

UNSECURED LOAN TERMS AND CONDITIONS**1. INTERPRETATION****1.1 Definitions**

The terms defined in the Unsecured Loan Contract and/or any Transaction Document have the same meaning in this document. These terms and conditions are incorporated into the Unsecured Loan Contract between the Lender and each of its customers (unless the context requires otherwise) and any changes to these terms and conditions will be done in consultation with the Customer:

"Business Day" means a day (not being a Saturday, Sunday, or declared public holiday in that place) on which Banks are open for general banking business in PNG.

"Communications" means communications, notices, requests, disclosures, and other information related to this document and/or any Transaction Document that the Customer consents to receive from the Lender electronically.

"Continuing Default" at any time, means any Event of Default that is continuing or subsisting or has not been remedied or rectified by the Customer or is waived by the Lender at any time.

"Event of Default" has the meaning given to it under clause 11.1 of this document and includes any other event that is specified in any Transaction Document to be an event of default.

"Insolvency Event" means the occurrence of any one or more of the following events in relation to any natural person:

- (a) an application is made to a court for an order, proceedings are commenced, or an order is made, that they be declared bankrupt or that a trustee or bankruptcy administrator be appointed; or
 - (b) a receiver, administrator, controller or similar officer is appointed over them or any of their assets;
 - (c) they enter into an arrangement or composition with one or more of their creditors, or an assignment for the benefit of one or more of their creditors;
 - (d) they are insolvent as disclosed in their accounts or otherwise, states that they are insolvent, or are otherwise presumed to be insolvent under an applicable law;
 - (e) any distress or execution is levied against them or any of their assets;
 - (f) they dispose of all or a substantial part of their assets or threaten to do so; or
- or any analogous event or circumstance occurs under the laws of any jurisdiction.

"Interest Period" means a period of three months or such other duration that the Lender and the Customer agree in writing from time to time, and extended if necessary, so that it ends on a business day.

"Lender" means Finance Corporation Limited trading as FinCorp.

"Loan" means the amount of the personal loan stated in the Unsecured Loan Contract.

"Transaction Document" means

- (a) this document;
- (b) the Unsecured Loan Application relating to the Loan;
- (c) the Unsecured Loan Contract relating to the Loan;

- (d) any deed or finance document evidencing or relating to the Loan; and
- (e) any document or agreement that the parties agree in writing is to be a Transaction Document for the purposes of the Loan.

"Unsecured Loan Contract" means a contract between the Lender and the Customer.

1.2 Rules for interpreting this document

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (ii) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iii) a person includes any type of entity or body of persons, whether it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (iv) anything (including a right, obligation, or concept) includes each part of it and any part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) The expression "this document" includes the agreement, arrangement, understanding, terms, conditions and/or transaction recorded in this document.

1.3 Multiple parties

If a party to this document is made up of more than one person, or a term is used in this document to refer to more than one party, then unless otherwise specified in this document:

- (a) an obligation of those persons is joint and several; and
- (b) a right of those persons is held by each of them severally.

2. CUSTOMER'S OBLIGATION

- (a) The Customer must:
 - (i) repay the Loan;
 - (ii) pay interest on the Loan and on all other amounts charged to the Customer's loan account under this document; and
 - (iii) pay fees and other costs incurred in relation to the Loan (including but not limited to any valuation fees and inspection fees),as provided in the Unsecured Loan Contract and this document.
- (b) The Customer must make the repayment on the dates and in the manner specified in the Unsecured Loan Contract.
- (c) Interest is calculated on the amount of the Loan over the term of the Loan and is charged to the Customer's loan account.
- (d) The Customer must notify the Lender in writing promptly if the Customer changes their address or contact details.
- (e) The Customer must provide to the Lender in written form any consent or authorisation requested by the Lender, in form and substance satisfactory to the Lender, to enable the Lender to access any premises of a third



party to take possession of or remove any collateral located on the premises of or in the possession of that third party.

- (f) The Customer acknowledges that from time to time the Customer may be introduced to the Lender by a broker/agent/dealer or other person. In such circumstances the Lender may pay, and the Customer consents to payment of, a commission, fee or other remuneration to such broker/agent/dealer or other person.

3. DRAWDOWN

- (a) This offer may be withdrawn by the Lender at any time before the Loan is made even if the Customer has signed the Unsecured Loan Contract.
- (b) The Drawdown Date is the date the Loan is made by the Lender.

4. PAYMENTS

- (a) The Customer must make all payments to the Lender in such manner as the Lender requires from time to time at the Lender's office set out in the Unsecured Loan Contract or any other place the Lender advises the Customer in writing.
- (b) The Lender may apply any payment in any manner the Lender chooses (including without limiting the generality of the foregoing if the Customer has any other Unsecured Loan Contracts with the Lender and makes a payment without informing the Lender on how to apply the payment between the Unsecured Loan Contracts).
- (c) The Customer may make payments additional to those set out in the Unsecured Loan Contract but in doing so the total amount of interest payable by the Customer or the term of the Loan is not reduced.
- (d) Up to and until digital payments are declared mandatory by the Bank of Papua New Guinea, any cheque received by the Lender will not constitute a valid payment until it is cleared, and the Customer must ensure that the Customer has sufficient funds in the Customer's account on which the cheque is drawn or other payment made to ensure that the cheque or other payment is honoured.

5. INTEREST

- (a) The Customer must pay interest on the Loan.
- (b) Unless otherwise specified, the rate of interest applicable to the Loan is stated in the Unsecured Loan Contract.
- (c) Interest accrues on the outstanding principal amount of the Loan from day to day and for the actual number of days elapsed and is computed based on a year of 365 days.
- (d) The first Interest Period ends according to the Interest Period stated in the Unsecured Loan Contract after the Drawdown Date.
- (e) Accrued interest is payable in arrears on the last day of each Interest Period and on the Repayment date.

6. REPAYMENT

The Customer must repay to the Lender in full the principal amount of the Loan on the repayment date, together with any accrued but unpaid interest and all other moneys then outstanding but unpaid to the Lender under the Unsecured Loan Contract and this document. The Loan must not be redrawn.



7. PREPAYMENT

- (a) The Customer may prepay all (or part) of the loan on any date before the repayment date. Any amount prepaid under this provision, although will reduce the Loan, does not relieve the Customer from the Repayment and Frequency detailed in the Secured Loan Contract.
- (b) Any amount prepaid under this provision may not be redrawn.

8. REPRESENTATIONS

The Customer represents and warrants to the Lender on the date of the Unsecured Loan Contract and on the Drawdown Date and each date on which interest is payable under the Unsecured Loan Contract that:

- (a) they have the full legal capacity and power to:
 - (i) own their assets and carry on their business as it is being conducted; and
 - (ii) enter into the Unsecured Loan Contract and to carry out the transaction contemplated by that loan contract and by this document;
- (b) the obligations expressed to be assumed by the Customer in the Unsecured Loan Contract and this document are, valid, binding and enforceable obligations;
- (c) the entry into and performance by the Customer of, and the transactions contemplated by, the Unsecured Loan Contract and this document do not and will not conflict with;
 - (i) any law or regulation applicable to them; or
 - (ii) any material agreement or instrument binding upon it or any of their assets;
- (d) the Customer has power to enter into, perform and deliver, and has taken all necessary action to authorise the Customer's entry into, performance and delivery of the Unsecured Loan Contract and this document and the transactions contemplated by that loan contract and by this document;
- (e) the information, including:
 - (i) reports (if any) that the Customer has given to the Lender in connection with this document are true and accurate in all material respects and do not mislead in any material respect (including by omission); and
 - (ii) any forecasts and opinions in them are fair and reasonable (and were made or formed after due inquiry and consideration by appropriate officers of the Customer),as at the date of this document or, if given later, when given;
- (f) the Customer has disclosed to the Lender all the information that is material to an assessment by the Lender of the risks that it assumes by entering into the Unsecured Loan Contract;
- (g) no Insolvency Event has occurred in relation to the Customer;
- (h) there is no Continuing Default; and
- (i) the Customer is not entering into the Unsecured Loan Contract or any transaction contemplated by that loan contract or this document as trustee of any trust or settlement.



9. LENDER'S AUTHORITY TO MAKE ENQUIRIES AND REQUEST INFORMATION

- (a) The Lender shall have the right, at its sole discretion, to request from the Customer, and the Customer shall promptly provide, any financial statements, documents, records, or other types of information that the Lender reasonably considers necessary for:
- (i) assessing the financial condition of the Customer;
 - (ii) monitoring compliance with the terms and conditions of this document and/or any Transaction Document; and
 - (iii) any other reasonable purposes related to or arising from this document and/or any Transaction Document.
- (b) The Customer authorises the Lender to obtain and disclose information about the Customer from and to any reference source, any credit reporting agency or bureau, or third party for caution and risk management requirements.

10. POSITIVE UNDERTAKINGS

- (a) If they are a natural person, the Customer shall:
- (i) at all times comply with all applicable laws and regulations relevant to the Customer's business activities or personal financial responsibilities;
 - (ii) perform any business activity of the Customer in a proper and efficient manner;
 - (iii) at the request of the Lender made under clause 9 of this document, provide such information about the Customer, their assets, business and financial condition as the Lender requests;
 - (iv) promptly notify the Lender of any material change in their business, financial condition or any other circumstances that could reasonably be expected to have a material adverse effect on the Customer's ability to perform their obligations under this document and/or any Transaction Document;
 - (v) maintain and preserve all assets that are necessary for the continuation of their business activities and that pertain to the Loan in a good state of repair and condition, reasonable wear and tear expected; and
 - (vi) promptly notify the Lender upon the occurrence of any Event of Default.

11. DEFAULT

11.1 Events of Default

The Customer defaults under this document if:

- (a) the Customer fails to pay any money when it is due and payable under this document and/or any Transaction Document;
- (b) the Customer fails to satisfy any one or more of the Conditions Subsequent and/or otherwise fails to perform or comply with any one or more of its other obligations under this document and/or any Transaction Document;
- (c) the Customer if a natural person:
- (i) becomes insolvent;
 - (ii) dies;
 - (iii) ceases to be of full legal capacity; or



- (iv) otherwise becomes incapable of managing its own affairs for any reason.
- (d) an Insolvency Event occurs in relation to the Customer;
- (e) any representation, warranty or statement made by the Customer in or in connection with this document and/or any Transaction Document is untrue or misleading (whether by omission or otherwise), when so made, in any respect which the Lender considers is material;
- (f) the Customer breaches its obligations under clause 10(a)(iii) by failing to provide such information requested by the Lender under clause 9 of this document about their assets, business and financial condition or the Lender, acting reasonably, deems the provided information to be materially inaccurate, incomplete, or misleading.

11.2 Consequences

If an Event of Default occurs:

- (a) the Expiry Date of the Loan, as set out in the Unsecured Loan Contract, will be a date when all the outstanding amounts owed to the Lender have been repaid;
- (b) the Customer must pay on demand by the Lender the outstanding balance of the Loan and all other money payable under this document; and
- (c) the Customer must also pay on demand:
 - (i) all expenses incurred by the Lender in exercising its rights of enforcement against the Customer; and
 - (ii) all other expenses, costs and damages incurred by the Lender or fees payable to the Lender because of the Customer being in default under this document.

12. DEFAULT INTEREST

- (a) If there is a Continuing Default the Customer must pay to the Lender, on demand, interest on the overdue principal amount of the Loan, calculated at the default interest rate.
- (b) Default Interest accrues from day to day from and including the due date for payment up to the date of actual payment calculated based on a year of 365 days.

13. INDEMNITY

13.1 Costs Indemnity

The Customer indemnifies the Lender on demand against any cost, charge, expense, disbursement, fee, commission, tax, duty, or other payment incurred by the Lender at any time in connection with:

- (a) the preparation, negotiation, execution, performance or termination of any amendment to or any consent, claim, demand or waiver given or made under, this document;
- (b) any Event of Default;
- (c) any exercise or enforcement of any right or remedy conferred on the Lender under this document or by law.

14. NOTICES

14.1 Consent for Electronic Communications and Notices

- (a) The Customer consents to receive all Communications electronically. Such Communications may include but are not limited to, statements of account, payment reminders, default notices, requests for information, disclosures and any other information concerning the Loan, this document and/or any Transaction Document.



(b) The Lender may provide Communications via email, text message, or through a secured portal that the Customer may access with a user identification and password.

(c) It is the Customer's responsibility to maintain current and operational electronic contract information, including email addresses and mobile phone numbers, where such Communications can be sent and received.

(d) The Customer confirms that they have access to a computer, mobile device, or another device that can access the Internet and have an email account for receiving electronic Communications from the Lender.

(e) The Customer may withdraw consent to receive Communications electronically by notifying the Lender in writing. Upon withdrawal, the Lender reserves the right to charge additional fees for paper copies of Communications.

(f) The Customer may request paper copies of any Communication by contacting the Lender in writing. The Lender reserves the right to charge a fee for providing paper copies.

14.2 How to give a notice

A notice, consent or other Communication under this document is only effective if it is:

- (a) in writing, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) served by being:
 - (i) left at the address of the person;
 - (ii) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's postal address; or
 - (iii) sent in electronic form (such as email), with the subject matter line specifying the Customer's name, this document and a brief description of the subject matter of the Communication.

14.3 When a notice is given

A notice, consent or other Communication that complies with this clause is regarded as given and received if it is:

- (a) delivered to a person or left at an address:
 - (i) by 5.00 pm (local time in the place of receipt) on a Business Day on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day or on the next Business Day;
- (b) sent by mail five days after it is posted; or
- (c) sent in electronic form and it shall be considered to have been received on the date sent by the sender, regardless of whether the addressee has actually accessed the notice, consent or Communication.

14.4 Address for notices

A person's address, postal address, email address and mobile phone number are those set out in the Unsecured Loan Contract or as the person notifies the sender.

15. WAIVER

No failure, delay or course of dealing in relation to any right, power or privilege under this document and/or any Transaction Document operates as a waiver.



16. SET-OFF

The Lender may if the Customer is in default under this document without notice combine, consolidate or merge any or all the Customer's accounts conducted with the Lender and may set-off any moneys due to the Lender under this document against them, even if those accounts and the moneys due are not in the same currency, or are not held by the Customer in the capacity the Customer has entered into this document. The Lender may affect any currency conversion necessary or desirable for that purpose.

17. ASSIGNMENT

(a) The Customer may only assign, declare a trust over or otherwise deal with Customer's rights under this document with the written consent of the Lender.

(b) The Lender may assign, declare a trust over or otherwise deal with its rights under this document without the Customer's consent, and may disclose to any potential holder of the right, or an interest in the right, any information relating to this document or any party to this document.

18. GOVERNING LAW AND JURISDICTION

The Transaction Documents are governed by the law in force in Papua New Guinea. The Lender and the Customer submit to the non-exclusive jurisdiction of the courts in PNG.

19. COMPLAINTS MANAGEMENT

In the event that there is a complaint or a grievance about the Lender's products and/or services, the Customer can contact the branch manager of the branch nearest to the Customer or call into the Lender's Head Office, the address of which is disclosed at <https://www.fincorp.com.pg/locations/>. All complaints received will be managed in accordance with the Lender's *Complaint's Management Policy*.

20. STATEMENT BY LENDER

A statement by Lender or any director, secretary, or manager of the Lender on any matter relating to this document (including any amount owing by the Customer) is prima facie evidence of its contents.

