old to apply for a *current/cheque account*.

### Interest

- 4.2 Interest is not payable on a *current/cheque account* unless specified in the *product brochure* for the particular type of *current/cheque account*.

### Cheque books

- 4.3 When you open a *current/cheque account* we issue you with a cheque book. You must keep cheque books secure (including keeping them in a safe place - please refer to the security procedures set out in the Client Terms).
- 4.4 If you need a new cheque book it can be ordered by either filling out the application form in the cheque book or by any other process we offer. We may refuse to issue a new cheque book. We need not give you a reason for doing so.
- 4.5 When you receive your cheque book you should check that the account number and name are correct.

### Writing cheques

- 4.6 You or an *authorised person* must be careful when writing cheques to prevent fraud by forgery. For example, when writing cheques, you or an *authorised person* must:
- only use cheques in the form we have issued;
  - write in non-erasable ink or ballpoint pen;
  - write the words and figure of the amount as close as possible to each other and to the left-hand margin in order to prevent space for insertions;
  - add the word 'only' after the amount stated in words;
  - never pre-sign a cheque in blank;
  - if sending cheques by post, delete the words 'or bearer' (to make the cheque an 'order' cheque) and cross the cheque with two parallel lines;
  - not alter the cheque (including deleting the words 'or bearer') unless confirmed by their full signature;
  - not use correction fluid.

We may dishonour and return any cheque that is not completed in accordance with these procedures, post-dated or out of date or otherwise not in a form acceptable to us.

If the words 'or bearer' are not deleted the cheque is a 'bearer cheque' and may be deposited by anyone holding the cheque.

You can protect yourself by crossing a cheque with two parallel lines as the cheque must then be paid into the payee's account rather than 'on demand'.

### Fees & charges

- 4.7 Fees and charges apply to cheques including stop fees, dishonour fees and fees if a cheque is returned to us for any reason (see the *tariff booklet*).

### If you have overdraft facility for your current/cheque accounts

#### Overdraft facility

- 4.8 We may allow you to use an overdraft facility on a *current/cheque account* if you have an overall credit balance on your savings account, time deposit and *current/cheque account*.
- 4.9 The overdraft facility may be used to draw cheques and for direct debit payment arrangements.
- 4.10 We set a limit for the overdraft facility and if the *current/cheque account* balance exceeds the limit then you must immediately make payment to reduce the balance to or below the limit. We may increase or decrease the limit at any time.
- 4.11 We charge interest on the debit balance of the overdraft facility calculated in accordance with the tariff sheet. We debit any accrued interest from the *current/cheque account* on a monthly basis.
- 4.12 We do not take into account any uncleared funds in calculating the unused portion of the overdraft facility.
- 4.13 Interest accrues daily and if your *current/cheque account* is denominated in:
- Tanzania shillings, we calculate interest on the basis of 365 days
  - Any other currency, we calculate interest on the basis of 360 days in a year
- All interest is calculated based on a daily cleared balance

## 5 Foreign currency

Deposits of foreign currency are generally made into a form of *savings account* or *time deposit*. However, foreign currency *current/cheque accounts* may also be available. For more information, contact us at one of our branches or by using phone banking.

### Minimum age

- 5.1 You must be at least 18 years old to apply to make a foreign currency deposit.

## Terms of deposit

5.2 We accept foreign currency deposits in currencies acceptable to us and on the conditions (including term, interest rate and minimum deposit amount) available at our branches on our website

## Deposit methods

5.3 We may accept and deposit (as agent for collection) foreign currency drafts, cheques or travellers' cheques for good value after clearance. We deduct from the proceeds our fees and charges (the details of which are in the tariff booklet and are available by contacting us at one of our branches or by using phone banking) and any fees and charges that may be imposed by third parties.

However, we may:

- refuse to accept for collection drafts, cheques or travellers' cheques drawn in favour of third parties or if the payee's name is not identical to your name in our records;
- need to see the purchase agreement of any travellers' cheques presented for deposit.

We return dishonoured cheques, drafts or travellers' cheques to your last notified address at your risk and cost.

5.4 If you have an existing foreign currency fixed deposit and we receive additional foreign currency funds with no specific instructions, we may place them in any type of account we determine for a minimum of one month. However, if the additional funds are below our minimum deposit amounts, we may place them in an existing account in the same currency and with the interest rate and the earliest maturity date we determine.

## Withdrawal

5.5 A foreign currency deposit which is a fixed deposit may not be withdrawn before the maturity date. However, we may allow withdrawal before the maturity date subject to any conditions we may impose (including a period of notice, reduced or nil interest, fees and other charges).

5.6 If you make a withdrawal of a foreign currency deposit and the foreign currency deposit is denominated in:

- British Pounds or US Dollars, we may (but not need to) make available to you the proceeds of your withdrawal on the same day as your withdrawal;
- any other foreign currency, you must notify us of your intention to make the withdrawal at least two banking days before you make the withdrawal.

5.7 We may make the proceeds of any foreign currency deposit available to you in any currency we choose (including TZS or US Dollars) despite the deposit being made in a different currency.

5.8 Proceeds of withdrawal may be available in foreign currency notes subject to availability. You must pay the applicable fees. Details of fees are available by contacting us.

## Interest on foreign currency deposits

5.9 Interest on a foreign currency deposit is paid at a rate we determine. The applicable interest rate is available by contacting us.

## Commission

5.10 We may charge commission on a deposit or withdrawal made in cash, cheques, drafts, payment orders or other monetary instruments in the currency of the account for the foreign currency deposit. Please refer to the tariff booklet or elsewhere in our banking agreement for details or contact us if you require further information.

## Foreign exchange controls

5.11 Foreign currency deposits, and all transactions in connection with them, are subject to any applicable exchange control laws.

## Exchange risk

5.12 You acknowledge that:

- you are aware of the risk of interest rate and exchange rate fluctuations and the effect that such fluctuations may have on the credit balances in an account;
- adverse exchange rate movements could result in the credit balance (even after interest is credited) being less than the amount you deposit.

## If I'm a Non Tanzania National,

- 5.13
- I confirm that the bank has clearly explained to me the requirement and importance of Non Tanzania national to have valid resident permit/dependency while I'm in Tanzania.
  - I commit to submit a valid resident permit/dependency pass documents within 60 days from the date of application to the migration office
  - I commit to update my bank records with renewed resident permit/dependency pass upon expiration date, failure to which the bank shall have the right to suspend my account's transactions or close account.

## 6 Average monthly balances

6.1 We may require you to maintain an average monthly balance on the accounts we specify. For details on any required average monthly balance, the tariff booklet or elsewhere in our banking agreement. Please contact us for further details.

6.2 If a minimum balance applies to an account and the balance of the account falls below the minimum we:

- need not accept any instruction or allow any transaction on the account which would cause the account to fall below the minimum balance;
- need not pay interest on the account;

- may close the account.
- 6.3 If a minimum balance or a minimum aggregate balance applies to an account and the balance falls below the required minimum we:
- need not accept any instruction or allow any transaction on an account which would
  - cause the balance to fall below the minimum balance;
  - need not pay interest on the relevant accounts;
  - may close the relevant accounts.
- 6.4 average monthly balance, you must pay any applicable fees (the details of which are available by contacting us at one of our branches or by using phone banking).

## 7 Payments into accounts

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### We may accept or refuse payment

- 7.1 We may accept or refuse to accept any deposit whether in cash or by cheque or other instrument or set minimum or maximum amounts on deposits. We need not give any reason for doing so.
- 7.2 Any cheque or other instrument is received by us as agent for collection on your behalf.

### Your responsibility

- 7.3 You accept that any deposit through an ATM with the use of a card is at your risk and is subject to us verifying and processing. You must check that your instructions have been processed accurately. If you do not notify us within 72 hours of the time the transaction is processed, our records of the transaction are taken to be correct.

### Foreign cheques or instruments

- 7.4 If we agree to accept cheques or other instruments drawn on financial institutions located outside Tanzania, you acknowledge that:
- clearance depends on the law and practice of the location of the financial institution;
  - we are not responsible for the value given by the financial instrument or any other loss incurred in connection with the cheque or instrument.

### Receipts

- 7.5 Receipt of a deposit is evidenced by our usual practice, depending on how you make the deposit. A person making a deposit should keep their copy of the receipt.
- 7.6 A deposit slip is only valid if endorsed by our machine print (if deposited at a self service machine) or by our stamp and signature of a bank employee or officer authorised by us (if deposited at a branch).
- 7.7 Any receipt we issue cannot be used as evidence of your title to a deposit.

### Third party cheques

- 7.8 If a cheque or other instrument is presented which is payable to a third party or it appears to belong or to have belonged to someone else (called a "third party cheque"), we may refuse to accept it for deposit or refuse to cash it. If we agree to accept or cash a third party cheque we may require you or an authorised person to comply with additional conditions.

### Cheque collection box deposits

- 7.9 You must not deposit cash or bearer cheques into the cheque collection boxes. If you make a deposit in this way, you do so at your own risk and we are not liable for any loss incurred as a result of your action.

### Clearance of payments

- 7.10 We do our best to process all cheques and other instruments within a reasonable period of time. However, if they are deposited after any cut off time we specify, they may not be processed until the following banking day. Clearance times may vary.
- 7.11 The proceeds of cheques and other payment instruments deposited, or funds transferred electronically cannot normally be withdrawn until cleared. If we allow withdrawal of the proceeds before clearance occurs, you must repay or we may debit that amount if the cheque, payment instrument or transfer is dishonoured.

### Regular payments to an account

- 7.12 If you ask, we may establish a regular payment arrangement to an account. We may cancel or stop the regular payment arrangement if:
- you instruct us to do so in writing; or
  - the account does not have sufficient funds to satisfy a regular payment; or
  - the payment arrangement no longer complies with the terms of the payment authority signed by you; or
  - required by law.

### Dishonoured cheques

- 7.13 We give you details of any cheque deposited into an account which is dishonoured as soon as practicable.

## 8 Payments out of accounts

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### Withdrawals

- 8.1 Withdrawals from an account are subject to conditions (including notice requirements) we impose.

- 8.2 You may withdraw your deposits only at the country where the product is located. However, we may from time to time allow withdrawals of deposits from your account to be made in other countries subject to conditions we may impose, and you agree that we may withdraw any such permission at any time without notice. You agree that such withdrawals are subject to market conditions and the laws and regulations governing the location of the product, and the location of the withdrawal.

#### Authority to debit and payment

- 8.3 You authorise us to debit all cheques and other instruments drawn by you to a current/cheque account.
- 8.4 We may determine the order of priority for payment of cheques.

#### Third party withdrawals

- 8.5 We may, but need not, accept instructions allowing third parties to withdraw from an account.

#### Stopping payment of cheques

- 8.6 You or an authorised person may request us in writing to stop payment of a cheque drawn on a current/cheque account before it has been paid. However, the instruction is only effective if it:
- gives full details of the cheque; and
  - is received by the branch where the current/cheque account is maintained before the cheque is deposited for clearing. (See our Client Terms for how we deal with stopped payments.)

#### Direct debits or periodical payments from accounts

- 8.7 If you ask, we can organise a direct debit or periodical payment arrangement from an account. You need to sign additional documents to authorise it.
- 8.8 We may cancel or stop any direct debit or periodical payment arrangement if:
- you instruct us to do so in writing; or
  - the payment arrangement no longer complies with the terms of the direct debit authority signed by you.

We may ask that you also notify the person to whom you have given the direct debit authority.

#### Telegraphic transfers

- 8.9 You may ask us to affect telegraphic transfers for you. We need not agree to your request.
- 8.10 We may set a minimum amount or maximum amount for telegraphic transfers. For details of these amounts, please contact us.
- 8.11 If a telegraphic transfer is made in a currency other than the currency of the destination country, you may be required to pay multiple charges for the telegraphic transfer. For details of these charges, please contact us.

- 8.12 You consent to us disclosing any information in connection with the telegraphic transfer to the correspondent or intermediary bank.
- 8.13 If a telegraphic transfer cannot be completed, we are not required to refund the charges paid by you for the telegraphic transfer unless the failure to complete was solely and directly due to anything we do or do not do.

## 9 Dormant accounts

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#### What is a dormant account?

- 9.1 If no withdrawal, deposit, fund transfer or use of electronic banking services other than direct debit or periodic payment arrangement is made for 12 consecutive months for a current account and 24 consecutive months for a saving account or such other period that we notify to you, we classify the account as dormant. We need not pay interest on a dormant account.

#### Fees for dormant accounts

- 9.2 We may debit the dormant account fee set out in the tariff booklet or as notified by us until the balance of the account is zero. We then close the dormant account, unless prohibited by law.

## 10 Closing accounts

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#### Early closure

- 10.1 If you close a savings account or current/cheque account within three months or such other period that we may notify to you after you open it, you must pay the early account closure fee set out in the tariff booklet or as notified by us.

#### When we may close accounts

- 10.2 We may close a savings account, fixed deposit or a current/cheque account at any time. We need not give a reason for doing so. If we do so, we pay you any credit balance in the account in the manner we determine.

#### Return of cheque books

- 10.3 If a current/cheque account is closed, you must ensure that any unused cheque books are returned to us by law.

## 11 Meaning of words

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You also need to refer to our Client Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Client Terms, the definition in these terms applies for the purposes of *current/cheque accounts, fixed deposits, foreign currency deposits and savings accounts*.

*current/cheque account* means any account of the type referred to in clause 4.

*fixed deposit* means any time, term or fixed deposit described in clause 3.

*foreign currency deposit* means any deposit of foreign currency described in clause 5

*savings account* means any account of the type described in clause 2.

# Personal Loans

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## Important notice

### You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with term loans and line of credit/overdraft products. You must read it in conjunction with our Client Terms, the product brochure and any other documents forming our banking agreement. To the extent of any inconsistency between these terms and our Client Terms, these terms prevail and if there is any inconsistency between the approval and any other part of our banking agreement, then the terms in the approval prevail. These terms do not apply to any existing personal instalment loan, personal revolving loan or line of credit/overdraft products you have with us to the extent that they are subject to separate terms and conditions.

### Key words

The meaning of key words printed like this and other word used in our banking agreement is explained in our Client Terms. Some additional key words which apply to the products referred to in these terms are explained at the end of these terms.

### How to contact us

To find out information (such as current fees and interest rates or if you need us to explain features or terms) in connection with our products, you should contact us at one of our branches, by using phone banking +255 784 109 999 or by visiting our website [www.standardchartered.co.com/tz](http://www.standardchartered.co.com/tz).

## 1 Part A - Term loans

### 1 Choosing the product that is right for you

You should contact us (see contact details under “How to contact us” at the front of these terms) to discuss how we may be able to structure your loan to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any loan product.

### 2 The loan

#### We must provide the loan

- 2.1 If we issue an approval, we agree to provide a loan up to the limit and for the term specified in the approval. The limit or term may be different to the limit or term you asked for in your application.
- 2.2 You agree that we may approve or decline your application for credit at our discretion. We may grant you a lower loan amount than the amount applied for. In such an event, you agree that we may proceed and credit your account only if the lower loan amount is not less than seventy per cent (70%), or other percentage determined by us, of the full sum of loan amount you applied for. You agree that we will notify you of the approved amounts via telephone in such an event.

#### Purpose

- 2.2 You must use the loan only for the purpose set out in the application or as otherwise approved by us.

#### Requesting funds

- 2.3 If you want us to provide you with funds, you may do so by a written request for a single drawdown made within 3 banking days after the date of the approval. Your request must be made within a reasonable time (for example, at least 14 banking days) before you need the funds.

#### Salary Diversion

- 2.4 For scheme and non scheme applicants the loan is provided on the basis that the applicant's salary will be deposited into SCB current account until the unsecured loan is fully paid. Any transfer of the salary to any other account or the Bank will constitute an act of default which entitles the Bank to pursue legal action against the applicant.

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#### Right to prepay if limit less than requested

- 2.5 If the limit or the term of the loan is different to the limit or the term you requested in your application, you may prepay the loan in full. If you do so within 14 days from the date of the approval, no prepayment fee is payable.

#### Top up loan

- 2.6 If you ask, we may agree to provide a top up loan by way of single drawdown up to the maximum principal repaid on terms we notify.

#### How we provide the loan

- 2.7 We provide the loan by depositing it into the nominated account.
- 2.8 Fees and charges that apply to the loan may be deducted from the loan before depositing it into the nominated account.
- 3 Interest, fees and charges

#### Interest

- 3.1 You must pay interest on the loan monthly in arrears at the rate set out in the approval or otherwise in our banking agreement or any other rate we determine.
- 3.2 Interest will be accrued daily and it will be calculated based on the daily cleared balance for a basis of 365 days in a year for Tanzania shillings and 360 days for foreign currency.
- 3.3 Interest is charged to your account on the date agreed with the Bank.
- 3.4 Interest is payable on the dates set out in the agreement between a customer and a bank.
- 3.5 Any overdue payment or Unauthorized overdraft will incur a default interest(which is higher than the usual interest rate) set out in the tariff booklet or in our banking agreement (see interest, fees and charges in the Client Terms).
- 3.6 Bank will notify you in case of changes on interest rate by giving you a 30 days notice before the effective date of revising interest rate. We may notify you either by sms, email communication, Notice in our Branches, Newspaper or website.

## Fees and charges

3.7 The fees and charges for the loan are set out in our Tariff booklet/guide or are available by contacting us.

4 Repayment

### Repayment by instalments

4.1 You must repay the loan in instalments. We notify you the amount of the instalment and each instalment payment date.

4.2 Any balance owing for the loan (after payment of all instalments) must be repaid on the final payment date we notify you.

4.3 The instalments are payable even if you do not withdraw any of the loan funds we deposit in the nominated account.

4.4 If we vary the interest rate on the loan, we may vary the instalment amount and the number of instalments.

### Methods of repayment

4.5 We advise you of the manner in which you must repay the instalments. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the nominated account.

4.6 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.

### Deferred repayment

4.7 If you ask, we may agree to defer a particular monthly instalment. If this happens, you may be asked to pay the additional interest accrued on the deferred instalment amount on the final payment date we notify you

### Payment in full if we ask

4.8 Despite any other term of our banking agreement, at any time we may demand payment of the loan in full, together with all accrued but unpaid interest, fees and costs in connection with the loan.

### What happens if you do not pay

4.9 If you do not make an instalment on or before the relevant due date the loan plus all accrued but unpaid interest plus any other sum due to us is immediately due and payable

### How we apply payments

4.10 Subject to law, we may use amounts we receive from any of your instalments to pay interest rather than to reduce the principal amount you owe us or to pay amounts you owe us in any order we choose. For example, we may allocate a higher proportion of any one or more of your instalments to interest rather than to the principal amount you owe us.

## 5 Prepayment

5.1 You may prepay all or part of the loan if:

- You give us reasonable notice in writing; and

- When you prepay, you also pay all accrued but unpaid interest and early settlement fees as set out in the tariff booklet. Details of these fees and costs are available by contacting us.

- If you are unable to give us reasonable notice of prepayment, we may require you to pay us an amount equal to one month's interest (or any other amount we specify) on the loan.

5.2 If you prepay only part of the loan, no early settlement fee is payable. The amount of each instalment is not adjusted. Any amount prepaid is credited to your account for the loan as payment for the next instalment.

An amount prepaid reduces the remaining instalments due in reverse order by the amount prepaid.

### Early settlement fee

5.3 If you prepay in full, you may be liable to pay an early settlement fee.

### Right to re-borrow

5.4 You may only re-borrow an amount prepaid if our approval indicates that the loan permits redraw (known as a revolving loan) and if you satisfy our usual conditions for permitting re-borrowing. Any amount you re-borrow forms part of the loan.

## 6 Statements

6.1 We issue an e-statement to you with such frequency as required by law or upon demand by you

## 7 Additional services for your account

7.1 We may offer additional services for your account. These may include balance transfer programmes, funds transfer programmes and any other services we advise you or which are otherwise available from time to time. You can find out more about available services by contacting us.

7.2 If you sign up for additional services, you are bound by the terms of the additional services. To the extent of any inconsistency between the terms of the additional services and our banking agreement, our banking agreement prevails unless the terms of the additional services specify otherwise.

## 8 Cancellation

Our Client Terms set out when you and we may end your use of any product and what you need to do if that happens. This includes immediate payment of the balance owing for the loan. This clause sets out additional circumstances in which you or we may cancel the loan.

You may cancel the loan by giving us reasonable notice in writing. However, we may charge you a cancellation fee (see the tariff booklet or contact us at one of our branches or by using phone banking).

If at the time of cancellation you will have utilised some of the loan amount, you pay that amount utilised plus any interest due on the amount utilised

## 2 Part B - Personal line of credit/overdraft

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### 9 Choosing the product that is right for you

You should contact us to discuss how we may be able to structure your line of credit/overdraft to suit your personal banking needs. We can also explain any of the features of, or the terms applying to, any line of credit/overdraft.

### 10 Your limit

#### Limit

10.1 You may only draw on a line of credit/overdraft up to the limit. We may cancel or vary the limit at any time. We may consider the latest income information you have given us in connection with any product when varying the limit.

#### Exceeding the limit

- 10.2 Sometimes we may allow you to draw in excess of the limit. If we allow you to do so:
- this is not a waiver of our right to require your line of credit/overdraft to be maintained within the limit;
  - you must pay the excess immediately; and
  - a higher interest rate is payable on the excess until it is repaid (see clause 12).

### 11 Using your line of credit/overdraft

We make funds available to you through the account for the line of credit/overdraft in accordance with our usual practice. This must be an account of a type we specify which must be maintained at all times for the purposes of our line of credit/overdraft. We may change this account at any time for any reason.

### 12 Interest, fees and charges

#### Interest

- 12.1 We charge interest on that part of the balance owing for the line of credit/overdraft which is within the limit at the rate set out in the approval or any other rate we determine.
- 12.2 Interest may be charged at different rates for different parts of the balance owing on a line of credit/overdraft.
- 12.3 Unless otherwise specified in our banking agreement, interest accrues on a daily basis and is calculated on the basis of a 360 day year.
- 12.4 Interest is charged to your account on the instalment due date of each month.

#### Minimum interest amount

12.5 If the interest payable is less than any minimum interest amount we specify, you must pay the minimum interest amount instead.

#### Default interest

12.6 If the balance owing exceeds the limit (with or without our approval), we charge interest on that excess at the default rate (which is higher than the usual interest rate)

12.7 We also charge interest at the default rate on any overdue amount (including if you do not pay the minimum monthly repayment when due).

#### When interest is payable

12.8 Interest is debited from the account for the line of credit/overdraft monthly in arrears or at any other times we determine.

#### Fees and charges

12.9 The fees and charges for your line of credit/overdraft such as processing fees, commitment fees and renewal fees are set out in the tariff booklet or in our banking agreement.

#### No credit interest

12.10 No interest is payable on any credit balance in an account for a line of credit/overdraft.

### 13 When you must repay

We may ask you to repay all or part of the balance owing for the line of credit/overdraft at any time. If we do so, you must immediately pay the amount we demand.

### 14 Repayment

#### Minimum monthly repayment

- 14.1 On or before the due date set out in the statement we issue for a line of credit/overdraft, you must pay at least the minimum monthly repayment as set out in the statement. Alternatively, you may pay the balance owing for the line of credit/overdraft as set out in the statement.
- 14.2 Your liability to us remains even if, for any reason, you do not receive your periodic statement.

#### Calculation of minimum monthly repayment

14.3 We calculate the minimum monthly repayment in accordance with our usual practice. Please refer to our approval or contact us for further information.

#### Methods of repayment

- 15.4 We advise you of the manner in which you must repay any repayment on the line of credit/overdraft. For example, we may ask you to nominate an account for repayment by direct debit and give us documents to facilitate direct debit from the nominated account.
- 13.5 You must comply with our usual requirements for the relevant payment method, including any set out in this clause.
- 13.6 The proceeds of any payment instruction are taken into account in determining the funds available for drawdown on your line of credit/overdraft only after the payment instrument is cleared.

#### Payment in full if we ask

13.7 Despite any other term of our banking agreement, at any time we may demand immediate payment of the balance owing for the line of credit/overdraft.

### What happens if you do not pay

- 13.8 If we do not receive the minimum monthly repayment on or before the due date:
- you may not use the line of credit/overdraft until the minimum monthly repayment has been paid; and
  - we may suspend your use of the line of credit/overdraft.

### How we apply payments

- 13.9 We may use amounts we receive under our banking agreement to pay amounts you owe us in the following order or any order we choose:
- Interest and other charges are set out in the tariff booklet or in our banking agreement; then
  - costs in relation to enforcing any debt you owe us; then
  - unpaid transactions and cash withdrawals; then
  - fees, charges and transactions incurred from the use of the line of credit/overdraft not yet shown on the current statement.

### 14 Right to reborrow

- 14.1 You may only reborrow an amount repaid if:
- the balance owing for the line of credit/overdraft does not exceed the limit; and
  - you otherwise satisfy our usual conditions for permitting reborrowing.

Any amount you reborrow forms part of the line of credit/overdraft.

## 3 Part C - Meaning of words

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### 15 Meaning of words

You also need to refer to our Client Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Client Terms, the definition in these terms applies for the purposes of loans and lines of credit/overdrafts.

default rate means the rate of interest per annum which applies to overdue payments or amounts owing in excess of a limit as set out in our banking agreement.

limit means, for a personal loan or a line of credit/overdraft, the limit set out in the approval for the product (as we may vary at any time).

line of credit/overdraft means a personal line of credit we make available to you under Part B of these terms.

loan means the outstanding principal amount of each drawdown of a loan made under Part A of these terms. It includes a top up loan.

our banking agreement means the agreement between you and us formed when we accept an application from you, the terms of which include our Client Terms and these terms.

# Mortgage Facility Terms

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## Important notice

### You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with mortgage facilities. You must read it in conjunction with our letter of offer, our Client Terms and any other documents forming our banking agreement.

To the extent of any inconsistency between these terms and our Client Terms, these terms prevail and if there is any inconsistency between the letter of offer and any other part of our banking agreement, then the terms in the letter of offer prevail.

### Key words

The meaning of key words printed like this and other words used in our banking agreement are explained in our Client Terms. Some additional key words which apply to the products referred to in these terms are explained at the end of these terms.

### How to contact us

To discuss any aspect of our relationship please contact us at one of our branches or by using phone banking +255 784 109 999 or by visiting our website [www.sc.com/tz](http://www.sc.com/tz).

## 1 Part A - Getting started

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### 1 Letter of offer

If we approve your application, we issue a letter of offer. If you want to accept our letter of offer you need to do so in accordance with the procedures set out in the letter of offer.

### 2 Pre-conditions to use

2.1 Before you can use a mortgage facility you must:

- comply with the requirements we specify from time to time and any other pre-conditions we specify in our banking agreement/letter of offer;
- unless otherwise stated in our letter of offer, have paid all our costs in connection with the mortgage facility. (We may deduct any fees payable from funds drawn down);
- have opened or maintain a nominated account or any other account we specify with us. These accounts must be maintained at all times for the purposes of the mortgage facility.
- have satisfied our insurance requirements, the requirements of the insurer and, unless we agree to finance them, paid the premiums due, including if we require you to have mortgage insurance, the premium amount;
- provide us with all securities in the form and substance we require including all documents we consider necessary to ensure the security is effective; and
- provide us with all other documents or information we reasonably require.
- have paid all costs of our service providers (such as lawyers) in connection with the mortgage facility. Each item must be in form and substance satisfactory to us, our lawyers and our consultants (including evidence of stamping (if applicable) and if

- a document is not an original document it must be certified in the manner we require as being a true and up to date copy of the original).

2.2 We need not provide any funds to you or otherwise allow you to use the mortgage facility if:

- any of the circumstances in clause 2 (Preconditions to use of any product) of the Client Terms exists; or
- the results of any searches, requisitions or other enquires in connection with you, any security provider or the property are not in form and substance satisfactory to us, our lawyers or consultants.

## 3 Your limit

You may only draw on a mortgage facility up to the limit. We may cancel or vary the limit at any time.

## 2 Part B - Mortgage Loans - General

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### 4 Funding

#### Purpose

4.1 You must use the mortgage facility only for the purpose set out in the letter of offer or as otherwise approved by us.

#### Requesting funds

4.2 If you want us to provide you with funds, you may do so by a written request in the form we require. If the mortgage facility is provided to finance a renovation, each request made during the renovation period may need to certify matters relating to the building and attach documents or other information we specify, including invoices from the builder and evidence that you have paid any shortfall between the funds to be advanced and the invoice amount. Your request must be made within a reasonable time (for example, at least [seven] banking days) before you require the funds.

#### How we provide the funds

4.3 We pay the funds to you as directed by you or your agent, except to the extent that we require otherwise. For example, if the mortgage facility is provided to finance a renovation, we provide the loan in a series of advances as the work progresses against invoices we approve. We may provide the funds by paying them directly to the builder. You must provide us with receipts from the builder within two weeks of the date we provide the funds as specified in the terms and conditions of the letter of offer.

#### Availability period

4.4 If the letter of offer states an availability period, each request for funds must be made during the availability period. Any unused portion of the limit at the end of the availability period is automatically cancelled.

- 4.5 If the mortgage facility is provided to finance renovation, you must ensure that the work is completed within the construction period agreed with us.

## **5 Interest, fees and charges**

### **Interest - General**

- 5.1 You must pay interest on the loan monthly in arrears (or as otherwise set out in our letter of offer) at the rate set out in the letter of offer. Despite the terms of our letter of offer, the interest rate we charge cannot be less than 0% per annum at any time.
- 5.2 Unless otherwise stated in our letter of offer, interest accrues on a daily basis and is calculated on the basis of a 360 day year.
- 5.3 Interest is payable on the dates set out in the letter of offer or otherwise in our banking agreement.
- 5.4 Unless otherwise stated in our letter of offer interest is charged to your account on the last banking day of each month and on the day when all amounts owing in connection with the mortgage facility are finally paid (unless you have made arrangements with us otherwise).

### **Fees and charges - general**

- 5.6 The fees and charges for each mortgage facility are set out in the letter of offer or the tariff guide. They are also available by contacting us at any of our branches, by phone banking or by visiting our website. We will notify you on any variation of fees.

## **6 Facility term**

- 6.1 The term of a mortgage facility commences on the date of first drawdown and continues for the period stated in the letter of offer.
- 6.2 The letter of offer may allow the original term of the mortgage facility to be extended up to a maximum period. This is to allow the instalment amount to be maintained despite any change in the interest rate (see clause 7.5 below) (This should be subject to variation of charged security documents)

## **7 Repayment**

### **Repayment by instalments**

- 7.1 If the letter of offer states that you must repay the mortgage facility in instalments, we notify you the amount of the instalment and each instalment payment date. Any balance owing for the mortgage facility (after payment of all instalments) must be repaid on the final payment date we notify you.
- 7.2 If you have not fully drawn down the mortgage facility (that is, you have not used up your entire limit) by the end of any availability period stated in the letter of offer, we may vary the instalment amount, the number of the instalments and the term of the mortgage facility. We will notify you when we do so.

- 7.3 You must pay the instalments even if you do not withdraw all or any of the loan we deposit in the nominated account.

- 7.4 If we vary the interest rate on the mortgage facility, we may vary the instalment amount and the number of instalments. However, if the letter of offer states that the mortgage facility has a term that may be extended if an interest rate increases, we extend the term of the mortgage facility (until it reaches the maximum term stated) rather than varying the instalment amount. If the maximum term is reached, we may vary the instalment amount. The right to vary instalments is in addition to our other rights to vary, as set out in our banking agreement.

### **Methods of instalment repayment**

- 7.5 The instalment repayment structure for the mortgage facility is stated in the letter of offer.
- 7.6 If the letter of offer states that the interest only repayment method applies, during the interest only period the amount of each monthly instalment is the sum of any unpaid interest charges which have accrued on the account for the mortgage facility for the month.  
At the end of the interest only period instalments, the mortgage facility converts to principal and interest instalments. We will notify you of the new instalment amount at the end of the interest only period.
- 7.7 If you ask, we may agree to defer a particular monthly instalment. If this happens, you must pay the additional interest which accrues on the deferred instalment amount on the final payment date we notify you.

### **Statements**

- 7.8 We issue a statement to you annually or upon request by you for the mortgage facility.
- 7.9 On the last day of the term, to the extent there is any balance owing for the mortgage facility, you must repay that balance owing.
- 7.10 Despite any other term of our banking agreement, we may ask you to repay all or part of the balance owing for the mortgage facility and all other amounts owing to us in connection with the mortgage facility at anytime. If we do so, you must immediately pay the amount we demand.
- 7.11 Before we discharge any security, you must pay all fees and costs payable in connection with the final settlement of your mortgage facility (such as discharge fees and costs).

## **8 Prepayment**

### **Prepayment**

- 8.1 You may prepay all or part of the mortgage facility if:
- the prepayment amount complies with any minimum or maximum amount we specify;
  - you prepay only part of the loan, you maintain a minimum loan balance we specify;

- when you prepay, you also pay all accrued but unpaid interest, fees and costs in connection with the mortgage facility and you.
- you comply with any other requirements stated in the letter of offer. If you are unable to give us reasonable notice of prepayment, we may also require you to pay us an amount equal to one month's interest on the mortgage facility.

8.2 An amount prepaid reduces the remaining instalments due in reverse order by the amount prepaid.

#### Right to reborrow

8.3 You may only reborrow an amount prepaid if our letter of offer states that the mortgage facility permits reborrowing (known as a revolving loan) and if you satisfy any conditions we require to permit reborrowing.

### 9. Review, cancellation, termination, suspension

In addition to the terms below, our Client Terms and the letter of offer set out our right to review the terms of your mortgage facility, when you and we may end or suspend your use of any product. The Client Terms also set out what you need to do if that happens (including immediate payment of the balance owing for the mortgage) and our enforcement rights. See, for example, Parts A and H of the Client Terms.

- 9.1 You may cancel a mortgage facility by [giving us three months' notice in writing].
- 9.2 We may at any time cancel or reduce a mortgage facility by giving you written notice. If we do so, you must repay the balance owing within the time we specify. This may include combining it with an existing mortgage facility we provide to you.

## 3 Part C - General

### 10 Mortgage insurance

This clause applies as we require you to take up mortgage insurance such as Mortgage Protection for the mortgage facility. In certain circumstances it provides protection for loss we may suffer in connection with your mortgage facility. This clause is in addition to the "Insurance" clause in the Client Terms.

#### Insurance application

- 10.1 You may apply to an insurer approved by us, or an insurer of your choice, subject to our approval to obtain mortgage insurance in connection with your mortgage facility.
- 10.2 You and the security provider acknowledge that the insurer decides whether or not to issue the mortgage insurance. We need not do anything to ensure that the insurer issues the requested mortgage insurance.

10.3 The terms of the mortgage insurance will be set out in the certificate of insurance issued to you by the insurer and the letter of offer. You should read the mortgage insurance terms carefully to ensure that it provides you with the necessary cover. Please note that your insurance does not take effect until the insurer issues you the certificate of insurance.

#### Amount you must pay

- 10.4 If we ask, you must pay to us any amounts which we are required to pay to the insurer in connection with the mortgage insurance, when we ask you to do so and within the time we specify. This may be before the amount is due to the insurer.
- 10.5 If we allow you to finance the premium amount out of drawdown proceeds, we apply part of the loan towards payment of the premium amount instead of collecting the premium amount from you as a lump sum. You must repay this amount to us in the same manner as the rest of loan under the mortgage facility or in any other manner we determine.
- 10.6 You must reimburse us for all costs which we incur in connection with the mortgage insurance (including making claims against it).

#### Acknowledgements

- 10.7 You and the security provider acknowledge and agree that in connection with any mortgage insurance:
- the insurer decides whether or not to provide the mortgage insurance;
  - we are not responsible for ensuring that your application for the mortgage insurance is accepted by the insurer; and
  - we are the beneficiary under the mortgage insurance.

#### Surrender of policy

- 10.8 If the mortgage insurance is surrendered because all amounts owing under the mortgage facility have been paid in full by either you or a security provider, the insurer may pay us a portion of the premium amount as the surrender value. If we receive any surrender value we pay it to you. However, we do so only if the premium amount has not been financed out of drawdown proceeds.
- 10.9 If the mortgage insurance is terminated for any other reason, we may require that the surrender value is applied to reduce the balance owing of the mortgage facility.

### 11 Inspection of property

You must do everything necessary to allow us or our authorised representatives to inspect the property. Unless there is an emergency, we give you reasonable notice before we carry out an inspection. You must pay all costs incurred by us in connection with any inspection (including travel and accommodation expenses).

## 12 Representations and warranties

### You represent and warrant that:

- 12.1 Your obligations under each of our banking agreements and any security (and the obligations of any security provider) are valid, binding and enforceable and neither you nor any security provider will be in breach of any law, authorisation, document or agreement by entering into or complying with obligations or exercising rights under any of our banking agreements or any other arrangement with us;
- 12.2 All the information given by you or any security provider (or on your or their behalf) is correct, complete and not misleading and each representation made by you to us is correct and not misleading.

## 13 Termination

We may end any (or all) of our banking agreements for a product, with or without notice to you, if:

- any security or insurance we require in connection with a product is or becomes unenforceable or is withdrawn or terminated without our consent; or
- you or any security provider becomes insolvent or any of your or their assets are subject to insolvency proceedings; or
- you or any security provider dies or becomes incapacitated; or
- you or any security provider stops payment, ceases to carry on its business or a material part of it or threatens to do so; or
- you or any security provider acts fraudulently or dishonestly.

## 4 Part D - Meaning of words

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### 14 Meaning of words

You also need to refer to our Client Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Client Terms, the definition in these terms applies for the purposes of a mortgage facility.

**limit** means, for a mortgage facility, the limit set out in the letter of offer for the mortgage facility. **loan** means the outstanding principal amount of all drawdowns under a mortgage facility.

**mortgage facility** means each mortgage loan or we make available to you under these terms as stated in our letter of offer.

**property** means the property the subject of the security