

GENERAL TERMS AND CONDITIONS

1. INTRODUCTION AND ACCEPTANCE

We thank you for choosing to use our site. Please note however that it is important that you read through the following Terms and Conditions before you access our site and Services.

These conditions become effective when you access the site for the first time and constitute a binding agreement between us (Victoria Bank Limited) and yourself, and the said terms will always prevail. The current version of these conditions will govern our respective rights and obligations each time you access this site.

2. DEFINITIONS

1.1. In these General Terms and Conditions, unless otherwise specified, the following expressions shall have the following meanings:

2.1.1 “Account” means any and all accounts whether existing or future, operated by the customer;

2.1.2 “The Bank” means the Victoria Commercial Bank Limited;

2.1.3 “Communications” means the transmission of information, instructions, messages, request and other communications;

2.1.4 “Customer” means any individual, firm, company, body corporate, government state or state entity or any association or partnership whether or not having separate legal personality or any two or more of the foregoing legal entity, company without legal entity, company without legal personality or other entity, private entrepreneur, private company to whom the Bank offers financial services;

2.1.5 “Face Majeure Event” means acts of domestic or foreign authorities, the denial or late granted of necessary permits by authorities, or cause by unforeseeable and unavoidable events including but not limited to armed conflicts, revolution, state of national emergency, riot, nature disaster, breakdown or failure of transmission or communication, failure or disruption of market, strikes, labour disputes or acts of governments or similar instructions or other circumstances beyond the Bank’s control;

2.1.6 “Service” includes but is not limited to the following products: cheques, payments orders, foreign currency funds transfer, bank-to- bank transfers, issuance of guarantees, bond, letters of credit and any such related financial services.

1.2. In these General Terms and Conditions unless otherwise expressly provided, any reference to:

- 1.2.1 "The Bank" shall be construed so as to include its successors and assigns from time to time;
- 1.2.2 The liquidation winding-up or dissolution of a company or body corporate or the appointment of a receiver manager or administrator of or in relation to company or body corporate or any of its assets shall be construed so as to include any equivalent or analogous proceedings or, as the case may be, person under the law of or in relation to a company or body Corporate or any of its assets shall be construed so as include any equivalent or analogous proceedings or, as the case may be, person under the law of the jurisdiction in which it is incorporated or any jurisdiction in which it carries on business or has asset or liabilities;
- 1.2.3 Any statutory provision shall include a reference to such provision as from time to time re-enacted amended extended or replace;
- 1.2.4 Fees cost and expenses payable under or pursuant to these General Terms and Conditions shall be exclusive of any taxes chargeable on them, which shall accordingly be payable in addition;
- 1.2.5 Words importing the singular shall include the plural and vice versa;
- 1.2.6 Heading in list of contents of these General Terms and Conditions are for ease of reference only and shall not affect its interpretation.

2. GENERAL

- 2.1. The terms of these General Terms and Conditions apply to each Account in any manner acceptable to the Bank and are binding on both the Customer and the Bank.
- 2.2. The Customer will provide to the Bank all documents and other information reasonably require by it in relation to any Account and / or service.
- 2.3. By execution of these General Terms and Conditions, the Customer irrevocably and unconditionally binds itself to and to fulfill the terms and conditions contained herein.
- 2.4. The Bank shall be entitled to modified, to modify these General Terms and Conditions without any reference to the customer if:-
 - 2.4.1. The Laws of the Republic of Kenya are modified, or new regulations affecting the activities of banks, credit institutions or financial service providers come into force; and/or
 - 2.4.2. The Bank deems it necessary for any reason whatsoever.
- 2.5. The Bank shall within reasonable time notify the Customer of the modification of these General Accounts Conditions:-

2.6. The Bank may only modify these General Terms and Conditions with immediate effect if such modification is made compulsory or otherwise necessary by changes in the law or other statutory regulations and or regulatory framework.

3. INSTRUCTIONS TO THE BANK

3.1. The Bank may rely on the authority of any and each person named by the Customer to communicate and /or in any other way deal with the Bank unless such authority has been revoked by the Customer by notice in writing to the Bank.

3.2. The Bank may from time require proof of the identity of the Customer or the persons appointed by the Customer to operate the Account.

4. BANK-CUSTOMER CONFIDENTIALITY

4.1. The Bank shall treat as confidential all information, facts and data acquired from and about the Customer and shall not disclose it to third parties unless authorized by the Customer in writing, permitted by laws applicable to banks, credit institutions and financial service providers or on the basis of a court order decree or an order or decree of a tribunal or any other regulatory and administrative body established under any legislation in force in Kenya.

4.2. Clause 4.1 above notwithstanding the customer agrees that the Bank is at liberty to report any suspected Money Laundering activities as required by the Central Bank of Kenya or any other law. Such disclose by the Bank of any information which is in its knowledge (and which is otherwise confidential) shall not in any way howsoever be construed as breach of confidentiality.

4.3. The Customer hereby undertakes and agrees to keep confidential its business relationship with the Bank. The Customer shall not provide information to third parties in respect of any agreement concluded with the Bank without the Bank's prior written consent.

5. MUTUAL CO-OPERATION

5.1. The Bank and the Customer shall each perform their contractual obligations in the spirit of mutual co-operation, good faith and reasonable care. Each party shall promptly inform the other of all significant facts, circumstances and changes relating to these General Terms and Conditions.

5.2. The Customer shall provide all information required by the Bank necessary for the operation of the Account and any transactions between the Customer and the Bank. The Customer shall, as and when required by the Bank, provide the Bank with a copy of its annual financial statements.

5.3. Where the Bank grants the Customer credit or a loan to be used for a project, the Customer shall provide the Bank with written reports on the implementation of the project, as the Bank may require and shall make available the documents related to the project to the Bank.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

6.1. The Bank is duly licensed under the provision of the Banking Act, Chapter 488, Law of the Republic of Kenya. Its operations and the performance of its service are subject to the prevailing rules, decrees, notices, laws and regulations governing banks, financial institutions and financial services providers in force in the republic of Kenya and its internal policies.

6.2. The Bank shall be entitled prior to establishing any business relations and at any time thereafter to satisfy itself that the Customer is an organization duly established in accordance with the applicable laws of its country of origin or domicile.

6.3. The Bank shall be entitle to make and retain a photocopy for its files of any original documentation presented by the Customer. The Bank shall record the data of the Customer and its representative required by the laws and regulations in force at all times on the preventing and combating of money laundering.

6.4. If the documents referred in clause 6.3 above are not in English, has the right to request a translation by a person approved by the Bank from the Customer. The expense of such translation shall be borne by the Customer.

6.5. The Customer hereby represents and warrants to the Bank that it is legally established under the laws of its country of its country of origin, it has the necessary power to execute these General Terms and Conditions and that all consents licenses and approvals are in place as regards the execution of these General Terms and Conditions. The Customer further represents and warrants that these General Terms and Conditions constitute its legal valid and binding obligations and shall at all material times so remain.

6.6. The Customer or the Customer` representative shall notify the Bank of the names and signatures of the persons of the persons authorized to act for and on behalf of the Customer. The Bank shall consider such representatives notified to the Bank as so authorized until the Customers revokes such authority in writing.

6.7. The Customer shall promptly notify the Bank of any changes regarding the authorized persons. The Customer shall indemnify and hold harmless the Bank on account of any losses arising from the omission on the part of the Customer to fulfill this obligation of notification.

6.8. Where the Customer is not a natural person, if there is a dispute regarding the authorized persons between the directors, partners, members (or such other persons of similar ranks in

other entities) of a Customer and one of them notifies the Bank thereof, the Bank shall have the right to suspend all transactions, unless otherwise agreed by the parties concerned and notified to the Bank by all. Such agreement of authorised persons shall be effected by communication to and acceptance by the Bank.

7. LIMITATION OF LIABILITY

- 7.1. The Bank shall not be held liable for costs, damages or other losses or other resulting from a Force Majeure Event and/or costs damages or other losses which result from events in the Customer's control or influence, or from non-conformity or later conformity by the Customer with the relevant provisions of the applicable laws and regulations or the terms of these General Terms and Conditions.
- 7.2. The Bank not be held liable, responsible or take any financial risk towards the Customer for any diminution due to taxes, imposts or depreciation in the value of funds credited to the account of the Customer which funds due to restrictions on convertibility and/or transferability, requisitions, involuntary transfers, acts of war or civil disorder, distain of any character, exercise of military or usurped powers, or other similar causes beyond the Bank's control, nor will any of its branches, subsidiaries or affiliates.
- 7.3. The Bank shall have the right to select a third party correspondent or agent based on its best judgment, or if the Customer in its instruction stipulates a particular third party, to use a third-party correspondent or agent to the extent necessary for the performance of the Bank's contractual obligations. The Bank shall exercise due professional care in selecting, advising and controlling such third party but otherwise shall not be held liable for actions or omissions by such third party. If the liability of the third party is limited by law, the liability of the instructions of the Customer.

8. COMMUNICATION BETWEEN THE BANK AND THE CUSTOMER

- 8.1. The Bank and the Customer may agree that communication between them will be made in forms other than those prescribed or approved in the agreement between the Bank and the Customer. In the event that the Customer and the Bank agree that communication between them will be conducted through e-mail, the Customer declares that it is aware of the risk inherent in the public domain of the internet, and in e-mail communication, and that it request and accepts the forwarding of any data which constitutes a bank secret and pertains to the Customer expressly acknowledging these risks.
- 8.2. Where the Customer uses facsimile for transmitting payment orders, the Customer shall ensure that the fax is located in a secure area with limited access.

- 8.3. If the Customer and the Bank agree on the acceptance of orders by way of coded facsimile/telephone or email, the Customer shall accept that it shall not be entitled to request the original copies of such communications in proceedings conducted before any Court, arbitral or authority.
- 8.4. The Bank may at its sole discretion accept the communication from the Customer through the fax/email including documents and/or instructions.
- 8.5. The Bank shall not be responsible for errors or omissions made by the Customer or the duplication of any communication by the Customer and may act on any communication by reference to an Account number only, even if an Account name is provided. The Bank may act on a communication if it reasonably believes it contains sufficient information.
- 8.6. The Bank may decide not to act on a communication where it reasonably doubts its contents, authorization and will promptly notify the Customer, (by telephone if appropriate) of its decision.
- 8.7. If the Customer informs the Bank that it wishes to recall, cancel or amend a communication, the Bank will use its reasonable efforts to comply.
- 8.8. If the Bank acts on any communication sent by any means requiring manual intervention (such as telephone, telex, telefax, email or disks sent through a messenger) then, if the Bank complies with the instructions, the Customer will be responsible for any loss the Bank may incur in connection with that communication.
- 8.9. If the customer issues any instructions to the Bank using electronic means including Emails, the customer is deemed to have understood and waived the risks involved and therefore indemnifies and holds the Bank indemnified against any claims, liability, loss or damage that may arise or be caused as a result of the Bank acting on the basis of instructions received and the customer further confirms that the Bank shall not be obliged to ascertain the authenticity of the transmission or seek any further or other confirmation or ratification from him/themselves with regard to the genuineness of the instructions prior to taking any action.

9. PLACE AND TIME OF ACTING ON INSTRUCTIONS

- 9.1. Unless otherwise agreed, the place of execution of contractual obligations arising from the business relations between the Customer and the Bank shall be the business premises of the Bank where the Customer's Account is held.
- 9.2. In the event that the Customer Account is already held at the Bank, the effective date of any payment made by the Customer shall be the date on which the Customer's Account is debited

by the Bank. If the Customer executes payment obligations in favour of the Bank from an account that is not held by the Bank, then the date of the payment in favour of the Bank shall be the banking day when amount is credited to the Account in the Bank. Amounts received by the Bank in favour of the Customer shall be credited amounts at the latest in the morning of the next banking day starting from the hours of the bank.

- 9.3. In case of direct cash payment in favour of the Customer's Account at the tellers of the Bank, the Bank shall credit the Bank, the Bank shall credit the amounts at the latest in morning of the next banking day starting from the opening hours of the Bank.
- 9.4. The Bank's payment obligation shall be considered fulfilled when the Bank's account is debited.
- 9.5. The Bank has the right to seek clarifications and explanations from the Customer regarding the reason, the Customer regarding the reason, the nature, and the background of the instructions and the beneficial owners.

10. DOCUMENTS DELIVERY

- 10.1. Unless otherwise agreed, the Bank shall at its sole discretion decide the method of delivery of documents to the Customer.
- 10.2. Unless otherwise instructed by the Customer, the Bank shall in its sole discretion exercise the due professional care expected of financial Institutions to forward documents, bills of exchange, cheques etc. The coast and risk of delivery shall be borne by the Customer.
- 10.3. Any written document sent by the Bank to the Customer or the Customer's representative to the address provided by the Customer shall be deemed to have been duly delivered, served and notified, even if the document could not have been delivered in reality, or the addressee did not come to know about it, after the fourteenth (14th) day starting from the second unsuccessful delivery attempt or if it is not possible to determine the date mentioned above, or a second delivery unsuccessful delivery attempt or if it is not possible to determine the date mentioned above, or a second delivery attempt has not been made, the day when the document was sent back to the sender.
- 10.4. The Customer will at all times ensure that on the provided delivery address it continuously has a person entitled to received postal consignments during the entire period of the banking relationship between the Bank and the Customer.
- 10.5. The Customer shall promptly inform the Bank if any written notification expected from the Bank has not been received or has not been received in due time.

11. ACCEPTANCE OF INSTRUCTIONS FROM THE CUSTOMER

- 11.1. Excluding communication via electronic banking service, instructions shall be given in writing on the forms provided by the Bank for the Customer, or in form agreed between the Customer and the Bank. Unless expressly agreed otherwise, the Bank shall only accept instructions that conform in form and content with the requirements of the Bank or which are given on a special form used by the Bank for this purpose, and are in accordance with the applicable rules, regulations and guidelines issued by the Central Bank of Kenya from time to time. The Bank may refuse orders that do not meet the above requirements, with the simultaneous notification of the Customer to that effect.
- 11.2. The Bank will and can only accept orders from the Customer by telephone pursuant to a specific agreement in writing to that effect.
- 11.3. The Bank may at its discretion accept orders or communication given or by coded facsimile or email subject to an explicit and separate agreement between the Bank and the Customer if they are sent to the facsimile number designated by the Bank and given to the Customer for this purpose.
- 11.4. The Bank shall examine the signatures appended to the written instructions of the Customer relating to its bank Accounts and other banking transactions to verify that the signatures are identical to the submitted signature specimens of the Customer. The Bank shall refuse to execute instructions that are not signed in accordance with the signature mandate available to the Bank and shall notify the Customer accordingly. The Bank shall not be held liable for the consequences false or fraudulent instructions, the fraudulent nature of which could not be discovered after taking reasonable care. The damages, losses and/or costs related thereto shall be borne solely by the Customer.
- 11.5. Unless otherwise agreed, the Bank shall accept instructions only during regular business hours as determined by the Bank. If the Bank receives any mailed or otherwise delivered orders after regular business hours, such orders shall be considered received on the following banking day.
- 11.6. The Bank shall follow the laws of the Bank shall accept instructions regulations regarding non-business days and official bank holidays. The Bank displays its business hours at its business offices and may at its discretions alter its business hour at any time. Such alteration of business hours shall be notified to the Customer.
- 11.7. The customer hereby indemnifies and undertakes to indemnify the Bank against all losses, demands, damages, costs (including actual legal costs), claims or proceedings whatsoever which the Bank may suffer or incur directly or indirectly in any way arising from the

acceptance and acting on instructions from the Customer by or through electronic means, facsimile, telephone, email, written orders and any other form of instructions.

12. CHANGE AND WITHDRAWAL OF INSTRUCTIONS

12.1. The Customer may withdraw or modify a payment instruction before the Customer's Account has been debited in accordance with this clause. All costs arising from the withdrawal or modification of a payment order will be borne by the Customer. The Bank takes no liability for the Customer's losses arising from the withdrawal or modification of a payment order.

12.2. The Bank will accept such modification instruction in writing and will make every reasonable effort to execute any modification requests duly submitted by the Customer in time. However, the Bank shall not be liable for the potential non-execution of the modification of an instruction.

13. ACCOUNT(S) AND STATEMENTS OF ACCOUNT

13.1. The Bank will open an account only if the Customer provides the Bank with such documents as shall be required under applicable law rules and regulations or as otherwise requested by the Bank.

13.2. All bank accounts opened and maintained by the Bank shall contain the Customer's name and carry an account number.

13.3. As long as these General Terms and Conditions are in force, the Bank shall accept funds transferred in favour of the Customer and credit these funds to the appropriate Accounts.

13.4. The Customer may grant authorization over the Account to third parties. This authorization must be given to The Bank in a written instrument acceptable to the Bank.

13.5. The Bank shall send the Customer statements that confirm each debit and credit on the Account, as the balance of the Account.

13.6. The Bank must be notified in writing of any objections in respect to the balance or items on the Account within thirty (30) days after receipt of the relevant statement, in the absence of which the Bank shall consider the statement confirmed and irrevocably and unconditionally accepted by the Customer.

13.7. The Bank shall be entitled, without giving prior notice to the Customer, to correct all errors caused by all errors caused by the Bank in credits or debits by either debiting or crediting the Account at any time. The Bank will notify the Customer of the correction.

14. HIRE PURCHASE ARRANGEMENT

- 14.1. If the Customer executes the Bank's Hire Purchase Agreement, the Customer will strictly observe all the terms and conditions stated in the Agreement.
- 14.2. The Customer agrees to keep and maintain the goods which are the subject of the Hire Purchase Agreement and all parts thereof in good order, repair and condition and to replace any parts that may go missing or become unfit for use.
- 14.3. The Customer warrants that it has satisfied itself as to the condition, quality, suitability and fitness of the goods which are the subject of the Hire Purchase Agreements for their particular purpose and that no representation, warranty or undertaking relating to the goods has been or given by or on behalf or to be implied against the Bank.
- 14.4. All accessories, equipment, replacement parts or other articles incorporated or installed in or affixed to the goods shall become part of the goods and title shall consequently pass to the Bank.
- 14.5. The Customer shall at all times operate the goods as intended by the manufacturer's instructions and within the rated capacity of the goods.

15. SET-OFF

- 15.1. If the Bank deems it necessary, it shall inform the Customer in advance that it will exercise its right of set-off unless, in the judgment of the Bank, providing such notice would prejudice the rights of Bank or jeopardize its ability to exercise its right of set-off.
- 15.2. The Customer understands and agrees that balances on its Accounts serve as cover against the Customer's liabilities towards the Bank. If the Customer fails to meet any payment obligation towards the Bank when due, the Bank when due, the Bank shall be entitled to set-off its claims by debiting any Account of the Customer without prior notice to the Customer.
- 15.3. Claims denominated in foreign currency shall be set-off at the rate of exchange determined by the Bank on the date of set-off.

16. DEPOSITS

- 16.1. The Bank shall accept from the Customer deposits in Kenya Shillings and in foreign currency.
- 16.2. Payment of interest on deposits, unless otherwise agreed, is made at maturity of the deposit. The type of interest to be applied, which may be fixed or floating, shall be agreed upon between the Bank and the Customer at the initiation of the deposit transaction.

- 16.3. The Bank will deduct withholding taxes, if any, from the interest payable as may be required by Kenyan law. The deduction of withholding taxes shall take place on the same value date on which the interest is paid.
- 16.4. Unless otherwise agreed between the Bank and Customer, The Bank may accept instructions regarding opening or breaking a deposit, or the modification of an instruction regarding opening of a deposit by phone as well.
- 16.5. The Bank shall confirm the agreed terms and conditions of deposits in writing by sending a notification to the Customers.
- 16.6. The Customer understands and agrees that its deposits may be used for set-off against the Customer's.

17. LOAN TO THE CUSTOMERS

- 17.1. Where a Customer applies for a loan and /or other facilities, the Bank shall carry out its credit transactions, include overdrafts, only in accordance with the term and conditions of a written credit facility or loan agreement. The Bank may extend any type of credit facility only against security arrangements acceptable by the Bank. Such security may include, without limitation, bills of exchange, lien, debentures, mortgages, cash collateral deposits, guarantees, surety, etc acceptable to the Bank.
- 17.2. The Bank shall approval credit applications on an individual basis and on the merit of the Customer's financial, legal and economic status, as well as the quantity of collateral provided.

18. CHEQUES AND OTHERS INSTRUMENTS

- 18.1. The Bank may supply cheques, payment instruments and related materials to the Customer will make reasonable efforts to avoid fraud, loss, theft, misuse or dishonour in respect of them. The Customer will promptly notify the Bank in writing of the loss or theft of any payment instrument and will return to the Bank or destroy any unused cheques, payment instruments and related materials when the relevant Account is closed.
- 18.2. The Bank shall not be liable for any loss or damage suffered by the Customer or any other party where any dishonoured bill is not noted or protested or both. The Bank will however endeavour to cause dishonoured bills to be noted or protested or both, provided that it receives instructions to do so within a reasonable time.
- 18.3. The Bank shall accept and act on the Customer's communications to the Bank to draw and issue cheques ("Banker's Cheques") where applicable in such amount and in favour

of such beneficiaries as the Customer may instruct the Bank from time to time, in such form and transmitted through such media as agreed to by the Bank, provided that there shall be sufficient funds in the Customer's Accounts and the Customer shall have so authorized.

18.4. The Bank shall have the right and discretion to convert at any time and into local currency funds received from the Customer debited from the Customer's Account prior to the issuance of or reimbursement for issuance of Banker's Cheques at the Bank's selling rate on the day such funds are received. The Bank's statements in writing that it has effected such conversion shall be conclusive and binding on the Customer save for manifest errors.

18.5. Not with standing anything in these General Terms and Conditions, The Bank reserves, at its sole discretion, the right to reject any application to issue Banker's Cheques.

18.6. If the Bank discounts bills or makes payment against cheques given to the Bank is entitled to debit the Customer with the sum paid by the Bank plus interest and expenses, if such bills and cheques are not paid when presented and in cases where:-

18.6.1. The payment on such bills or regulation; or 18.6.2. the bills and cheques cannot be presented at all or within a certain time due to obstacles that cannot be overcome; or

18.6.2. a moratorium is declared;

18.7. Each payment instruction confirmed by the Customer and accepted by the Bank will be final and irrevocable upon the Bank acceptance of such instructions. For stop payments requests made to the Bank prior to issuance of payment, the Bank will act on a best efforts basis.

18.8. The Customer acknowledges and agrees that the Bank may, without receipt of an application and without any liability to the Customer, stop payment on a Banker's Cheque if it appears to the Bank that the Bank's Cheque has been materially altered, has been forged or is counterfeit, has been stolen, or where there is in force a Court Order restraining payment of the Banker's Cheque.

18.9. The Customer further agrees:-

18.9.1. To reimburse the Bank of any all payments and costs which the Bank may be reason or on account thereof at any time including but not limited to any amount which the Bank may have to pay under the lost cheque regardless of when they are presented to the Bank for payment; and

18.9.2. To notify the Bank immediately upon recovery of the lost cheque and to return the same to the Bank for cancellation forthwith; and

18.9.3. That all the replacement Cheques can only be issued for the same amount and in favour of the same beneficiaries as original lost cheque.

19. LETTERS OF CREDIT AND DOCUMENTARY COLLECTIONS

19.1. The Bank may accept requests of the Customer to open letters of credit. To the extent The Bank agrees to any such request, The Bank will only issue letters of credit on terms and conditions acceptable to the Bank in the absence of which, the Bank may at its sole discretion refuse the request.

19.2. The Bank shall accept the request to issue the letter of credit only on the Bank's pre-printing form.

19.3. The Customer shall submit the request to open a letter of credit in due time to enable the Bank to communicate such letter of credit to the beneficiary through a correspondent bank, or directly, or in the case of confirmation, to the confirming bank. The Bank shall not be liable for any damage or loss resulting from such delay or refusal or refusal to open such letter of credit.

19.4. It shall be the sole responsibility of the Customer to provide complete and clear instructions describing the documents and the terms under which payment, acceptance or negotiation of a letter of credit is to be made. The Bank will not pay upon the presentation of documents if such documents do not conform to the terms and conditions stipulated in the letter of credit, unless the Customer requests in writing that the Bank should accept such documents and effect payment and the Bank so agrees. In addition, the Customer shall agree to indemnify the Bank against any damages or losses resulting from the acceptance of such instruction.

19.5. The Bank shall consider the request of the Customer to execute acceptance and /or payment, or delivery of commercial documents against payment or other transactions connected to documentary Collections`, issued and amended from time to time by the International Chamber of Commerce. The Customer acknowledges the validity and binding nature of this document in its application.

19.6. The Bank will make payment to third party upon the Customer's request provided there are sufficient funds available to the Bank in the Customer's Account.

19.7. The Customer accepts and acknowledges responsibility for ensuring that its requests to handle documentary collections are in compliance with the prevailing Kenya laws and

regulations. If the Bank incurs any damage or loss related to the failure of the failure of Customer to comply with the laws and regulations, the Customer is obliged to reimburse the Bank for damages and loss.

19.8. If the Bank is acting upon a request of a Customer who is the beneficiary of a documentary collection, the Bank shall be the agent of the beneficiary for the purposes of presentation of documents and receiving payments.

20. BANK GUARANTEES AND SURETIES

20.1. The Bank may accept requests by the Customer who is issue sureties or bank guarantees.

20.2. A bank guarantee issued by the Bank in favour of a third party shall at all times be independent and separate obligation of the Bank and shall be performed in accordance with the with the terms and conditions under the guarantee. The underlying transaction shall not bind the Bank any way whatsoever.

20.3. If the Bank issues a surety or a bank guarantee at the instruction of its Customer and makes payment on the basis of such surety or guarantee, the Customer, at the Bank's first demand, shall reimburse the Bank.

21. COLLATERAL

21.1. The Bank shall be entitled at any time during the existence of the business relation request the Customer to provide appropriate collateral, or increase the amount or value of the existing collateral to the extent necessary to secure the repayment of outstanding obligations of the Customers to the Customer to the Bank, Upon such request, the Customer shall promptly pledge and /or avail such additional collateral to the Bank.

21.2. All assets and rights pledged by the Customer in favour of the Bank shall serve as collateral for any and all claims the Bank may have against the Customer, unless it is expressly agreed that the collateral is to be used for other purposes.

21.3. The Customer shall take all required actions to safeguard all of properties and rights and enforcement of claims pledged as security in favour of the Bank. The Customer shall inform the Bank in writing without delay of any changes in the value or marketability of such collateral. If the Customer pledged as collateral assets which are used up or substituted in the course of production or in trade and which have not been specifically and individually defined, the Customer shall promptly replace the utilized or sold assets.

21.4. Any assets or rights including the claims of the Customer against the Bank which have been acquired directly or indirectly by the Bank shall be considered as collateral for the claims of the Bank against the Customer. All goods documents of title including securities

which are in the possession or will come into the possession of the Bank or of a third party on behalf of the Bank from or the benefit of the Customer are and will be pledged to the Bank as security for any and all obligations of the Bank. Such pledge shall be deemed to be created each time such goods or documents of title come into possession of the Bank or a third party on its behalf.

- 21.5. If required by the Bank in the contract governing the transaction, the Customer shall insure at its own cost all assets pledged as collateral or acquired from credit granted by The Bank. Insurance must cover all insurable risks. The Customer shall assign to the Bank under the insurance contract or policy a sum equal to all current claims of the Bank against the Customer (matured and unmatured). The Bank may use the moneys reimbursed by the insurance company to reduce the amount of the loan secured by such collateral, even if before maturity, if the Customer does not replace the lost or destroyed goods pledged to the Bank as security or collateral.
- 21.6. The Bank shall be entitled to verify by means of inspection even on the premises of the Customer whether the collateral is sufficient for covering its claims, and whether the assets pledged as security are being reasonably handled, safeguarded and identified as being pledged to the Bank.
- 21.7. The Bank, at its sole discretion, may release any collateral provided by the Customer, if it deems that it deems that it is no longer necessary for securing its claims.
- 21.8. In the interest of an expedient settling of its claims, the Bank shall have the right to satisfy its claims from any of the Customer's assets pledged as security, even if other collateral or security are also available.
- 21.9. The Customer shall ensure that its obligations to the Bank shall rank at all times at least pari passu or in priority of payment and in all other respects with all other obligations of the Customer.
- 21.10. The Customer will not secure any obligations to any third party without at the same time securing its obligations to the Bank equally and ratably on the same assets, property or revenues.
- 21.11. Without the Bank's prior written consent, the Customer may not transfer assets pledged to the Bank as security, nor may it encumber or offer these assets, property or revenues as security or for any other purpose to a third party. The Customer's breach of this provision shall constitute a material breach of these General Terms and Conditions and

shall entitle the Bank at its sole discretion to terminate the bank - customer relationship as provided hereafter.

21.12. The Customer hereby authorizes the Bank, that even before the Bank's claims against the Customer become due, to sell, exchange, foreclose, collect or otherwise deal with any and all collateral and handle the proceeds thereof as security for the Bank's claims.

22. DEFAULT BY CUSTOMER

22.1. In the event that the Customer does not meet its payment obligations towards the Bank when due, the Bank will enforce the claim, as provided by law, through set-off, by debiting any Account of Customer held with the Bank, and /or by availing itself of the instruments deposited by the Customer with the Bank as collateral.

22.2. If the Customer fails to perform and safety in full and obligations under these General Terms and Conditions or the Customer is declared bankrupt or under liquidation, the Bank shall be entitled, upon written notice, to declare all obligations of the Customer towards the Bank immediately due and payable and shall be entitled to foreclose upon any collateral granted to the Bank in accordance with the applicable laws and regulations.

22.3. No failure to exercise and no delay in exercising on the part of the Bank any right or legal remedy shall be construed as a waiver thereof, nor shall any single or partial exercise of any right or legal remedy preclude any other or further exercise of such right or remedy.

23. TERMINATION OF GENERAL TERMS AND CONDITIONS

23.1. The Customer and /or the Bank may terminate these General Terms and Conditions by giving thirty (30) days written notice. On its part the Bank shall pay to the Customer any final cleared funds standing in the credit of the Customer's Account as at the time of closure of the Account.

23.2. The Bank refuse to perform its contractual obligations towards the Customer in the cases permitted by law and where:-

23.2.1. After the conclusion of the contract, a material change has occurred in the Bank due to which the performance of the contract can no longer be expected; or

23.2.2. After the conclusion of the contract, as determined by the Bank, an adverse change has occurred in the business, operation or financial condition of the Customer; or

23.2.3. After the conclusion of the contract, the Customer is in breach of its obligations under these General Terms and Conditions.

- 23.3. Unless there is specific agreement to the contrary, where a Customer has applied for a credit/loan and/or other facilities, the Bank may cancel a loan or credit and/or terminate the agreement with the Customer with immediate effect if:-
- 23.3.1. Any material adverse change occurs in the legal, financial or other conditions of the Customer and such changes are considered by the Bank to have an adverse effect on the payment obligations of the Customer
 - 23.3.2. The Customer is in default of payment in any amount due under a facility agreement;
 - 23.3.3. The Customer fails to observe or perform any obligation under the facility agreement with the Bank or any provisions, representations, warranties or covenants in such agreement or in these General Terms and Conditions, or any additional agreement securing such obligation and such failure is not remedied within twenty-one (21) banking days after notice or request therefore has been given to the Customer by the Bank;
 - 23.3.4. The Customer becomes or is likely to become insolvent, or is under a liquidation procedure or is threatened by any of such events;
 - 23.3.5. An order is made or a procedure is started for the liquidation or dissolution or bankruptcy of Customer;
 - 23.3.6. The Customer merges or consolidates into or with any other entity or transfers a substantial part of its assets or properties to a third party or otherwise disposes of a substantial part of its assets or properties, or substantially changes the scope or the nature of its business activities without the prior written consent of Bank: Each of these occurrences being an "Event of Default".
- 23.4. Upon occurrence of Event of Default, the Bank may, but without prejudice to any other rights of the Bank, by written notice to the Customer:-
- 23.4.1. Terminate these General Terms and Conditions with immediate effect; and/or declare due and payable in full any and all indebtedness of the Customer upon first written notice of the Bank, in which case such amount shall become due and payable upon such written notice without prejudice to the above mentioned rights; and/or
- 23.5. Declare that the obligations of the Bank to advance or maintain any amounts which would constitute indebtedness to the Customer shall be cancelled, where upon all of the

Bank's obligations under these General Terms and Conditions and any other agreement between the Bank shall cease.

23.6. Upon termination, the claims of the Bank shall become immediately due and payable. In such cases, the Bank shall be entitled to exercise all its rights contained in these General Terms and Conditions and /or any other agreements immediately, without sending prior notifications to the Customer. After termination and during the bankruptcy or liquidation procedure or any other reorganization of the Customer, and until final settlement has been made and all claims of the Bank against the Customer are satisfied in full, the provisions of these General Terms and Conditions shall remain in full force and effect.

24. COMMISSION AND OTHER CHARGES

24.1. The Customer shall pay all commissions, charges and other expenses in accordance with the provisions of the agreement between the Customer and the Bank and in such a way that the Bank shall be able to debit any of the Customer's Accounts kept with the Bank on due date.

25. EXPERT FEES

25.1. The Customer shall reimburse the Bank all legal fee incurred by the Bank in connection with a particular transaction, including expenses related to the use of consultants, auditors and/or other professionals as the circumstance might require.

25.2. The Customer shall reimburse the Bank of all costs of legal counsel incurred by the Bank in the settlement of disputes between the Customer and the Bank, unless otherwise decided by the Court.

25.3. The Customer shall reimburse the Bank any cost of legal counsel incurred in or out of Court should the Bank become individual in legal proceedings or disputes between the Customer and a third party.

26. MONEY LAUNDERING

26.1. The parties to these General Terms and Conditions shall cooperate in the interest of compliance with the law, rules and regulations for the time being in force relating to the prevention of money laundering. If the Bank suspects that the presumed purpose of the given order or service is money laundering, it shall proceed in accordance with the laws, rules and regulations and its internal rules and its internal rules and procedures.

26.2. Upon entering into any business relationship with the Customer and in any other cases defined by the applicable law and regulations, the Bank shall duly verify the identity of

the Customer, provided that the Customer had not previously been identified in connection with another transaction.

27. LIEN

27.1. The Bank shall have a lien on all securities, goods, credits or other assets in its possession which belong to the customers who are debtors for any reason. This lien shall also be enforceable in respect of liabilities which have not yet matured and shall extend to interest accrued or to fall due, dividends or rights of subscription to securities. The right of sale shall apply in all cases where the Customer has been duly summoned to supply or fails to satisfy the requests for additional funds. Deposits for a given period of time and funds in foreign currencies may, at the Bank's option, either be merely set off against debts or realized at the current exchange rate.

28. SEVERABILITY

28.1. If any clause or schedule of these General Terms and Conditions is or becomes illegal, invalid or unenforceable under the applicable law, the remaining clauses and schedules of these General Terms and Conditions will remain in full force and effect.

29. PARTNESHIP ACCOUNTS

29.1. Firms having a partnership account with the Bank agree that upon any partner ceasing to be a member of the firm (by death, resignation or otherwise) any partner or the legal personal representatives or trustees of any partner the Bank may treat the surviving or continuing partner/s for the time being as having full power to carry on the business of the firm and to deal with its assets freely as if there had been no change in the firm.

29.2. The authority which a firm gives to the Bank for the holding of a partnership account shall remain in full force until revoked notwithstanding any change in the name of the firm whether by death, bankruptcy, retirement or the admission of partners or otherwise.

29.3. Upon any change in the constitution of the partnership, the partners shall sign a new mandate and promptly forward to the Bank.

30. INDEMNITY

30.1. The Customer shall indemnify the Bank and hold the Bank harmless at all times from and against any and all times from and against any and all losses, damages, costs (including actual legal costs), claims or proceedings whatsoever which the Bank may suffer or incur directly or indirectly in any way arising from:-

- 30.1.1. This Agreement and the Bank's provision of the Service to the Customer, including but not limited to the Bank's issuance of the Bankers Cheques in accordance with the Customer's Communications, and the Bank's reliance and acting on any other of the Customer's Communications;
- 30.1.2. Any action by the Bank as a result of misinterpretation of any Communications due to the faulty transmission of the Communications via the electronic medium provided, or any loss caused by any error in the Communications or in the encoding, decoding or processing hereof (the foregoing shall not apply to the extent that negligence or willful misconduct of the Bank caused such loss);
- 30.1.3. Any taxes due to be paid by the Bank on the payment to be made under any Banker's Cheque issued;
- 30.1.4. The failure by the Customer to substantially perform any material obligations imposed on it under this Agreement;
- 30.1.5. All actions, claims, demands, liabilities, losses, damages, costs, charges and expenses of whatever nature which may result or which the Bank may sustain suffer or incur in connection with or arising in any way whatsoever out of presentation of cash, cheques, drafts, bills and other instruments including all the resultant and incidental charges. In this regard, I/we hereby irrevocably waive all my/our right(s) to contest the amount(S) or the nature of claims paid under this instrument of indemnity.

31. SETTLEMENT OF DISPUTES

- 31.1. The Customer and the Bank shall endeavour to settle all legal disputes arising from their relationship through negotiations, and will endeavour to avoid lawsuits.
- 31.2. Unless otherwise agreed, in the event that the Customer and the Bank are unable to settle their disputes subject to the amount in dispute shall be submitted to the non-exclusive jurisdiction to the courts of competent jurisdiction in the Republic of Kenya.
- 31.3. Nothing in or related to these General Terms and Conditions without the other's written consent, which shall not be unreasonably withheld or delayed.
- 31.4. Written notice shall be effective if delivered to the Customer's principal business address specified in the Account Application above or to the Bank on the most recent statement for the relevant Account or at any other address the Bank may provide for this purpose. Such notices shall be in English.

32. ACCOUNTING PERIOD

32.1. Accounting periods are made up at the Bank's sole discretion at the end of each month, quarterly, half-yearly, or yearly period.

33. DELAY BY CUSTOMER IN LODGING COMPLAINTS

33.1. The Bank is not responsible for any matters unless the Customer has made a complaint to the Bank as soon as reasonably possible after receipt by him/her of the notification of the matter. Where the notification from the Bank is expected but not received, the complaint must be made within a reasonable time after non-receipt.

34. FREEZING OF ACCOUNTS

34.1. The Bank may at any time freeze any account of the Customer if and so long as there is any dispute or the Bank has doubt for any other reason (whether or not well founded) as to the person or persons entitled to operate the same, without any obligation to institute interpleader proceedings or to take any steps of its own initiative for the determination of such dispute or doubt.

35. VARIATION AND TERMINATION OF RELATIONSHIP

35.1. The Bank may at any time, upon notice to the Customer, terminate or vary its business relationship with the Customer 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 at its sole discretion.

36. INTERNET BANKING AND MOBILE PAYMENT CHANNELS

I/we do hereby confirm that I/we understand the risks involved in Internet Banking, and further confirm that we understand that the Bank shall not be obliged to ascertain the authenticity of the transmission or seek any further or other confirmation or ratification from me/us with regard to the genuineness of the instructions prior to taking any action on the basis of the instructions.

I/we do hereby therefore indemnify and hold you indemnified against any claims, liability, loss or damage that may arise or be caused as a result of your acting on the basis of instructions received by you from I/we using the Internet banking platform.

37. AMENDMENTS

37.1. Any additions or alteration of these terms and conditions made from time to time by the Bank of which notice has been to the Customer shall be binding upon the Customer as fully as if the same were contained in these terms and conditions.

38. GENERAL

- 38.1. Neither the Customer nor the Bank may assign or transfer any of its rights or obligations under these General Terms and Conditions without the other's written consent, which shall not be unreasonably withheld or delayed.
- 38.2. No failure or delay of the Customer and / or the Bank in exercising any right or remedy under these General Terms and Conditions shall constitute a waiver of that right. Any waiver of any right shall be limited to the specific instance.
- 38.3. Written notice shall be effective if delivered to the Customer's principal business address specified in the Account Application above or to the Bank on the most recent statement for the relevant Account or at any other address the Bank may provide for this purpose. Such notices shall be in English.

39. APPLICABLE LAW

These General Terms and Conditions shall be governed by and construed in accordance with the laws of the Republic of Kenya.

I/WE have read and understood the terms and conditions and agree to be bound by them in full. I/We hereby confirm that I/We have the necessary authority to execute these General Terms and Conditions.