

TERMS AND CONDITIONS FOR THE KCB M-PESA ACCOUNT

1. THE AGREEMENT

1.1. This Agreement sets out the complete terms and Conditions (hereinafter called “these Terms and conditions”) which shall be applicable to the KCB M-PESA Account (as hereinafter defined) opened by you (as hereinafter defined) with the Bank (as hereinafter defined).

1.2. These Terms and conditions and any amendments or variations thereto take effect on their date of publication.

2. DEFINITIONS

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

- 2.1.1. “Bank” means KCB Bank Kenya Limited incorporated in Kenya as a limited liability company 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 specified by the Bank to you;
- 2.1.2. “Credit Reference Bureau” means a credit reference bureau duly licensed under the Banking Act pursuant to the Banking (Credit Reference Bureau) Regulations, 2013, as amended, revised or promulgated from time to time, to inter alia, collect and facilitate the sharing of customer credit information;
- 2.1.3. “Customer” means the person in whose name the KCB M-PESA Account with the Bank is existing;
- 2.1.4. “Customer Care Centre” means any Safaricom Retail Shops or Bank Branch or such other Bank Agent or Agents as may be notified to the Customer by the Bank from time to time;
- 2.1.5. “E-Money” means the electronic monetary value depicted in your M-PESA Account representing an equal amount of cash;
- 2.1.6. “Equipment” includes your mobile phone handset, SIM Card and/or other equipment which when used together enables you to access the Network;
- 2.1.7. “IPRS” means the Integrated Population Registration System set up and maintained by the Government of Kenya under the Ministry of State for Immigration and Registration of Persons and its successors;
- 2.1.8. “KCB M-PESA Account” means a bank account held by a Customer with the Bank and which is opened and operated in accordance with the Terms and Conditions herein contained;
- 2.1.9 “KCB M-PESA Products” means the other Bank accounts, products or services offered to the Customer to complement the KCB M-PESA Account;
- 2.1.10. “KCB M-PESA Menu” means the KCB M-PESA Menu on the M-PESA System;
- 2.1.11. “KCB M-PESA Loan Menu” means the KCB M-PESA Loan Menu on the M-PESA System;
- 2.1.12. “M-PESA Account” means your mobile money store of value, being the record maintained by Safaricom of the amount of E-Money from time to time held by you in the M-PESA System;
- 2.1.13. “M-Pesa Pin” means your personal identification number being the secret code used to access and operate the M-Pesa System & your KCB M-pesa Account;
- 2.1.14. “M-PESA Service” means the money transfer and payments service provided by Safaricom through the M-PESA System;
- 2.1.15. “M-PESA System” means the system operated by Safaricom in Kenya for the provision of the M-PESA Service using the Network;
- 2.1.16. “M-PESA Subscriber” means any person registered to use the M-PESA System to send or receive money or make payments;
- 2.1.17. “Network” means the mobile cellular network operated by Safaricom;
- 2.1.18. “Request” means a request or instruction received by the Bank from you or purportedly from you through the Network and the System and upon which the Bank is authorized to act;
- 2.1.19. “Safaricom” means Safaricom Limited incorporated in Kenya as a limited liability company under the Companies Act (Cap 486 of the Laws of Kenya);



- 2.1.20. "Services" shall include any form of financial services or products that the Bank may offer you pursuant to this Agreement and as you may from time to time subscribe to and "Service" shall be construed accordingly;
- 2.1.21. "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 M-PESA and KCB M-PESA System;
- 2.1.22. "SMS" means a short message service consisting of a text message transmitted from one mobile phone to another;
- 2.1.23. "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 Safaricom System;
- 2.1.24. "Transaction Fees" includes the any fees and charges payable for the use of the Services as published by the Bank on the Bank's website and/or Safaricom'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;
- 2.1.25. "We," "our," and "us," means the Bank and includes the successors and assigns of the Bank;
- 2.1.26. "You" or "your" means the Customer and includes the personal representatives of the Customer;
- 2.1.27. The word "Customer" shall include both the masculine and the feminine gender as well as juristic persons;
- 2.1.28. Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

3. ACCEPTANCE OF THE TERMS AND CONDITIONS

- 3.1. Before applying to open the KCB M-PESA Account via the M-PESA System you should carefully read and understand these Terms and conditions which will govern the use and operation of the KCB M-PESA Account.
- 3.2. If you do not agree with these Terms and conditions, please click "Decline" on the KCB M-PESA 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 KCB M-PESA Menu requesting you to confirm that you have read, understood and agreed to abide with these Terms and Conditions; and/or
- 3.3.2. by using or continuing to use and operate the KCB M-PESA Account and/or the Services.
- 3.4. By applying to open the KCB M-PESA Account with the Bank, you agree to comply with and be bound by these Terms and Conditions for the time being and from time to time in force governing the operation of the KCB M-PESA Account and you affirm that these Terms and Conditions herein are without prejudice to any right that the Bank may have with respect to the KCB M-PESA Account in law or otherwise.
- 3.5. These Terms and Conditions may be amended or varied by the Bank from time to time and the continued use of your KCB M-PESA Account and/or the Services constitutes your agreement to be bound by the terms of any such amendment or variation.

4. ACCOUNT OPENING

- 4.1. In order to open a KCB M-PESA Account with the Bank, you must be at least 18 years old and a registered and active M-PESA Subscriber for at least six (6) months immediately preceding the date of your application. The Bank reserves the right to verify with Safaricom the authenticity and status of your M-PESA Account.
- 4.2. You may open a KCB M-PESA Account solely by way of an electronic application made by you using your Equipment via the KCB M-PESA Menu on the Safaricom System.
- 4.3. You hereby agree and authorize the Bank to request Safaricom for your personal information held by Safaricom pursuant to the agreement between you and Safaricom for the provision of Safaricom products and services and M-PESA Service including 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 Safaricom for information relating to your use of the M-PESA Service, M-PESA System and Safaricom Services as the Bank shall require for purposes of providing you the Services ("M-PESA Information"). You hereby consent to the disclosure of the Personal Information and the M-PESA Information by Safaricom to the Bank and to the aforesaid use of the Personal Information and the M-PESA 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 Safaricom 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 KCB M-PESA 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 KCB M-PESA Account.

4.7. Acceptance by the Bank of your application for a KCB M-PESA Account shall be done via SMS sent to the Safaricom Mobile Phone Number associated with your M-PESA Account. You acknowledge and accept that the acceptance by the Bank of your application for a KCB M-PESA Account does not create any contractual relationship between you and Safaricom beyond the terms and conditions that apply to your M-PESA Account from time to time.

4.8. The Bank reserves the right to decline your application for a KCB M-PESA Account or to revoke the same at any stage at the Bank's sole discretion and without assigning any reason or giving any notice thereto.

5. YOUR REQUESTS

5.1. You hereby irrevocably authorize the Bank to act on all Requests received by the Bank from you (or purportedly from you) through the System and to hold you liable in respect thereof. The Bank may nevertheless refuse to carry out any Requests which would result in there being an overdraft on your KCB M-PESA Account.

5.2. 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.

5.3. The Bank shall be deemed to have acted properly and to have fully performed all the obligations owed to you notwithstanding that the Request may have been initiated, sent or otherwise communicated in error or fraudulently, and you shall be bound by any Requests on which the Bank may act if the Bank has in good faith acted in the belief that such instructions have been sent by you.

5.4. The Bank may, in its absolute discretion, decline to act on or in accordance with the whole or any part of your Request pending further enquiry or further confirmation (whether written or otherwise) from you. The Bank shall not be under any obligation to so decline in any case, and shall in no event or circumstance be liable for not so declining.

5.5. You agree to and shall release from and indemnify the Bank against all claims, losses, damages, costs and expenses howsoever arising in consequence of, or in any way related to the Bank having acted in accordance with the whole or any part of any of your Requests (or failed to exercise) the discretion conferred upon it.

5.6. You acknowledge that to the full extent permitted by law the Bank shall not be liable for any unauthorized drawing, transfer, remittance, disclosure, any activity or any incident on your account by the fact of the knowledge and/or use or manipulation of your M-PESA PIN, password, ID or any means whether or not occasioned by your negligence.



5.7. You can only cancel your Request by calling the Customer Care Centre and Requesting cancellation. Cancellation will however only be allowed where your Request is revocable and has not yet been acted on. If the Bank is able to cancel your instruction you may be charged for such cancellation.

5.8. The Bank may refuse to make a payment if you do not have sufficient funds in your KCB M-PESA Account. In deciding whether you have sufficient funds, the Bank will take account of any instructions to make payments and regular payments which have not yet been paid from your KCB M-PESA Account. The Bank will not be obliged to take account of regular credits or any amounts received after it has decided not to make the payment.

5.9. The Bank is authorized to effect such orders in respect of your KCB M-PESA Account as may be required by any court order or competent authority or agency under the applicable laws.

5.10. 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.

6. OVERDRAWING YOUR KCB M-PESA ACCOUNT

6.1. No Overdraft will be allowed on your KCB M-PESA Account.

6.2. The Bank is entitled to demand repayment of any money overdrawn from your account together with interest and penalties.

7. LIEN

7.1. The Bank shall have a general lien over all your property/assets in its possession in the event that you owe any money to the Bank including but not limited to cash, goods, securities or valuables deposited for safe custody as security, cheques presented, bills and any other movable or immovable property charged to secure repayment of any money, whether or not that money has been repaid, and also over all property in respect of which, by the general law, the Bank has lien.

7.2. Where you are indebted to the Bank in circumstances giving the Bank a right of set off, all property held under lien in terms of sub-clause 7.1 hereof shall be deemed to be held as security for the debt.

7.3. The Bank may at any time give you notice in writing that if an accrued debt is not paid within a period being not less than 14 days (or such other period specified in the notice) from the date of receipt by you of the notice then the Bank may, without further notice, realize sufficient of your assets to discharge the debt. Any part payment made will be accepted strictly on account and without prejudice to the Bank's rights.

7.4. You hereby constitute us as your attorney for the purposes of any transaction will be held on your behalf in relation to your assets for purposes of discharging the debt.

8. SET-OFF

8.1. The Bank may, upon notice, combine/consolidate your KCB M-PESA Account with any of your other accounts held in the Bank, whether current, loan, savings, deposit, term deposit, joint or any other type and thereafter set off any amount held to your credit against any indebtedness you owe to the Bank.

8.2. The Bank may, upon notice to you, set off any amount held to your credit on your M-PESA Account against any indebtedness you owe to the Bank.

8.3. The Bank may, upon notice to you, set off your KCB M-PESA Account against any other account or indebtedness in respect of which you are liable, notwithstanding that some other person may also be liable in respect thereof. In such circumstances, upon receipt of an indemnity acceptable to the Bank (against costs) and at your expense, the Bank will give you any assistance necessary in obtaining a refund.

8.4. If the set off is for debt recovery, the Bank will provide you with a detailed breakdown of the costs and expenses recovered from you together with a justification for such costs and expenses.

9. STATEMENTS

9.1. You may request for a statement or activity report in respect of your KCB M-PESA Account from the Bank using your Equipment ("KCB M-PESA Mini Statement").



9.2. A KCB M-PESA Mini Statement shall provide details of the last 4 (four) transactions (or such other number of transactions as determined by the Bank) in your KCB M-PESA Account initiated from your Equipment.

9.3. A KCB M-PESA Mini Statement shall not be sent to you in printed form but shall be delivered to you either by SMS to the Safaricom Mobile Phone Number associated with your M-PESA 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 Safaricom in delivering the KCB M-PESA Mini Statement to you.

9.4. You may obtain printed KCB M-PESA Mini Statements or a printed bank statement pertaining to your KCB M-PESA Account from the Bank. You shall be responsible for the payment of any charges levied by the Bank for such printed statements. You also hereby authorize the Bank to share your KCB M-PESA Account information with Safaricom for this purpose.

9.5. Save for a manifest error, a KCB M-PESA Mini Statement or bank statement issued to you aforesaid in respect of your KCB M-PESA Account shall be conclusive evidence of the transactions carried out on your KCB M-PESA Account for the period covered in the KCB M-PESA Mini Statement and/or bank statement.

9.6. Your statement will show all amounts added or taken from your KCB M-PESA Account during the period requested and/or since the previous statement. You must check your statement carefully and tell the Bank as soon as possible if it includes any transaction or other entry which appears to you to be wrong or not made in accordance with your instructions.

9.7. The Bank reserves the right to rectify discrepancies, add and/or alter the entries in your statements, without prior notice to you. The Bank will however inform you of any rectification, additions and/or alterations effected on your statements within a reasonable time after the changes are effected.

9.8. You will be notified of all transactions on your KCB M-PESA Account by way of SMS and the charges for this service will be debited to your KCB M-PESA Account.

10. CUSTOMER COMPLAINTS

10.1. Complaints may be made in person, in writing, by post, fax, email or by telephone.

10.2. The Bank will take all measures within its means to resolve your complaints within a reasonable time. All complaints will be handled in accordance with the Bank's complaints handling procedures, which are available on request from any Bank Branch or the Customer Care Centre. Where a notification regarding your complaint or any other matter is expected from the Bank but not received, the complaint must be made within a reasonable time after non-receipt of such notification.

10.3. Applicable tariffs will be charged by your telephone and internet service provider (s) when communicating with the Customer Care Centre.

11. INOPERATIVE AND DORMANT ACCOUNTS

11.1. Your KCB M-PESA Account will automatically be classified as inactive if you do not initiate any transactions on the account for a continuous period of 12 months.

11.2. The Bank shall make reasonable endeavors to inform you of the intended classification of your KCB M-PESA Account as inactive at least one (1) month before such classification. The Bank shall, no later than seven (7) days from the date of such classification, inform you of such classification by way of SMS alerts addressed to your mobile telephone number.

11.3. Your KCB M-PESA Account will be classified as Dormant if it remains inactive for a further period of 12 months, in which case the account balances shall be transferred from your KCB M-PESA Account to a central account for security reasons.

11.4. You will not be allowed to transact on an inactive or dormant account but the Bank shall, upon your written (e.g. letter/email) request, inform you of the procedure to be followed to activate your inactive/dormant account.

11.5. The Bank may (including without limitation) apply any one or more of the following conditions to your KCB M-PESA Account upon its classification as Dormant:

- I. confirm the validity and authenticity of the first transaction reactivating the account;



- II. suspend the payment of interest (if applicable);
- III. suspend the issuance of statements;
- IV. charge a maintenance fee as we may determine from time to time;

11.6. If your KCB M-PESA Account will not have any transactions initiated by you for a continuous period of five (5) years or if you shall not have communicated with us for a continuous period of five (5) years regarding your KCB M-PESA Account, such account will be presumed abandoned and transferred to the Unclaimed Financial Assets Authority as such.

12. BANK CHARGES AND EXPENSE INTEREST

12.1. The Bank may debit your KCB M-PESA Account with bank fees, commissions, costs and other charges in respect of the Bank's products and services provided to you, including but not restricted to the following:

- a) Unless otherwise agreed in writing, interest on overdrawn accounts, loan accounts or any other facility granted, at any rate or rates as the Bank may determine from time to time, but not exceeding the maximum allowed by law, which rate or rates may be different for different accounts. Such interest will be calculated on daily balances and debited monthly. The Bank will notify you within reasonable time prior to effecting any change(s) as regards interest rates. Where a higher rate of interest has been agreed, the Bank may charge such higher rate on any of your accounts. Such interest is payable notwithstanding the determination of your relationship with the Bank and until you repay the full amount you owe the Bank in full.
- b) Legal charges: Advocate and client charges, costs and expenses incurred in any legal, arbitration or other proceedings arising out of or connected with your KCB M-PESA Account;
- c) Commissions: Commissions at such rates as the Bank may determine from time to time. d) Other charges and expenses: In addition to the debits authorised by sub-clauses (a) and (b) of this clause, all other proper expenses and charges including but not limited to ledger fees, postage, cables, telephone calls, taxes, duties and impositions. The Bank may also debit your account with expenses incurred:
 - I. In complying with your requests;
 - II. In complying with the requests of authorized and accredited Government or other agencies in relation to your account;
 - III. In maintaining your Account;
 - IV. In collecting or attempting to collect any amount of money you owe the Bank; and v. Expenses incurred in realizing any security or protecting the subject matter of any security issued to the Bank.
- d) Such penalties as are provided in these Terms and Conditions at any rate or rates as the Bank may determine from time to time. The penalties will be calculated on daily balances and debited monthly. Penalties shall be due and payable notwithstanding the determination of your relationship with the Bank until settlement in full;
- e) The Bank will provide you with a detailed breakdown of the costs, charges and expenses incurred under sub-clauses (a), (b), (c), (d) and (e) of this clause in the account statements. Please visit your nearest Bank branch for a copy of the complete guide on the Bank's Tariffs. The Tariffs are also available on our website at http://ke.kcbbankgroup.com/media/rates_and_fees/Kenya_Tariff_Guide.pdf.
- f) The Bank will give you at least seven (7) days' notice of intention to effect new charges, fees, costs and/or commissions by way of email, SMS, letter and/or notices in the daily newspapers.

13. TAXES

13.1. All payments to be made by you in connection with these terms and conditions are calculated without regard to any taxes payable by you. If any taxes are payable in connection with the payment, you must pay the Bank an additional amount equal to the payment multiplied by the appropriate rate of tax. You must do so at the same time as making the payment.



13.2. Amounts in your KCB M-PESA Account may be subject to withholding tax in accordance with applicable law.

13.3. You consent and agree that the Bank may withhold amounts in your KCB M-PESA Account or any other of your accounts held in the Bank at any time, if any tax authority requires the Bank to do so, or the Bank is otherwise required by law or pursuant to agreements with any tax authority to do so, or if the Bank needs to comply with internal policies or with any applicable order or sanction of a tax authority.

14. SPECIFIC KCB M-PESA ACCOUNTS

14.1. KCB M-PESA Account

14.1.1. As a holder of a KCB M-PESA Account, you will be entitled, subject to these Terms and Conditions, to transfer money from your M-PESA Account and/or make withdrawals therefrom into your M-PESA Account, and/or to borrow money from the Bank as follows:

- i. You may make deposits into your KCB M-PESA Account or withdraw funds therefrom using the KCB M-PESA Menu on your Equipment.
- ii. You will not be required to notify the Bank in advance of making a deposit or withdrawal into or from your KCB M-PESA Account.
- iii. The Bank shall channel withdrawals from your KCB M-PESA Account into your M-PESA Account.
- iv. You will not be required to pay Transaction Fees or any other charges or commissions to Safaricom in respect of transactions effected between your M-PESA Account and your KCB M-PESA Account through the M-PESA System.
- v. Transaction Fees and applicable Bank fees, commissions and other charges will however be charged on all transactions between your other Bank account (s) and your KCB M-PESA Account, as well as on any transactions on your KCB M-PESA Account facilitated through KCB Mtaani.
- vi. There will be no restrictions on the number of deposits into your KCB M-PESA Account over any period of time subject to a minimum deposit of Kshs. 1.
- vii. Subject to availability of sufficient funds to your credit, the Bank shall impose no restrictions on the number of withdrawals you may make from your KCB M-PESA Account over any period of time. You may withdraw up to the maximum allowable limit under the M-PESA Service.
- viii. The maximum deposit limit on your KCB M-PESA Account shall be Kshs. 1,000,000/= or such other minimum or maximum amount as the Bank may from time to time in its sole discretion determine. Your deposits shall however not exceed Kshs. 250,000 except with the **Bank's prior written approval and subject to your compliance** with such further or other conditions and documentation as may be required by the Bank.
- ix. Through the KCB M-PESA Menu on your Equipment, you may establish standing orders and instruct the Bank to make loan repayments and establish term deposits using funds from your KCB M-PESA Account.
- x. As a holder of a KCB M-PESA Account, you may, subject to these terms and conditions, apply for a loan from the Bank using the KCB M-PESA Menu on your Equipment.

14.2. KCB M-PESA Transaction Account

14.2.1. Only holders of KCB M-PESA Accounts will be eligible to open KCB M-PESA Transaction Accounts.

14.2.2. No interest will be earned on deposits in your KCB M-PESA Transaction Account.

14.2.3. Interest shall accrue to the credit balance on the account and shall be calculated based on your end-of-day balance and will be credited into your KCB M-PESA Transaction Account on a yearly basis.

14.2.4. We reserve the right to vary interest rates from time to time and will reasonably endeavour to give prior notice of the changes in the interest rates by way of SMS to your Equipment. If you do not receive such prior notice we will not be prevented from changing the interest rate.



- 14.2.5. The maximum savings limit on your KCB M-PESA Transaction Account shall be Kshs.1,000,000/= or such other minimum or maximum amount as the Bank may from time to time in its sole discretion determine. If you however wish to save any amount above Kshs. 250,000 in your KCB M-PESA Transaction Account, you must provide the Bank with such further documentation and comply with any other or further conditions as may be required by the Bank.
- 14.2.6. The Maximum savings transfer into your KCB M-PESA Transaction Account from M-PESA shall be a maximum of Kshs. 140,000 per day.
- 14.2.7. The maximum deposit transfer into your KCB M-PESA Transaction Account from M-PESA shall be Kshs. 70,000 per deposit transaction.
- 14.2.8. Deposit via KCB Mobi and Agents will see a minimum transfer of Ksh. 100 and a maximum transfer of Ksh. 100,000.
- 14.2.9. Deposit via Bank Branches will have no maximum limit on deposit.
- 14.2.10. The Minimum deposit for your KCB M-PESA Transaction Account and minimum transferrable amount from your KCB M-PESA Transaction Account shall be Kshs. 1.
- 14.2.11. You shall not be entitled to overdraw your KCB M-PESA Transaction Account.
- 14.2.12. In the event that your KCB M-PESA Transaction Account does become overdrawn, debit interest shall accrue to the account on the debit balance. The debit interest shall be equal to the maximum unauthorized overdraft rate levied on Bank current accounts.

14.3. KCB M-PESA Fixed Savings Accounts

14.3.1. You may from time to time Request the Bank to lock the deposits held in your KCB M-PESA Account as a term deposit for such specified duration, interest rate and other terms as may be agreed between you and the Bank.

14.3.2. Term deposits are available for the following terms:

- i. 1 month
- ii. 3 months
- iii. 6 months
- iv. 12 months

The interest rate applicable to your term deposit shall be our prevailing interest rate on term deposits at the time when we receive your application to establish the term deposit.

14.3.3. Fixed savings accounts are available for the following terms:

- i. 1 month
- ii. 3 months
- iii. 6 months
- iv. 12 months

The interest rate applicable to your fixed savings shall be our prevailing interest rate on fixed savings at the time when we receive your application to establish the fixed savings. This is the interest rate that will be applied throughout the term of your fixed savings.

14.3.4. For avoidance of doubt, the rate of interest will be fixed at the time of issue of the term deposit or fixed savings. You may refer to <http://ke.kcbbankgroup.com> to access our prevailing term deposit and fixed savings interest rates for your further guidance.

14.3.5. We reserve the right to vary interest rates from time to time and will reasonably endeavour to give prior notice of the changes in the interest rates by way of SMS to your Equipment. If you do not receive such prior notice we will not be prevented from changing the interest rate.

14.3.6. In order to effect your term deposit, you may deposit the agreed term deposit amount into your KCB M-PESA Account from your M-PESA Account or KCB M-PESA Account. You may also Request that the amount held in your KCB M-PESA Account or part thereof be locked as a Term Deposit.

14.3.7. The minimum term deposit will be Kshs. 500/= and the maximum term deposit amount shall be Kshs. 1,000,000/= or such other minimum or maximum amount as the Bank may from time to time in its sole discretion determine.

14.3.8. Depositing additional funds during the term of the fixed savings account is not allowed.



- 14.3.9. Your term deposit will mature on the relevant anniversary of the date the deposit was opened, or if this is a non-business day, the next business day. The Bank will send you a reminder of the maturity date at least seven (7) days prior thereto. If the Bank does not hear from you up to 2 business days prior to the date of maturity, the monies will be rolled over in your name as per your latest instruction held with the Bank or, in the absence of any disposal at maturity instructions, into a new term deposit of the same term as the maturing term deposit and at the then prevailing interest rates.
- 14.3.10. Interest on the term deposit is calculated on the principal investment amount and will not be compounded (unless you are advised otherwise in writing).
- 14.3.11. Early withdrawal of fixed savings will be permitted on condition that the entire interest accrued will be forfeited. There will however be no requirement for a notice of withdrawal. Please note that you must withdraw the entire Principal amount as partial withdrawals are not allowed.
- 14.3.12. All payments, whether of interest or principal will be made by an automated credit into your KCB M-PESA Account. There may be a charge for any other means of transfer requested by you.
- 14.3.13. The Bank reserves the right either to decline or open a term deposit or fixed savings.
- 14.3.14. Funds held in term deposit will be taken into account in determination of your credit limit.
- 14.4. KCB M-PESA Target Savings Accounts
- 14.4.1. To establish a Target savings Account, you must have a KCB M-PESA Account.
- 14.4.2. You may from time to time Request the Bank to open a Target savings Account in your name, into which you may save a set target amount by making regular contributions towards achievement of the set target amount (the Target Account).
- 14.4.3. The minimum target amount shall be KShs. 1,000/= and the minimum contribution towards achievement of the target will be Kshs. 50 per deposit.
- 14.4.4 Target savings shall be for the following durations:
- i. 1 month;
 - ii. 3 months;
 - iii. 6 months;
 - iv. 12 months.
- The interest rate applicable to your target savings shall be our prevailing interest rate on target savings at the time when we receive your application to establish the target savings. This is the interest rate that will be applied throughout the term of your target savings. You may refer to <http://ke.kcbbankgroup.com> to access our prevailing target savings interest rates for your further guidance.
- 14.4.5. Targets may be achieved within set durations (for instance 1 month, 3 months, 6 months or 1 year) subject to a minimum target period of one (1) month.
- 14.4.6. The target savings account will be subject to interest as shall be determined by the Bank from time to time.
- 14.4.7. You may deposit your contribution into your Target Account by way of a standing order from your KCB M-PESA Account or M-PESA Account in such frequency as may be agreed with the Bank.
- 14.4.8. Upon achievement of your target amount, the Bank may, at its sole discretion, issue you with a reward(s) to be determined from time to time.
- 14.4.9. No notice of withdrawal will be required prior to withdrawal of the target funds from your Target Account. Please note that you must withdraw the entire Principal amount, as partial withdrawals are not allowed.
- 14.4.10. You can only open one target savings account at a time.
- 14.4.11. Early withdrawal of Target savings will be permitted. The Customer will however earn interest to the cumulative date. There will be no requirement for a notice of withdrawal of the term deposit and the funds held in term deposit will be transferred to your KCB M-PESA Account upon your Request. Please note that you must withdraw the entire Principal amount as partial withdrawals are not allowed.



15. KCB M-PESA LOANS

15.1. In order to qualify for a KCB M-PESA Loan, you must be at least 18 years old, a registered and active M-PESA subscriber for at least six (6) months and an active KCB M-PESA Account holder.

15.2. Upon opening your KCB M-PESA Account, you will receive a confirmation message bearing your credit limit. You may thereafter, subject to these terms and conditions, apply for an emergency loan or device financing loan using the request loan menu on the KCB M-PESA Menu on your Equipment. The Transaction Fees payable for transactions effected in respect of your KCB M-PESA Account from time to time will apply to any transactions effected in respect of your KCB M-PESA Loan.

15.3. Customers who do not have an allocated credit limit will be required to save and build a history to get a credit score.

15.4. As you apply for the loan, you will be able to select your preferred loan repayment period from the KCB M-PESA Menu on your Equipment. The available repayment period option on the KCB M-PESA Menu will be for repayment within 30 calendar days.

15.5. Your KCB M-PESA Loan application will 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.

15.6. Acceptance or rejection by the Bank of your application for a KCB M-PESA Loan shall be done via SMS sent to the Mobile Phone Number associated with your KCB M-PESA Account.

15.7. 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 subject to a minimum amount of Kenya Shillings fifty (Kshs.50) and a maximum amount of Kenya Shillings one million (Kshs. 1,000,000) or such other minimum or maximum amount as the Bank may from time to time in its sole discretion determine.

15.8. The Bank will directly credit the loan proceeds into your KCB M-PESA Deposit Account subject to any deductions on account of applicable Transaction Fees and interest charges.

15.9. You may only withdraw the loan from your KCB M-PESA Account in accordance with Clause 14.1.1 (iii). Transactions between your KCB M-PESA Account and your M-PESA Account will be subject to the deposit and withdrawal limits under the M-PESA Service.

15.10. In consideration of the Bank granting you the loan, you shall pay monthly interest on the loan at our prevailing interest rate on loans, which will be set at no more than 4% p.a. above the prevailing Central Bank Rate (CBR) or such other base lending rate as may be determined by the Central Bank of Kenya (CBK). We shall accordingly revise the applicable rate or rates of interest in accordance with the CBR as published from time to time and give you notice of changes to our prevailing interest rate on loans. You confirm that you will visit our website <http://ke.kcbbankgroup.com> to access our prevailing interest rates on loans and that you shall at all times be bound by the prevailing interest rate as published on the website, notwithstanding that you will not have received notice of changes thereto.

15.11. The Customer loan will be issued net of interest and negotiation fees calculated at a rate of 2.5% of the amount borrowed.

15.12. You shall make all payments due from you to the Bank in respect of the loan and Transaction Fees through your M-PESA Account, your KCB M-PESA Account, KCB branch or KCB Mtaani Agent.

15.13. In the event that you do not repay the loan in full within the agreed repayment period, the Bank will automatically roll over any outstanding amount in respect of the loan for a further period of thirty (30) calendar days.

15.14. In consideration of the Bank forbearing to demand the immediate payment of the outstanding amount due in respect of your loan and rolling over the same pursuant to Clause 15.13, you shall, in addition to paying the outstanding amount in respect of the loan any outstanding fee, pay to the Bank a roll-over fee to be advised prior to effecting the roll-over of the outstanding amount in respect of the Loan (the "Roll-Over Fee").

15.15. You hereby agree to pay costs charges and expenses incurred by the Bank in obtaining or attempting to obtain payment of any loan owed under your KCB M-PESA Loan Account.



15.16. The Bank shall be entitled to terminate this Agreement and close your KCB M-PESA Account in accordance with the provisions of Clause 22 without prejudice to any of its rights accruing hereunder if you fail to repay the loan and/or the Transaction Fees due thereon within the agreed repayment period.

15.17. The Bank shall utilize funds in any other accounts opened and operated by you to offset any amounts outstanding and due from you to the Bank in respect of your loan.

15.18. The Bank shall utilize the funds held in your M-PESA Account to pay off any amounts outstanding from your loan. The Bank shall only exercise this option after giving you notice and after setting off all other funds held by the Bank.

15.19. The Bank reserves the right to vary the terms of the loan including the interest rate and fees payable thereon from time to time having regard to the prevailing rules and regulations of the Central Bank of Kenya and the policies of the Bank.

15.20. You hereby expressly consent and authorize the Bank to disclose, respond, advise exchange and communicate the details or information pertaining to your KCB M-PESA Account and or loan to Credit Reference Bureaus or any regulator or authority as required under the Banking Act, the Banking Act (Credit Reference Bureau Regulations), 2013, as published, amended or revised from time to time or any other law.

15.21. You also hereby expressly consent and authorize the Bank to disclose, respond, advise exchange and communicate the details or information pertaining to your KCB M-PESA Account and or loan to third parties involved in the administration of your KCB M-PESA Account and or loan, underwriting of insurance policies, updating of databases, or provision of user support.

16. KCB M-PESA Account and KCB M-PESA Account

16.1.1. The Customer will be able to send money from one KCB M-PESA account to another KCB M-PESA Account.

16.1.2. M-PESA limits will apply and normal person to person M-PESA charges will be applicable.

16.2. KCB M-PESA Account Standing Order

16.2.1. Customers will be able to place standing orders from:

16.2.1.1. M-PESA to KCB M-PESA Account

16.2.1.2. M-PESA to Target savings Account

16.2.1.3. KCB M-PESA Account to Target Savings Account

16.2.2. The Customer will be able to stop a standing order

16.2.3. The Customer can have only one standing order account

17. DISCLOSURE

17.1. You hereby expressly consent and authorize the Bank to disclose receive record or utilize your personal information or information or data relating to your KCB M-PESA Account and any details of your use of the Services:

17.1.1. to and from the Bank's service providers, dealers, agents or any other company that may be or become the Bank's subsidiary or holding company for reasonable commercial purposes relating to the Services;

17.1.2. to a Credit Reference Bureau;

17.1.3. 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;

17.1.4. to Safaricom in connection with the M-PESA Service and the Services;

17.1.5. for reasonable commercial purposes connected to your use of the Services, such as marketing and research related activities; and

17.1.6. in business practices including but not limited to quality control, training and ensuring effective systems operation.

17.2. You authorize the Bank to disclose any information relating to your KCB M-PESA Account to any local or international law enforcement or governmental agencies so as to assist in the prevention, detection,



investigation or prosecution of criminal activities or fraud or to any other institution or third party as required by the laws of any country and as the Bank may deem necessary.

17.3. In the event of death, your estate administrator will be granted access to your KCB M-PESA Account upon production of administration letters from a competent authority or confirmed grant of letters of administration or confirmed grant of probate by your legal representatives duly appointed by the Court.

18. YOUR EQUIPMENT AND RESPONSIBILITIES

18.1. 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.

18.2. 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, and 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.

18.3. 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.

18.4. You agree and acknowledge that you shall be solely responsible for the safekeeping and proper use of your Equipment and for keeping your KCB M-PESA PIN secret and secure. You shall ensure that your KCB M-PESA PIN does not become known or come into possession of any unauthorized person. The Bank shall not be liable for any disclosure of your KCB M-PESA PIN to any third party and you hereby agree to indemnify and hold the Bank harmless from any losses resulting from any KCB M-PESA PIN disclosure.

18.5. 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.

18.6. You shall immediately inform the Bank through the Customer Care Centre in the event that:

18.6.1. You have reason to believe that your KCB M-PESA PIN is or may be known to any person not authorized to know the same and/or has been compromised; and/or

18.6.2. 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.

18.7. 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 KCB M-PESA 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 a person authorized to do so.

18.8. You shall not at any time operate or use the Services in any manner that may be prejudicial to the Bank.

19. EXCLUSION OF LIABILITY

19.1. 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, or (b) any other circumstances whatsoever not within the Bank's control including, without limitation, force majeure or error, interruption, delay or non-availability of the System, terrorist or any enemy action equipment failure, loss of power, adverse weather or atmospheric conditions, and failure of any public or private telecommunications system.

19.2. The Bank will not be liable for any losses or damage suffered by you as a result of or in connection with:

19.2.1. unavailability of sufficient funds in your M- PESA Account and/or in your KCB M-PESA Account;



- 19.2.2. failure, malfunction, interruption or unavailability of the System, your Equipment, the Network, M-PESA System and/or M- PESA Service;
- 19.2.3. the money in your KCB M-PESA Account being subject to legal process or other encumbrance restricting payments or transfers thereof;
- 19.2.4. your failure to give proper or complete instructions for payments or transfers relating to your KCB M-PESA Account;
- 19.2.5. any fraudulent or illegal use of the Services, the System and/or your Equipment; or
- 19.2.6. 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.

19.3. If for any reason other than a reason mentioned in subparagraphs 19.1 or 19.2, the Services are interfered with or unavailable, the Bank's sole liability under this Agreement in respect thereof shall be to re-establish the Services as soon as reasonably practicable.

19.4. Save as provided in subparagraph 19.3 the Bank shall not be liable to you for any interference with or unavailability of the Services, howsoever caused.

19.5. 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.

19.6. All warranties and obligations implied by law are hereby excluded to the fullest extent permitted by law.

20. 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.

21. INDEMNITY

21.1. In consideration of the Bank complying with your instructions or Requests in relation the KCB M-PESA 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.

21.2. The indemnity in clause 21.1 shall also cover the following:

- 21.2.1. 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.
- 21.2.2. 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
- 21.2.3. Any unauthorized access to your KCB M-PESA 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.



21.2.4. Any loss or damage occasioned by the failure by you to adhere to these Terms and Conditions and/or by supplying of 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.

21.2.5. Any damages and costs payable to the Bank in respect of any claims against the Bank for recompense for loss where the particular circumstance is within your control.

22. VARIATION AND TERMINATION OF RELATIONSHIP

22.1. The Bank may at any time, upon notice to you, terminate or vary its business relationship with you and close your KCB M-PESA 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 therefrom within such time as the Bank may determine.

22.2. Without prejudice to the Bank rights under clause 22.1, the Bank may at its sole discretion suspend or close your KCB M-PESA Account:

22.2.1. if you use the KCB M-PESA 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;

22.2.2. if your M-PESA Account or agreement with Safaricom is terminated for whatever reason;

22.2.3. if the Bank is required or requested to comply with an order or instruction of or a recommendation from the government, court, regulator or other competent authority;

22.2.4. 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);

22.2.5. where such a suspension or variation is necessary as a consequence of technical problems or for reasons of safety;

22.2.6. to facilitate update or upgrade the contents or functionality of the Services from time to time;

22.2.7. where your account becomes inactive or dormant;

22.2.8. 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.

22.3. You may close your KCB M-PESA Account at any time at any Customer Care Centre.

22.4. If your KCB M-PESA 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 KCB M-PESA Loan Account is in arrears at the time of closure of your KCB M-PESA Account, you agree to pay to us immediately all amounts you owe us.

22.5. Termination shall however not affect any accrued rights and liabilities of either party.

22.6. If the Bank receives notice of your demise, the Bank will not be obliged to allow any operation or withdrawal from your KCB M-PESA Account by any person except upon production of administration letters from a competent authority or confirmed grant of letters of administration or confirmed grant of probate by your legal representatives duly appointed by the Court.

23. MISCELLANEOUS

23.1. These terms and conditions (as may be amended from time to time) form a legally binding agreement binding on you and your personal successors.

23.2. This Agreement and any rights or liabilities accruing thereunder may not be assigned by you to any other person.

23.3. The Bank may vary or amend these terms and conditions and the Transaction Fees at any time and without notice to you. Any such variations or amendments may be published in posters or pamphlets available at Safaricom's Agents outlets, Bank branches, in the daily newspapers, on the Bank and/or Safaricom'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.



23.4. 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.

23.5. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

23.6. 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.

23.7. 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 23.3 shall be binding upon you as fully as if the same were contained in these terms and conditions.

24. NOTICES

24.1. The Bank may send information concerning the KCB M-PESA Account via SMS to the Safaricom Mobile Phone number associated with your M- PESA Account.

24.2. 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 KCB M-PESA Account.

25. DISPUTE RESOLUTION, JURISDICTION AND ARBITRATION

25.1. You may contact the Customer Care Center to report any disputes, claims or KCB M-PESA Account discrepancies.

25.2. Any dispute arising out of or in connection with this Agreement that is not resolved by Customer Care Centre 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.

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

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

