



TERMS & CONDITIONS FOR OPENING AND USE OF THE VIRTUAL BANKING ACCOUNT

1. THE AGREEMENT

- 1.1. These Terms and Conditions (hereinafter called "these Terms and Conditions") shall be applicable to the Virtual Banking Account (as hereinafter defined) opened by you with Family Bank.
- 1.2. These Terms and Conditions, and any amendments or variations thereto, take effect on their date of publication. You will be notified of any updates, amendments and/or variations to these terms and conditions via your Equipment (herein after defined).

2. DEFINITIONS

- 2.1. In these Terms and Conditions the following words and expressions (save where the context requires otherwise) shall bear the following meanings:

Virtual Banking Account means a Bank account held by a Customer with the Bank on its mobile money platform and which is opened and operated in accordance with the terms and conditions herein contained and as may be varied from time to time;

Bank means Family Bank Limited, a limited liability company incorporated in Kenya under the Companies Act (Chapter 486 of the Laws of Kenya) and duly licensed as a Bank under the Banking Act (Chapter 488 of the Laws of Kenya) and includes subsidiaries of the Bank as may from time to time be incorporated;

Credit Reference Bureau means a credit reference bureau duly licensed under the Banking Act pursuant to the Banking (Credit Reference Bureau) Regulations, 2013 to *inter alia*, collect and facilitate the sharing of customer credit information;

Customer means the person in whose name the Virtual Banking Account with the Bank is opened;

Customer Service Department means that Department of the Bank that is directly responsible for overseeing customer experience and handling customer queries, and may be represented through the Bank's branches or such other outlets, including retail outlets, as may be notified to the Customer by the Bank from time to time;

E-Money means the electronic monetary value in your Mobile Money Account representing actual cash equivalent;

Equipment includes your mobile phone handset, SIM Card and/or other equipment which when used together enables you to access the Network;

IPRS means the Integrated Population Registration System set up and maintained by the Government of Kenya under the relevant Ministry.

PesaPap Menu means the PesaPap Menu on the Bank's Mobile Money System or PesaPap App;

Mobile Money Account means your Mobile Money store of value, being the record maintained by an MNO of the amount of virtual money from time to time held by a Customer in the Mobile Phone System;

Mobile Money Service means the money transfer and payments service provided by an MNO through the Mobile Phone;

Mobile Money System means the system operated by an MNO in Kenya for the provision of the Mobile Money Service using the Network;

Mobile Money PIN means your personal identification number being the secret code used to access and operate the Mobile Money System and your Virtual Banking Account;

Mobile Money Subscriber means any person registered to use the Mobile Money System to send or receive money or make payments;

Network means the mobile cellular network operated by an MNO in Kenya;

Request means a request or instructions received by the Bank from you through the Network and the System and upon which the Bank is authorized to act;

MNO (Mobile Network Operator), refers to any Mobile Network Provider incorporated in Kenya as a limited liability company under the Companies Act (Cap 486 of the Laws of Kenya);

Services shall include any form of Banking services or products that the Bank may offer you pursuant to this Agreement and as you may from time to time subscribe to which Service may be added or deleted by the Bank at its sole discretion and "Service" shall be construed accordingly;

SIM Card means the subscriber identity module which when used with the appropriate mobile phone handset enables you to access the Network and to use the Mobile Money System;

SMS means a short message service consisting of a text message transmitted from one mobile phone to another;

System means the Bank's electronic Banking and communications software enabling the Customer to communicate with the Bank for purposes of the Services. The System and the

Services will for the purpose of this Agreement be accessed through the Mobile Money System or the Bank's PesaPap App;

Transaction Fees includes the Facility Fee (as defined at clause 5.2.6), the Rollover Fee (as defined at clause 5.2.9), the Fees set out in section 6 and any other fees and charges payable for the use of the Services as published by the Bank on the Bank's website and/or an MNO's website and/or the daily newspapers in Kenya or by such other means as the Bank shall in its sole discretion determine. Transaction Fees are subject to change at any time at the Bank's sole discretion upon 30days prior notice to the customers ;

We,” **our,**” and **us,**” means the Bank and includes its successors-in-title and assigns;

"You" or **"your"** means the Customer and includes the personal representatives of the Customer;

2.2. The word **“Customer”** shall include the masculine and the feminine gender as well as juristic persons;

2.3. Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

2.4. Headings in these Terms and Conditions are for convenience purposes only and they do not affect the interpretation of this Agreement.

3. ACCEPTANCE OF THE TERMS AND CONDITIONS

3.1. Before applying to open the Virtual Banking Account via the Mobile Money System you should take the time to carefully acquaint yourself with the process of using the Service and read and understand these Terms and Conditions which will govern the use and operation of the Virtual Banking Account. You have the freedom not to open the account if you are not sure of the suitability of the product or service or if the terms and conditions of the contract appear onerous.

3.2. If you do not agree with these Terms and Conditions, please click “Decline” on the Virtual Banking Account Menu. If you agree with these Terms and Conditions, please click “Accept” on the Virtual Banking Account Menu

3.3. You will be deemed to have read, understood and accepted these Terms and Conditions:-

3.3.1. Upon clicking on the “Accept” option on the PesaPap Menu requesting you to confirm that you have read, understood and agreed to abide with these Terms and Conditions; and/or

3.4. By accepting the terms and conditions of opening the Virtual Banking Account with the Bank, you agree to comply with and be bound by these Terms and Conditions for the time being in force and as may be varied from time to time governing the operation of the Virtual Banking Account, and you affirm that these Terms and Conditions are without prejudice to any rights that the Bank may have with respect to the Virtual Banking Account.

- 3.5. These Terms and Conditions may be amended or varied by the Bank from time to time and the continued use of your Virtual Banking Account constitutes your agreement to be bound by the terms of any such amendment or variation as shall be communicated to you by the Bank through the Equipment.
- 3.6. You acknowledge and accept that the Bank offers the Virtual Banking Account only electronically and you agree to do business with the Bank and to operate the Virtual Banking Account by electronic means via the PesaPap Menu on the Mobile Money System or the branch. Any query and complaint you may have relating to the Services shall be addressed to the Bank through the Customer Service Department. For the avoidance of doubt, you acknowledge and accept that you will not be allowed or entitled to receive or demand the Services pertaining to the Virtual Banking Account at any branch or branches of the Bank unless otherwise advised by the Bank in its sole discretion. You further acknowledge and accept that the Customer Service Department is not a branch of the Bank or the Bank's Agent for purposes of conducting Banking business or transactions and that it will not act as such.

4. ACCOUNT OPENING

- 4.1. In order to open a Virtual Banking Account with the Bank, you must be at least 18 years old and are registered as an active Mobile Money Subscriber. The Bank reserves the right to verify with a MNO the authenticity and status of your Mobile Money Account.
- 4.2. You may open a Virtual Banking Account solely by way of an electronic application made by you using your Equipment via the PesaPap Menu on the Mobile Money System.
- 4.3. You hereby agree and authorize the Bank to request an MNO for your personal information held by the MNO pursuant to the agreement between you and the MNO for the provision of the MNO products and services and Mobile Money Service including but not limited to your phone number, name, date of birth, ID or Passport Number and such other information that will enable the Bank to identify you and comply with the regulatory "Know Your Customer" requirements (together the "Personal Information"). You also hereby agree and authorize the Bank to request the MNO for information relating to your use of the Mobile Money Service and Mobile Money System as the Bank shall require for purposes of providing you with the Services ("Mobile Money Information"). You hereby consent to the disclosure of the Personal Information and the Mobile Money Information by an MNO to the Bank and to the aforesaid use of the Personal Information and the Mobile Money Information by the Bank.
- 4.4. You hereby agree and authorize the Bank to obtain and procure your Personal Information contained in the IPRS from the Government of Kenya and you further agree and consent to the disclosure and provision of such Personal Information by the Government of Kenya to the Bank.
- 4.5. You hereby further acknowledge and authorize the Bank to verify your Personal Information received from an MNO pursuant to Clause 4.3 against the information received from the Government of Kenya in your respect as contained in the IPRS.

- 4.6. The Bank reserves the right to request for further information from you pertaining to your application for a Virtual Banking Account at any time. Failure to provide such information within the time required by the Bank may result in the Bank declining to accept your application for a Virtual Banking Account.
- 4.7. Acceptance by the Bank of your application for a Virtual Banking Account shall be done via SMS sent to the MNO Mobile Phone Number associated with your Mobile Money Account. You acknowledge and accept that the acceptance by the Bank of your application for a Virtual Banking Account does not create any further contractual relationship between you and the MNO beyond the terms and conditions that apply to your Mobile Money Account from time to time.
- 4.8. The Bank reserves the right to decline your application for a Virtual Banking Account or to revoke or terminate the same at any stage at the Bank's sole discretion and without assigning any reason or giving any notice thereto.
- 4.9 It is the responsibility of the Customer to provide correct information to the Bank. In case of any discrepancy in the information provided, the Customer understands that the Bank will not in any way be responsible for action taken based on the information. The Bank will endeavour to correct the error if the customer reports such error in information.

5. TYPES OF ACCOUNT

As a holder of a Virtual Banking Account, you will be entitled, subject to these Terms and Conditions, to operate a Virtual Banking Account deposit account (herein after the "Virtual Banking Account Deposit Account") into which you may transfer money from your Mobile Money Account and/or make withdrawals into your Mobile Money Account, and/or to borrow money from the Bank through a Virtual Banking Account loan account (herein after the "Virtual Banking Loan Account" as follows:

5.1. *Virtual Banking Account Deposit Account*

As a holder of the Virtual Banking Account, you may make deposits into or withdrawals from your Virtual Banking Account Deposit Account using the PesaPap Menu on your Equipment. The transaction fees payable to an MNO for transactions effected in your Mobile Money Account from time to time will apply to any transactions effected in your Virtual Banking Account using the Mobile Money System.

Interest may be paid on the Virtual Banking Account Deposit Account at periodic intervals as determined by the Bank and/or upon respective maturity dates of such deposits at such rate as may be determined by the Bank.

5.2. *Virtual Banking Loan Account*

- 5.2.1 As a holder of the Virtual Banking Account, you may, subject to these Terms and Conditions, apply for a loan from the Bank using the PesaPap Menu on your Equipment.

- 5.2.2. Where you apply for a loan from the Bank, your application shall be appraised according to the applicable loan appraisal processes of the Bank. The Bank reserves the right at its sole discretion and without assigning any reason to approve or decline your application for a loan.
- 5.2.3. Subject to approval of your application for a loan the Bank shall disburse to you a loan of an amount to be determined by the Bank in its sole discretion (the "Loan").
- 5.2.4. The Loan shall be credited into your Mobile Money Account subject to any deductions on account of applicable Transaction Fees and taxes (if any is applicable).
- 5.2.5. You shall repay the Loan within thirty (30) calendar days from the date of disbursement of the Loan.
- 5.2.6. In consideration of the Bank granting you the Loan, you shall pay the Bank a facility fee being 6.62% of the Loan amount (the "Facility Fee") made as follows (processing fee of 5% Insurance 0.5% and monthly interest at (CBR+ 4%/12) or such other interest rate as may be prescribed by law. The Facility Fee shall be paid by you in arrears in addition to the Loan.
- 5.2.7. You shall make all payments due from you to the Bank in respect of the Loan and Transaction Fees using the Mobile Money Service and the System only unless otherwise agreed by the Bank in its discretion.
- 5.2.8. In the event that you do not repay the Loan in full within the time prescribed by the Bank from the date of disbursement of the Loan, the Bank will automatically roll over any outstanding amount in respect of the Loan and charge a Facility collection Fee of 5% being a fair estimate of the collection costs incurred by the Bank in following up the outstanding amount
- 5.2.9. Where the facility is not paid within the 30days period it shall continue to accrue interest at monthly rate of (CBR+4%/12) or any other such rate as may be prescribed under law until payment in full.
- 5.2.10. The Bank shall be entitled to immediately terminate this Agreement and close your Virtual Banking Account in accordance with the provisions of Clause13 without prejudice to any of its rights accruing hereunder if you fail to repay the Loan and/or the Transaction Fees due thereon within sixty (60) calendar days of the disbursement of the Loan. The closure of your account shall in no way serve to discharge your any payments outstanding from you in respect to your account.
- 5.2.11. The Bank shall hold your funds in your Virtual Banking Account Deposit Account as collateral and security for any amounts outstanding and due from you to the Bank in respect of your Virtual Banking Loan Account. You hereby agree and confirm that the Bank is entitled in its discretion to prevent or restrict you from withdrawing in whole or in part the funds in your Virtual Banking Deposit Account for so long as and to the extent of the amount

outstanding in respect of your Virtual Banking Loan Account without the Bank giving any notice to you and/or without incurring any liability to you whatsoever in that connection.

5.2.12. The Bank reserves the right to vary the terms of the Loan including the fees payable there on from time to time having regard to all applicable laws, the prevailing rules and regulations of the Central Bank of Kenya and the policies of the Bank.

5.2.13. The Bank shall have a right of lien and set off over funds held by you in your Virtual Banking Deposit Account, any other Virtual Banking Account held by you and/or any other account held by you in the Bank

5.2.14. You hereby expressly consent and authorize the Bank to obtain your credit rating and to disclose, respond, advice, exchange and communicate the details or information pertaining to your Virtual Banking Account to Credit Reference Bureaus as required under the Banking Act or any other regulatory body.

6. FEES

6.1. You hereby agree to pay all Transaction Fees payable in connection with your use of the Services.

6.2. You shall pay to the Bank and the Bank is entitled to deduct from your Virtual Banking Account:

6.2.1. Any Transaction Fees payable in respect of the Services;

6.2.2. Any legal charges including advocate and client costs incurred by the Bank in obtaining legal advice in connection with your Virtual Banking Account and your dealings with the Bank or incurred by the Bank in any legal, quasi-legal, arbitration or other proceedings arising out of any dealings in respect of your Virtual Banking Account. These fees shall be charged in accordance with the Advocates (Remuneration) Order 2014 or as amended from time to time and

6.2.3. All other fees, expenses and taxes, duties, impositions and expenses incurred in complying with your Requests.

6.2.4 All costs charges and expenses incurred by the Bank in obtaining or attempting to obtain payment of any loan owed under your Virtual Banking Account.

6.3 You shall ensure that you have sufficient funds in your Virtual Banking Account as shall be prescribed by the Bank before applying for any Loan.

7. STATEMENTS

7.1. You may request for a statement or activity report in respect of your Virtual Banking Account from the Bank using your Equipment (“Virtual Banking Account Mini Statement”).

7.2. A Virtual Banking Account Mini Statement shall provide details of the last 5 (five) transactions (or such other number of transactions as determined by the Bank) in your Virtual Banking Account initiated from or related to your Equipment.

- 7.3. A Virtual Banking Account Mini Statement shall not be sent to you in printed form but shall be delivered to you either by SMS to the MNO Mobile Phone Number associated with your Mobile Money Account or such other electronic means as the Bank may in its discretion determine. You shall be responsible for the payment of any charges levied by MNO in delivering the Virtual Banking Account Mini Statement to you.
- 7.4. You may obtain your electronic Virtual Banking Account Statements pertaining to your Virtual Banking Account from the Bank's Customer Service Department by sending a request via menu on the phone. These statements shall be available to you on a regular basis free of charge.
- 7.5. Save for a manifest error, a Virtual Banking Account Mini Statement or Bank statement issued to you as aforesaid in respect of your Virtual Banking Account shall be conclusive evidence of the transactions carried out on your Virtual Banking Account for the period covered in the Virtual Banking Account Mini Statement and/or Bank statement.

8. IRREVOCABLE AUTHORITY OF THE BANK

- 8.1. You hereby irrevocably authorize the Bank to act on all Requests received by the Bank from you through the System and to hold you liable in respect thereof, notwithstanding that any such requests are not authorized by you or are not in accordance with any existing mandates given by you provided the Request inputs your Mobile Money PIN.
- 8.2. If you request the Bank to cancel any transaction or instruction after a Request has been received by the Bank from you, the Bank may at its absolute discretion cancel such transaction or instruction but shall have no obligation to do so.
- 8.3. The Bank shall be entitled to accept and to act upon any Request, even if that Request is otherwise for any reason incomplete or ambiguous if, in its absolute discretion, the Bank believes that it can correct the incomplete or ambiguous information in the Request without any reference to you being necessary.
- 8.4. The Bank is authorized to effect such orders in respect of your Virtual Banking Account as may be required by any court order or competent authority or agency under the applicable laws.
- 8.5. In the event of any conflict between any terms of any Request received by the Bank from you and these Terms and Conditions, these Terms and Conditions shall prevail.

9. CUSTOMER'S EQUIPMENT AND CUSTOMER'S RESPONSIBILITIES

- 9.1. You shall at your own expense provide and maintain in safe and efficient operating order your Equipment necessary for the purpose of accessing the System and the Services.

- 9.2. You shall be responsible for ensuring the proper performance of your Equipment. The Bank shall neither be responsible for any errors or failures caused by any malfunction of your Equipment, nor shall the Bank be responsible for any computer virus or related problems that may be associated with the use of the System, the Services and the Equipment. You shall be responsible for charges due to any service provider providing you with connection to the Network and the Bank shall not be responsible for losses or delays caused by any such service provider.
- 9.3. You shall follow all instructions, procedures and terms contained in these Terms and Conditions and any document provided by the Bank concerning the use of the System and Services.
- 9.4. You agree and acknowledge that you shall be solely responsible for the safe keeping and proper use of your Equipment and for keeping your Mobile Money PIN secret and secure. You shall ensure that your Mobile Money PIN does not become known or come into possession of any unauthorized person. The Bank shall not be liable for any disclosure of your Mobile Money PIN to any third party and you hereby agree to indemnify and hold the Bank harmless from any losses resulting from any Mobile Money PIN third party disclosure.
- 9.5. You shall take all reasonable precautions to detect any unauthorized use of the System and the Services. To that end, you shall ensure that all communications from the Bank are examined and checked by you or on your behalf as soon as practicable after receipt by you in such a way that any unauthorized use of and access to the System will be detected and reported to the Bank.
- 9.6. You shall immediately inform the Bank through the Customer Service Department in the event that:
 - 9.6.1. You have reason to believe that your Mobile Money PIN is or may be known to any person not authorized to know the same and/or has been compromised; and/or
 - 9.6.2. You have reason to believe that unauthorized use of the Services has or may have occurred or could occur and a transaction may have been fraudulently input or compromised.
- 9.7. You shall at all times follow the security procedures notified to you by the Bank from time to time or such other procedures as may be applicable to the Services from time to time. You acknowledge that any failure on your part to follow the recommended security procedures may result in a breach of your Virtual Banking Account's confidentiality. In particular, you shall ensure that the Services are not used or Requests are not issued or the relevant functions are not performed by anyone other than by you or a person you have authorized.
- 9.8. You shall not at any time operate or use the Services in any manner that may be prejudicial to the Bank.

10. EXCLUSION OF LIABILITY

- 10.1. The Bank shall not be responsible for any loss suffered by you should the Services be interfered with or be unavailable by reason of (a) the failure of any of your Equipment, (b) any other circumstances whatsoever not within the Bank's control including, without limitation, force majeure, terrorist or any enemy action, equipment failure, loss of power, adverse weather or atmospheric conditions, and failure of any public or private telecommunications system.
- 10.2. The Bank will not be liable for any losses or damage suffered by you as a result of or in connection with:-
- 10.2.1. Unavailability of sufficient funds in your Mobile Money Account and/or in your Virtual Banking Account;
 - 10.2.2. Failure, malfunction, interruption of your Equipment or the Mobile Money Service;
 - 10.2.3. The money in your Virtual Banking Account being subject to a legal process or other encumbrance restricting payments or transfers thereof;
 - 10.2.4. Your failure to give proper or complete instructions for payments or transfers relating to your Virtual Banking Account;
 - 10.2.5. Any fraudulent or illegal use of the Services, the System and/or your Equipment;
 - 10.2.6 Any suspension of a transaction by the Bank to enable it conduct any investigations required by the Bank or where such transaction is in contravention of any law or Banking guidelines.
 - 10.2.6. Your failure to comply with these Terms and Conditions and any document or information provided by the Bank concerning the use of the System and the Services.
- 10.3. If for any reason other than a reason mentioned in subparagraphs 10.1 or 10.2, the Services are interfered with or unavailable, the Bank's sole liability under this Agreement in respect there of shall be to re-establish the Services as soon as reasonably practicable.
- 10.4. Save as provided in subparagraph 10.3 the Bank shall not be liable to you for any interference with or unavailability of the Services, howsoever caused.
- 10.5. Under no circumstances shall the Bank be liable to you for any loss of profit or anticipated savings or for any indirect or consequential loss or damage of whatever kind, howsoever caused, arising out of or in connection with the Services even where the possibility of such loss or damage is notified to the Bank.
- 10.6. All warranties and obligations implied by law are hereby excluded to the fullest extent permitted by-law.

11. INTELLECTUAL PROPERTY RIGHTS

You acknowledge that the intellectual property rights in the System (and any amendments, upgrades or enhancements thereto from time to time) and all associated documentation that the Bank provides to you through the System or otherwise are vested either in the Bank or in other persons from whom the Bank has a right to use and to sub-license the System and/or the said documentation. You shall not infringe any such intellectual property rights. You shall not

duplicate, reproduce or in any way tamper with the System and associated documentation without the prior written consent of the Bank.

12. INDEMNITY

In consideration of the Bank complying with your instructions or Requests in relation the Virtual Banking Account, you undertake to indemnify the Bank and hold it harmless against any loss, charge, damage, expense, fee or claim which the Bank suffers or incurs or sustains thereby and you absolve the Bank from all liability for loss or damage which you may sustain from the Bank acting on your instructions or Requests or in accordance with these Terms and Conditions. This indemnity shall also cover the following:

- 12.1 All demands, claims, actions, losses and damages of whatever nature which may be brought against the Bank or which it may suffer or incur arising from its acting or not acting on any Request or arising from the malfunction or failure or unavailability of any hardware, software, or equipment, the loss or destruction of any data, power failures, corruption of storage media, natural phenomena, riots, acts of vandalism, sabotage, terrorism, any other event beyond the Bank's control, interruption or distortion of communication links or arising from reliance on any person or any incorrect, illegible, incomplete or inaccurate information or data contained in any Request received by the Bank.
- 12.2 Any loss or damage that may arise from your use, misuse, abuse or possession of any third party software, including without limitation, any operating system, browser software or any other software packages or programs.
- 12.3 Any unauthorized access to your Virtual Banking Account or any breach of security or any destruction or accessing of your data or any destruction or theft of or damage to any of your Equipment.
- 12.4 Any loss or damage occasioned by your failure to adhere to these Terms and Conditions and/or by you supplying incorrect information or loss or damage occasioned by the failure or unavailability of third party facilities or systems or the inability of a third party to process a transaction or any loss which may be incurred by the Bank as a consequence of any breach by these Terms and Conditions.
- 12.5 Any damages and costs payable to the Bank in respect of any claims against the Bank for compensation for loss where the particular circumstance is within your control.
- 12.6 Any currency conversion losses the Bank may incur as a result of converting the currency of the Loan to another currency if required upon the Bank by any competent authority or applicable laws.

13. VARIATION AND TERMINATION OF RELATIONSHIP

- 13.1. The Bank may at any time, upon notice to you, terminate or vary its business relationship with you and/or and close your Virtual Banking Account and in particular but without prejudice to the generality of the foregoing the Bank may cancel credits which it has granted

and require the repayment of outstanding debts resulting there from within such time as the Bank may determine.

- 13.2. Without prejudice to clause 13.1. The Bank may at its sole discretion suspend or close your Virtual Banking Account without notice:
 - 13.2.1. If you use the Virtual Banking Account for unauthorized purposes or where the Bank detects any abuse/misuse, breach of content, fraud or attempted fraud relating to your use of the Services;
 - 13.2.2. If your Mobile Money Account or agreement with MNO is terminated for whatever reason;
 - 13.2.3. If the Bank is required or requested to comply with an order or instruction from the government, court, regulator or any other competent authority;
 - 13.2.4. If the Bank reasonably suspects or believes that you are in breach of these Terms and Conditions (including non-payment of any Loan amount due from you where applicable);
 - 13.2.5. Where such a suspension or variation is necessary as a consequence of technical problems or for reasons of safety;
 - 13.2.6. To facilitate update or upgrade the contents or functionality of the Services from time to time;
 - 13.2.7. Where you remain inactive for any period of time determined by the Bank in its reasonable discretion; or
 - 13.2.8. If the Bank decides to suspend or cease the provision of the Services for commercial reasons or for any other reason as it may determine in its absolute discretion.
 - 13.2.9 If the account violates any requirements of the Law or Banking guidelines.
 - 13.2.10 For any other reason as the Bank may in its sole discretion determine. The Bank shall be under no obligation to disclose such reasons.
- 13.3. You may close your Virtual Banking Account at any time at any Branch or through the Bank's Customer Service Department.
- 13.4. If your Virtual Banking Account has any credit balance at the time of its closure, we will return any such balance to you, less any applicable fees. If your Virtual Banking Loan Account is in arrears at the time of closure of your Virtual Banking Account, you agree to pay to us immediately all amounts you owe us.
- 13.5. Termination shall however not affect any accrued rights and liabilities of either party.
- 13.6. If the Bank receives notice of your demise, the Bank will not be obliged to allow any operation or withdrawal from your Virtual Banking Account by any person except upon production of Grants of confirmation of Letters of Administration or Probate by you legal representatives duly appointed by the Court.

14. DISCLOSURE OF INFORMATION

You hereby expressly consent and authorize the Bank to disclose, receive, record or utilize your personal information or information or data relating to your Virtual Banking Account and any details of your use of the Services:

- 14.1 To and from any local or international law enforcement or competent regulatory or governmental agencies so as to assist in the prevention, detection, investigation or prosecution of criminal activities or fraud;
- 14.2. To and from the Bank's service providers, dealers, agents or any other company that maybe or become the Bank's subsidiary or holding company for reasonable commercial purposes relating to the Services;
- 14.3. To and from a Credit Reference Bureau;
- 14.4. To the Bank's lawyers, auditors or other professional advisors or to any court or arbitration tribunal in connection with any legal or audit proceedings;
- 14.5. To and from a MNO in connection with the Mobile Money Service and the Services;
- 14.6. For reasonable commercial purposes connected to your use of the Services, such as marketing and research related activities; and
- 14.7 In business practices including but not limited to quality control, training and ensuring effective systems operation.

15. MISCELLANEOUS

- 15.1. These Terms and Conditions (as may be amended from time to time) are legally binding on you and your personal representatives, beneficiaries or successors.
- 15.2. This Agreement and any rights or liabilities accruing thereunder may not be assigned by you to any other person.
- 15.3. The Bank may vary or amend at any time these Terms and Conditions and the Transaction Fees by providing 30days notice. Any such notices, variations or amendments may be published in posters or pamphlets available at MNO's Agents outlets, in the daily newspapers, on the Bank and/or MNO's website and/or by any other means as determined by the Bank and any such variations and amendments shall take effect immediately upon publication.
- 15.4. No failure or delay by either yourself or the Bank in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.
- 15.5. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
- 15.6. If any provision of these Terms and Conditions shall be found by any duly appointed arbitrator, court or administrative body of competent jurisdiction to be invalid or

unenforceable the invalidity or unenforceability of such provision shall not affect the other provisions herein.

15.7. Any addition or alteration to these Terms and Conditions may be made from time to time by the Bank and of which notice has been given to you by way of publication as provided in subparagraph 15.3 shall be binding upon you as fully as if the same were contained in these Terms and Conditions.

15.9 As a Virtual Banking Account holder you shall not be eligible to a debit card or a cheque book unless the Bank waives this restriction.

16. NOTICES

16.1 The Bank may send information concerning the Virtual Banking Account via SMS to the MNO Mobile Phone number associated with your Mobile Money Account.

16.2 You acknowledge that you have no claim against the Bank for damages resulting from losses, delays, misunderstandings, mutilations, duplications or any other irregularities due to transmission of any communication pertaining to the Virtual Banking Account.

17. DISPUTE RESOLUTION, JURISDICTION AND ARBITRATION

17.1. You may contact the Customer Service Department to report any disputes, claims or Virtual Banking Account discrepancies.

17.2. Any dispute arising out of or in connection with this Agreement that is not resolved by the Bank's Customer Care representatives shall be referred to arbitration by a single arbitrator to be appointed by agreement between the parties or in default of such agreement within 60 days of the notification of a dispute, upon the application of either party, by the Chairman for the time being of the Chartered Institute of Arbitrators (Kenya Branch). Such arbitration shall be conducted in the English language in Nairobi in accordance with the Rules of Arbitration of the said Institute and subject to and in accordance with the provisions of the Arbitration Act 1995.

17.3. To the extent permissible by Law, the determination of the Arbitrator shall be final, conclusive and binding upon the parties hereto.

17.4. This Agreement shall be governed by and construed in accordance with the laws of the Republic of Kenya.

18. INSURANCE

As a condition to your request for a loan, the Bank will require you to take insurance cover to cover death and disability through the Bank's insurance plan ("Insurance") and this will be provided by the Bank or such other insurer as shall be notified to you by the Bank from time to time.

All proceeds received by the Bank in respect of any claim made under the insurance will be applied by the Bank in repayment of the Loan. Any surplus after such application will be paid to your Virtual Banking Account.

19. FOREIGN ACCOUNT TAX COMPLIANCE ACT

The Customer hereby expressly acknowledges and agrees that pursuant to the Foreign Account Tax Compliance Act (“FATCA”) enacted under the Laws of the United States of America (US), the Bank is or may be required for US citizens or residents to disclose and report certain information concerning the Customer’s Virtual Banking Account to the relevant authorities including but not limited to the US Internal Revenue Service (“US Authorities”). Additionally, FATCA may require the Bank to deduct, withhold and remit such taxes or monies to the US Authorities as may be directed by them from time to time.

The Customer hereby expressly consents and authorizes the Bank to disclose, respond, advise, exchange and communicate the details or information pertaining to the Customer’s Virtual Banking Account(s) to the US Authorities and to deduct, withhold and remit such monies or taxes as may be directed by the US Authorities to enable the Bank to fulfil its obligations under FATCA and other enabling US statutes.

The Customer hereby irrevocably releases and fully discharges the Bank, its directors, officers, employees, servants and agents and related parties from any and all claims, liabilities, damages, loss or expense arising from the Bank disclosing and reporting any such information concerning the Customer’s Virtual Banking Account(s) to the US Authorities and/or deducting, withholding and remitting any monies to the US Authorities.