

TERMS & CONDITIONS

1. Confidentiality

The microlender may not, without the express consent of the loan applicant / borrower and apart from disclosing relevant information to a registered credit bureau, disclose any confidential information obtained in the course of a microlending transaction other than if it is required by a court order from a court with competent jurisdiction; and

The microlender may not, without the express written consent of the loan applicant / borrower, obtain from or to disclose to a third party, other than a registered credit bureau, the loan applicant / borrower's credit record and payment history;

2. Legal Costs

The microlender may not collect or attempt to collect legal costs in excess of costs allowed on a party and party scale in terms of the Magistrates' Courts Act, 1944 (Act No. 32 of 1944) or the High Court Act, 1990 (Act No.16 of 1990);

3. Consent to Judgment and Emolument Attachment Orders

Any consent to judgment forms or emolument attachment orders obtained prior to the borrower defaulting, is considered void and not enforceable;

4. Dispute Resolution

Complaints, which cannot be resolved between the microlender and the borrower, should be referred to NAMFISA. Attached is the complaints procedure, marked "Annexure A", which forms part of the agreement;

5. Cooling Off

The borrower may cancel the microlending transaction within three (3) business days after signing of the loan agreement, provided that the loan amount and pro rata finance charges in terms of section 26(2) of the Act at the rate applicable to that microlending transaction, be repaid simultaneously;

6. Prepayment of Instalments and Principal Debt

The borrower may make additional payments or settle the outstanding balance early in one or more payments without any penalties being levied for early settlement and that the microlender may, in such event, only stipulate for demand or receive from the borrower pro rata finance charges at the rate applicable to that microlending transaction;

7. The Whole Contract

No addition to or variation of the agreement shall be of any force and effect unless the change reduces the borrower's liabilities under the agreement or the change is recorded in writing and signed by both parties; and

8. Governing Law

The agreement shall be governed in all respects by the laws of the Republic of Namibia.

9. Disclosure

9.1. The microlender must, at every licensed premises where the microlender conducts the microlending business –

9.1.1. keep available a copy of the Microlending Act, 2018 (Act No. 7 of 2018) ("the Act"), the regulations and the standards issued under the Act which must, on request, be made available to the loan applicant or borrower for perusal. The microlender must further draw the attention of the loan applicant or borrower to section 23 of the Act, which provides for prohibited conduct of a microlender;

9.1.2. keep available a copy of the complaint procedures as required by the standards, which must be made available to the borrower on request;

9.1.3. keep available copies of the complaint intake forms as required by the standards, which must be made available to the borrower on request;

9.1.4. display prominently, in the form of an A3 poster, the complaint Procedures as required by the standards;

9.1.5. display in a form required by the standards the maximum finance charges determined by the Registrar in terms of the Usury Act; and

9.1.6. display prominently the registration certificate of the microlender issued by NAMFISA.

9.2. The microlender must, before the conclusion of the microlending transaction –

9.2.1. Provide the loan applicant with a schedule in writing setting out –

9.2.1.1. the principal debt in Namibia Dollars and cents;

- 9.2.1.2. the amount of finance charges in Namibia Dollars and cents at the applicable rate over the repayment period and the elements comprising the finance charges;
- 9.2.1.3. the total amount repayable in Namibia Dollars and cents at the then current interest rate, over the repayment period;
- 9.2.1.4. the finance charge rate, whether this is fixed or variable and, if variable, how it may vary;
- 9.2.1.5. the nature and amount of any insurance, if required, including the name of the insurer and the amount of the premiums payable;
- 9.2.1.6. the penalty interest and any additional costs that would become payable in the case of default by the loan applicant and how that would be calculated;
- 9.2.1.7. the instalment amount in Namibia Dollars and cents, at the then current interest rate, and the number of instalments;
- 9.2.1.8. the period of the microlending transaction; and
- 9.2.1.9. any other costs and expenses;
- 9.2.2. explain to the loan applicant the terms and conditions of the agreement in a language which the loan applicant understands, if necessary with the assistance of an interpreter provided by the loan applicant, so as to ensure that the meaning and consequences of the agreement are understood; and
- 9.2.3. allow the loan applicant an opportunity to read the agreement, or have it read to the loan applicant if he or she is illiterate.
- 9.2.4. The microlender must, after the conclusion of the microlending transaction –
 - 9.2.4.1. provide the borrower, at no cost, with a copy of the signed loan agreement before or at the time of advancing and, if applicable, a copy of the insurance contract pertaining to the microlending transaction; and
 - 9.2.4.2. provide the borrower with a written or electronic statement, the frequency and the costs of which is to be as required by the standards, of his or her loan position setting out all the charges levied, all the payments made and the balance outstanding.
- 9.2.5. The microlender must, at the request of the borrower, provide the borrower with a statement setting out all the charges levied, all the payments made and the balance outstanding, and may impose a charge for the provision of a duplicate copy of the statement but in no case may the charge exceed the amount per page of the statement as required by the standards.
- 9.2.6. If the microlender refuses to approve a loan application based on the reason of an adverse credit record, then the name and details of the credit bureau must be provided to the loan applicant so as to enable the loan applicant to check the accuracy of the credit information held by the credit bureau.
- 9.2.7. The microlender must, at least 28 days before the microlender forwards any adverse information on the borrower to a credit bureau, which information will be capable of being accessed by subscribers to the credit bureau, inform the borrower by way of a notice addressed to the chosen address of the borrower of the intention of the microlender to do so.