

INSURANCE PREMIUM FINANCE AGREEMENT FORM

THIS INSURANCE PREMIUM FINANCE AGREEMENT ("this Agreement") is made on the _____ day of _____ 20 _____
BETWEEN:

The Borrower: Being the person(s) named in the Schedule hereto and includes the Borrower's successor(s) or personal representative(s) (as the case may be) and assigns on the first part;

The Bank: Faulu Microfinance Bank Ltd whose address is care of P.O. Box Number 60240 - 00200 Nairobi in the said Republic and includes its successors and assigns of the second part;

The Insurer: Being the person named in the schedule hereto and includes the Insurers successors and assigns on the third part.

The Premium Amount: Kes _____

THE SCHEDULE

THE BORROWER

NAME OF BORROWER

(as per ID or Certificate of incorporation or Certificate of Registration)

ADDRESS	P.O. BOX:	TOWN:	
PHONE No. (OFFICE)	OTHER	FAX NO.	
PHYSICAL ADDRESS			
NAME AND DESIGNATION OF CONTACT PERSON (For partnership and corporate borrowers)		OFFICE TEL:	
ID No.	PIN No.	MOBILE No.	

THE INSURER

NAME OF INSURER	
PHONE NO.	FAX NO.
PHYSICAL ADDRESS	
E-MAIL ADDRESS	
NAME AND DESIGNATION OF CONTACT PERSON	PHONE NO
NAME OF INSURANCE INTERMEDIARY (AGENT, BROKERS OR BANCASSURANCE INTERMEDIARY) ANZIANO INSURANCE AGENCY	PHONE NO. 0700222219 0208400601
NAME AND DESIGNATION OF CONTACT PERSON SAMWEL GATHIA	PHONE NO. 0700222219 0208400601

DETAILS OF THE POLICY OR POLICIES WITH THE INSURER

POLICY No.	START DATE	EXPIRY DATE	AMOUNT PER POLICY	TYPE OF COVER (Motor & non life)	REGISTRATION NO.

THE REPAYMENT DETAILS

TOTAL PREMIUM AMOUNT KShs.	RATE OF INTEREST % per annum			
NUMBER OF INSTALMENTS (Tick One)	4	6	8	10
DEPOSIT PAYABLE	Consecutive monthly instalments KShs.			
METHOD OF REPAYMENT (Tick One) (Bank to be indicated as Payee)	Postdated cheque	Bank Standing Order		
NAME OF BANK				
ACCOUNT NUMBER				
Applicant Name	Signature:		Date:	
Applicant Name	Signature:		Date:	

FOR OFFICIAL USE ONLY

Recommended By	Branch:	Signature:	Date:
Approved By	Branch:	Signature:	Date:

Checklist :

- Cheque No. _____ for KES. _____ drawn on Bank favouring Faulu Microfinance Bank Ltd Ale No. _____
 (Name of Applicant) _____ Representing first Repayment Instalment.
- Bank Standing Order/postdated cheques for subsequent Repayment Installments ID Copy (for individual applicant)
- PIN Copy Certified copy of Memorandum & Articles of Association (companies)
- Copy of Certificate of Incorporation/Registration (companies).

INSURANCE PREMIUM FINANCING AGREEMENT

This Insurance Premium Financing Agreement is made as of the day of _____, 20____ between:

The Borrower: The person whose name appears in the Application Form together with his personal representatives, heirs and permitted assigns;

The Bank: Faulu Microfinance Bank Ltd a private company incorporated in the Republic of Kenya with limited liability whose address for the purposes hereof is Post Office Box Number 60240 – 00200 Nairobi; and

The Insurer: The person licensed as an insurance company in the said Republic named in the Application Form annexed to this Agreement.

1. Definitions

- (a) "Account" means the designated account of the Borrower (hereinafter defined) maintained with Faulu Microfinance Bank Ltd, for the purposes of crediting the Loan (as hereinafter defined) or such other account specified as such and referred to in the Application Form.
- (b) "Additional Financing Charge" means the sum as may be specified by the Bank to the Borrower from time to time payable by the Borrower to the Bank in the event of default of any one Repayment Instalment (hereinafter defined) on the corresponding Repayment Date (hereinafter defined).
- (c) "Agreement" means together the Borrower's Application Form and these Terms and Conditions (hereinafter defined).
- (d) "Application Form" means the Borrower's application to the Bank applying for an insurance premium financing loan facility being this Agreement.
- (e) "Bank Standing Order Form" means the instructions from the Borrower in the form or substantially in the form set out in the Schedule for the payment in the Account and the receipt by the Bank of the Repayment Instalments.
- (f) "Default Notice" means the notice made in writing by the Bank notifying the Insurer that the Borrower has defaulted in making payment of any one or more of the Repayment Instalments and that the Insurer is obliged forthwith to make payment and the Bank is entitled to receive, the Refundable Premiums.
- (g) "Financing Charge" means the sum representing per cent (%) of the Premium Amount which sum shall be payable by the Borrower to the Bank upon execution of this Agreement.
- (h) "Insurance Broker" an insurance brokerage firm appointed by the Insurer and set out in the Application Form authorised by the Insurer to act as its agent in respect of the Insurance Policy/ies.
- (i) "Insurance Policy" means the document(s) evidencing the annual insurance coverage for the Borrower issued by the Insurer subsequent to the payment by the Bank of the Premiums, as detailed in the Application Form.
- (j) "Loan" means the aggregate of the Principal Amount referred to in the Application Form together with the Financing Charge, or so much thereof as may from time to time be disbursed to and be owing by the Borrower to the Bank.
- (k) "Repayment Instalment" means the sum payable by the Borrower to the Bank on each Repayment Date (hereinafter defined) being a sum equal (or substantially equal) to the instalments specified in the Application Form or such other sum as may be specified in writing by the Bank to the Borrower.
- (l) "Premiums" means the sum in Kenya Shillings or such other currency denomination required to be paid to the Insurer for the benefit of the Borrower in respect to the Insurance Policy.
- (m) "Premium Amount" means the sum representing the annual insurance Premiums in respect of the Insurance Policy payable by the Borrower to the Insurer as specified in the Application Form.
- (n) "Refundable Premiums" means the sum payable by the Insurer to the Bank as per the terms of clause 10 hereof.
- (o) "Repayment Date" means the first day in each succeeding calendar month corresponding to the date of first disbursement of the Loan or any part of the Loan.
- (p) "Terms and Conditions" means these terms and conditions contained in this Insurance Premium Financing Agreement.

2. Disbursement

- (a) The Loan will be disbursed by the Bank on behalf of the Borrower to the Insurance Broker (if applicable) in respect of the aggregate annual premiums, by means of a bank transfer.
- (b) The Insurer hereby authorizes the Insurance Broker to act as its agent in respect to the Insurance Policy and to receive the Premiums on its behalf.

3. Payment

- (a) The Premium Amount will be paid by the Bank to the Insurance Company subsequent to receipt by the Bank of the duly completed Application Form and receipt by the Bank in cleared funds of the first Repayment Instalments.
- (b) The Loan will be repaid by the Borrower to the Bank by way of subsequent Repayment Instalments. After the first Repayment Instalments, paid by direct debit from the Borrower into the Account on each and every subsequent Repayment Date by means of a bank standing instruction given by the Borrower to the Bank.
- (c) The statement of the Bank of the amount of each Repayment Instalment payable pursuant to this condition shall in the absence of material manifest error be conclusive.
- (d) Time in respect of the payment of each Repayment Instalment is of the essence.
- (e) All payments made shall be in Kenya Shillings (or such other denomination as may be specified by the Bank) in cleared funds during normal working hours. If any sum falls due for payment on a day, which is not a day on which Banks in Kenya are open for business, then payment shall be made on the day immediately preceding the day on which Banks are open for business.

- (f) All payments received by the Bank in respect of the Loan shall be credited only when payment in respect to the Terms and Conditions hereof shall have been received in cleared funds. Any payments otherwise credited by the Bank in respect of the Loan shall be subject to receipt of cleared funds and in default shall not be deemed credited until receipt of cleared funds.

4. Application of Payment Proceeds

- (a) All payment (including prepayments if any) made by the Borrower to the Bank shall be applied in the following order:
 - (i) First, in payment of the Additional Financing Charge (if any);
 - (ii) Secondly, in payment of the Financing Charge element of any unpaid Repayment Instalment; and
 - (iii) Thirdly, in payment of the principal element of any unpaid Repayment Instalment.

5. Prepayment

- (a) The Borrower shall be entitled to prepay one or more of the Repayment Instalments PROVIDED THAT any such prepayment shall be of an amount equal to the whole of one or more of the Repayment Instalment together and shall be payable on a Repayment Date (and if paid on a date which is not a Repayment Date shall be deemed to have been made on the next succeeding Repayment Date);
- (b) The Bank may, in its sole discretion, allow for the pre-payment of an amount less than the total outstanding amount of the Repayment Instalments.

6. Waiver

No indulgence by the Bank of its rights hereunder will operate as a waiver of its said rights and remedies nor will it constitute a novation hereof.

7. Certificate of Indebtedness

A certificate under the hand of an authorized signatory of the Bank (whose office need not be proved) shall constitute conclusive evidence of any amount owing under this Agreement for any purposes and at any time.

8. Payment by the Borrower on Terminating

If this Agreement is terminated by the Bank under Clause 13 below, the Borrower shall immediately be liable to pay the Bank through payment into the Account;

- (a) Any Additional Financing Charge that shall have become due
- (b) Any Financing Charge that shall have become due
- (c) All unpaid Repayment instalments which shall then be due under this Agreement.

9. Costs

The Borrower shall pay to the Bank forthwith upon demand all costs incurred by the Bank in consequence of any default by the Borrower of any of the Terms and Conditions, including costs of advocates on an advocate and own client basis.

10. Refundable Premiums

Borrower:

- (a) In the event of a default under this Agreement or the termination of this Agreement, the Borrower acknowledges the right of the Bank to issue the Default Notice to the Insurer.
- (b) The Refundable Premium shall be calculated as follows: the Premium Amount x (365- number of days from date of the Due Date to the date of the Default Notice)/365 days.
- (c) The Borrower confirms that he shall use his best endeavors to ensure that the Insurer complies with the Default Notice and further;
- (d) The Borrower hereby irrevocably authorizes the Insurer to act as per the provisions of this section 11 with respect to the Insurance Policy.
- (e) The Bank may, at its discretion and upon receipt of the same from the Insurer, refund a part of the Refundable Premiums to the Borrower after deduction of all amounts due and owing to the Bank under this Agreement.

Insurer:

- (a) Upon receipt of the Default Notice, the Insurer shall pay to the Bank on demand and without any deduction whatsoever the Refundable Premiums in cleared funds and at the Bank's request in the currency in which the Premiums were made.
- (b) The Insurer undertakes to notify the Bank if the amount of Refundable Premiums is reduced due to the settlement of any claim under the Insurance Policy and shall use its best endeavors to ensure that the Bank shall be paid by the Borrower the amount by which the Refundable Premium has been reduced prior to the settlement of any such claim.
- (c) The Insurer also undertakes that no claim amount will be paid without prior notification to the Bank and shall use its best endeavors to ensure that all payments due to the Bank have been made before the settlement of any claim.
- (d) The right of the Bank to the Refundable Premium shall override and prevail over any conflicting provision in the Policy and the Refundable Premium shall be deemed to be refundable notwithstanding that a claim has arisen or payment has been made under the Insurance Policy unless that claim or payment is by or to the Bank.

11. Default Charges

- (a) If the Borrower does not pay any sum payable hereunder on its due date for payment the Borrower, shall pay to the Bank (as well after as before any demand or judgement of the Borrower) each and every such time the Additional Financing Charge.
- (b) The Borrower hereby acknowledges and agrees that each and every payment of the Additional Financing Charge payable by the Borrower to the Bank represents a reasonable pre-estimate of the administrative cost incurred by the Bank in seeking the repayment of the Loan and the loss to be suffered by the Bank in funding the default of the Borrower.

12. General

- (a) Any adjustment in amount of the Premiums payable by the Borrower in respect of the Insurance Policy after the Due Date shall not be deemed to form a part of this Agreement.
- (b) The expression "Borrower" shall include his successors in title and permitted assigns.
- (c) In this Agreement references to the masculine gender shall include the female gender and the references to the singular shall include the plural and vice versa.
- (d) Where more than one person is comprised in the expression "Borrower", their liabilities and obligations hereunder shall be joint and several and references hereon to 'The Borrower' shall (where the context permits) includes any one of them.
- (e) The Borrower acknowledges that no representations or inducements to enter into this Agreement have been made whether orally or otherwise other than those specifically referred to herein.
- (f) This Agreement shall be governed by the Laws of the Republic of Kenya and the Borrower hereby submits to the jurisdiction of the High Court of Kenya held in Nairobi.
- (g) No amendment or variation of this Agreement shall be valid or effective unless it be in writing and signed by the parties.

13. Termination by the Borrower

The Borrower shall be entitled to terminate this Agreement by giving not less than ninety (90) days written notice to the Bank of his intention to so do.

14. Undertakings & Warranties Borrower:

- (a) The Borrower will not without the Bank's prior written consent, permit any mortgage, charge, (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest, title retention, trust arrangement and other encumbrance securing or any right conferring a priority payment in respect of the Insurance Policy.

Insurer (Being the guarantor)

- (a) In the event of any claim being made on the Insurance Policy the Insurer hereby irrevocably confirms, acknowledges and agrees that all monies payable as the excess under the terms of the Insurance Policy will be for the account of the Borrower.
- (b) The Insurer covenants with the Bank that the Insurance Policy validly exists and that the details of the Insurance Policy as set out in the Application Form are true and correct.
- (c) The Insurer covenants that upon cancellation or termination of the Insurance Policy by the Bank or by the Borrower, the Insurer shall comply with all statutory and other common law obligations resulting from such cancellation and including without limitation the provision of a notice to any third party of such cancellation if so required.
- (d) The Insurer undertakes that the right of the Bank to the Refundable Premium and its interest as a financier or assignee shall be noted on the Insurance Policy or by way of an endorsement to be issued in respect thereof following the execution of this Agreement and the Insurer shall provide written proof of the compliance with this sub clause upon demand.
- (e) The Insurer will promptly notify the Bank in writing of the occurrence of an event which has or is likely with the giving of notice or the passage of time lead in materially affecting the Bank's right to the repayment of the Refundable Premiums or in the cancellation of the Insurance Policy.
- (f) Hereby conditionally guarantee and undertake as a primary obligor the payment to the bank on first demand and in any event not later than seven days from the date of first demand, the prorata refund (refundable premium) of the amount due to the bank by the insurer (as advised by the bank) under the aforesaid policy or policies financed by the bank. The Refundable Premium = The total amount financed by the bank X (365days-number of days from date of premium payment to date of demand)/365 days.
- (g) If the Refundable Premium is not paid on the date on which it is due as herein provided, we undertake to pay to the bank interest on such sum for the period beginning on such date until payment is received by the bank in full at the rate of % per annum above the banks base rate from time to time in force or at such other rate as the bank may specify at its discretion (within the limits permitted by law) and we confirm that such interest shall be calculated on the basis of 365 day year and be compounded monthly until repaid in full.

This Guarantee:

- (a) Shall not be affected, discharged or diminished by any act or omission which would but for this provision have exonerated a guarantor but would have affected or discharged our liability had we been a principal debtor.
- (b) Shall continue in force until all the amount due to the Bank on premium financed has been paid when all liability hereunder shall cease save to the extent the bank shall previously have called upon us in writing to pay specified moneys payable then remaining outstanding.
- (c) Does not extend to liabilities incurred after the date of receipt by you of notice of termination from us and on service of such notice we shall be at liberty to pay off any moneys or liabilities guaranteed by us and to provide cash cover in respect of any contingent liabilities guaranteed.
- (d) Shall be governed and interpreted in all respect in accordance with the laws of Kenya and the parties hereto irrevocably submit to the non-exclusive jurisdiction of the High Court of Kenya.
- (e) The undertaking contained in this guarantee shall override any other undertakings given by us in any other documents.

Events of defaults:

In the event of default by the Borrower in the repayment of the loan installments or otherwise as detailed herein below, the insurer shall pay the un utilized Premiums in respect of the subject Loan, to the Bank within 7 days of demand, failing which the insurer will be liable for any accruing interest and default charges on the outstanding amounts. For the purposes of this clause an event of default

will be deemed to have occurred in the event of:

- (a) Default in payments due under a policy by the Borrower;
- (b) The death or bankruptcy of the individual Borrower;
- (c) Winding up of a corporate Borrower;
- (d) The Borrower committing any material breach of any its obligations under this Agreement and such breach remains un-remedied for seven days after the Borrower receives a written notice from the Bank specifying the breach and the required remedy;
- (e) The risk insured under an Insurance Policy financed by the Bank crystallizing;
- (f) The Borrower canceling his/her insurance policies whose Premiums have been financed under this Agreement; and It is hereby acknowledged and confirmed that payment of the Repayment Instalments or any other money due from the Borrower to the Bank under this Agreement to any place other than into the Account shall automatically give rise to the termination of this Agreement.

And it is hereby agreed that in the event of default by the Borrower of any payment due by him hereunder, the Bank shall have the right to terminate this Agreement forthwith without notice and shall thereupon be entitled to payment of all Refundable Premium from the Insurer, AND IT IS ALSO AGREED that any notice or demand shall be deemed to be properly served on any party hereto if delivered by hand or sent by registered post or facsimile at the address shown in the schedule hereto or at the registered offices or the physical address shown on the schedule hereto and in the absence of evidence of earlier receipt any notice or demand shall be deemed to have been received if delivered by hand at the time of delivery or if sent by registered post three (3) days after the date of posting (notwithstanding that it is to be undelivered or returned undelivered) or it is sent by telex or facsimile on the completion of the transmission AND IT IS ALSO AGREED THAT this Agreement shall not take effect and shall not be binding on the Bank unless and until it is signed by the Bank and other parties hereto.

15. Disclosure

The Bank may, and the Borrower hereby authorizes and acknowledges that the Bank may, disclose any information about the Borrower to any person in connection with any actual or likely event of default by the Borrower. This right to disclose includes disclosing information under the terms of this Agreement (including the assignment or transfer of all the Bank's rights and obligations under this Agreement).

16. Assignment

The Borrower may not assign and/or transfer all or any of its rights, benefits and obligations under this Agreement to any person at any time, however the Bank may on written notice to the Borrower transfer all or any of its rights and obligations under this Agreement. The Borrower will at the Bank's request forthwith enter into all documents specified by the Bank as necessary to give effect to any such assignment or transfer.

17. Variation

The Bank may vary this Agreement or any part thereof at any time or times, subject to the requirements of any statute. Notification of any such variation shall be given to the Borrower either in writing or by publication thereof by such means as the Bank may select and a variation so effected shall be binding on the Borrower.

Dispute Resolution & Arbitration

18. The parties shall use their best efforts to settle amicably any dispute arising from or in connection with this Agreement or the interpretation thereof.

If the dispute has not been settled pursuant to the mediation within Fourteen (14) days or such longer period as may be agreed upon between the parties from when the mediation was instituted, any party may elect to commence arbitration by a single arbitrator whose decision shall be final and binding on the parties hereto in accordance with the provisions of the Arbitration Act Number 4 of 1995 (as amended from time to time) or other the Act or Acts for the time being in force in the Republic of Kenya in relation to arbitration.

- (a) The tribunal shall consist of a single arbitrator to be agreed upon by the parties.
- (b) If the parties are unable to agree on an arbitrator within 14 days of the notification by either party of a dispute, the appointing authority for the purposes of the arbitration shall be the Chairman for the time being of the Chartered Institute of Arbitrators, Kenya Branch Nairobi on the application of either party.
- (c) The seat of the arbitration shall be Kenya and the place of arbitration shall be Nairobi.
- (d) The language of the arbitration shall be English.
- (e) The tribunal shall have such power to order any relief on a provisional basis which it would have power to grant on a final award.
- (f) To the extent permitted by law the award of the arbitrator shall be final and binding upon the parties.

Nothing contained in Section 18 shall prohibit a party from approaching any court of competent jurisdiction for urgent interim relief pending determination of the dispute by arbitration.

In witness whereof the Borrower, the Bank and the Insurer hereby accept and agree to abide by these Terms and Conditions.

Signed by the Borrower		Company Stamp and Seal	
Name			
Signature	Date:		
Name			
Signature	Date:		
Witnessed By			
Name			
Signature	Date:		
Name			
Signature	Date:		
Signed by the Insurer		Company Stamp and Seal	
1.			
2.			
Date			
Signed by the Bank		Company Stamp and Seal	
1.			
2.			
Date			

Insurance Intermediary/Broker's Declaration:

We hereby agree and undertake to:

- (i) Use our best endeavors to assist the Bank and the Insurer in respect to the completion of Application Form and any other further documents required of the Bank and/or the Insurer.
- (ii) To follow up with the Borrower for the payment of any unpaid Repayment Installment. Where the Bank disburses the Premium Amount to us on behalf of the Insurer, we acknowledge that we shall hold any sums received by us on trust for the Insurer as the Insured's agent and shall pay the said sum to the Insurer immediately forthwith.

Approval	Name	Signature	Date
Relationship Officer			
Branch Credit Committee (BCC)			
Bcc Member1			
Bcc Member 2			
Bcc Member 3			
Branch Manager			
BCC Comments			
Head Office Credit Committee (HOCC)			
Credit Analyst 1			
Credit Analyst 2			
Manager Credit Risk			

GENERAL TERMS & CONDITIONS GOVERNING THE BANK - CUSTOMER RELATIONSHIP

1.1. Customer Complaint

The customer may lodge a complaint with the Bank via any of the contact details as provided in this form, website or any of our banking premises. The bank shall acknowledge receipt of customer complaints within 48 hours and shall resolve the matter within 7 working days. For complaints not resolved within 7 working days, written updates shall be forwarded to the customer on the progress of resolution, once every 7 working days.

1.2. Cooling-off Period

As a Bank prior to entering into this contract with the customer, we shall:

- 1.2.1 Explain to the customer that they have the freedom not to enter into the contract if they are not sure of the suitability of the product or service or if the terms and conditions of the contract appear onerous or if the execution of the contract by customer shall be secured with difficulty arising from the financial position or other condition of the customer.
- 1.2.2 Inform the customer of their right to take some time to think over the proposed transaction before signing the contract or committing themselves to take the product or use the service.
- 1.2.3 Request the customer to confirm whether he/she needs some time to reconsider the proposed transaction. The institution shall act in accordance with the wishes of the customer.

1.3. Anti-bribery and Corruption

- 1.3.1 You will ensure compliance with all Anti-corruption Laws as the same may be enacted or amended from time to time and any recognized international principles (Anti-Corruption Law)
- 1.3.2 In connection with your account, you have implemented well established process and procedures and monitoring systems to monitor any unusual activities that may relate to bribery and corruption
- 1.3.3 You shall promptly report any actual, alleged or attempted violation of any applicable Anti-Corruption Law arising in connection with your account and you shall co-operate with us.

1.4. FATCA Compliance

- 1.4.1. The Bank is subject to the requirements of the Foreign Account Tax Compliance Act (FATCA) which is a United States of America (USA) Tax Law.
- 1.4.2. In compliance with FATCA, the Bank may be required to disclose and/or share details of your account opening information or other account data with its affiliates and/or other regulatory entities outside the Old Mutual Limited (OML) Group as mandated by FATCA, including the USA tax authorities. You hereby consent to the receipt, sharing, provision and exchange of Personal Data within the Bank and its affiliates and/or such regulatory authorities.
- 1.4.3. Please note however that the Bank is not a tax advisor and does not provide any professional tax advice relating to FATCA or any other tax legislation. You are encouraged to procure independent professional advice on FATCA and all other tax related matters.

1.5. Anti-Facilitation of Tax Evasion

- 1.5.1 In connection with your account, you shall not engage in activity, practice or conduct which would constitute facilitation of tax evasion as recognized by Laws of Kenya and recognized international principles
- 1.5.2 You have implemented well established processes and procedures and monitoring systems to monitor any unusual activities that may relate to tax evasion.
- 1.5.3 Should we have reasonable grounds to suspect that you have assisted or attempted the facilitation of the evasion of tax, we may:
 - 1.5.3.1 Request additional information prior to processing transactions
 - 1.5.3.2 Not process a transaction where it is suspected it is in relation to an incidence of tax evasion, or relates to facilitation of tax evasion and the originator of the Transaction cannot provide information to the contrary; and
 - 1.5.3.3 Report the violation, or suspected violation to an authorized body and subsequently act according to the guidance of such authorized body or related body.
- 1.5.4 You explicitly indemnify us against any actions, proceedings, claims and/or demands that may be brought against us or our affiliates, as well against losses, damages, costs and expenses which we may incur or sustain in connection with the seizure, blocking or withholding of any funds by an authorized or related body.

1.6. Privacy Statement of Faulu Microfinance Bank Limited

Faulu endeavors to treat all your personal information carefully and responsibly. This Privacy Statement relates to the collection, use and disclosure of personal data, including special or sensitive personal data, by Faulu Microfinance Bank Limited (hereinafter "Faulu").

- 1.6.1. The Personal Data we may hold includes any information that lets Faulu identify you as a unique individual and any information that uniquely identifies a legal entity.
- 1.6.2. Processing of personal data includes any initial processing that Faulu does when we collect your personal information.
- 1.6.3. We generally do not collect your personal data unless you provide it voluntarily or through your authorized representative. We may however collect and process your data without your consent where permitted under the Data Protection Act, 2019 or other laws.

Your Rights

- 1.6.4. In line with the Data Protection Act 2019 and other applicable law, regulation, industry guidelines, you have the following rights regarding your personal data:
 - 1.6.4.1 **Access** - to request a copy of the personal data processed in relation to you by filling in a request form at your Branch. Faulu may be allowed by law to charge a fee for this.
 - 1.6.4.2 **Correction** - to request that we correct your personal data.
 - 1.6.4.3 **Erasure** - to ask us to delete your personal data, for example if we no longer have a valid reason to process it.
 - 1.6.4.4 **Object** - to object to the processing of your personal data.
 - 1.6.4.5 **Restriction** - at your request, restrict how your personal data is processed in certain cases.

- 1.6.4.6 **Portability** - to request a copy of the personal data you have given to us in a machine-readable format.

Processing your Personal Data

- 9.6. 5. Faulu will only collect and process your personal information for the reason you provided it to us with your consent, or to enable us to comply with the requirements of specific laws that we are governed by either directly from you or third-party sources.
- 9.6. 6. Faulu shall require that a mandatory field for personal data be accurately filled in for Faulu to provide you with your chosen product and/or service.
- 9.6. 7. Faulu may process your personal information to protect your or our legitimate interests.
- 9.6. 8. Faulu may have legal or regulatory obligation to process your Personal Data in connection with the products and services you have requested.
- 9.6. 9. Faulu may also process your personal data where it is in our legitimate interests to seek professional advice.

1.6.10. Consent - The consent that you provide for the processing of your data shall remain valid until such time it is being withdrawn by you in writing and having the same delivered to your nearest Faulu branch or via email to our Customer Experience Desk through the contact details provided below

1.6.11. Retention of your Personal Data - We retain your personal data in line with our legal and regulatory obligations and for business and operational purposes.

1.6.12. Protection of Personal Data - To safeguard your personal data from unauthorized access, collection, use, disclosure, copying, modification, disposal or similar risks, we have introduced appropriate administrative, physical and technical measures to secure all storage and transmission of personal data by us, and disclosing personal data both internally and to our authorized third party service providers and agents only on a need-to-know basis.

1.6.13. Automated Decisions and Profiling - As a rule, we do not make decisions based solely on automated processing to establish and implement the business relationship. We may use profiling, including behavioral analysis, to assist us to provide you with better services, to make decisions and to prevent money laundering, terrorism, fraud and other financial crime.

1.6.14. Disclosure of Personal Data - When using your data for the purposes disclosed in this privacy statement, we may need to disclose it to Faulu affiliate companies and to our agents, advisors and third-party service providers ("Other Parties"). We will require the other parties to handle your Information using the same level of care that we apply and according to our instructions and directions. We will not otherwise disclose your information to third parties unless we have your permission, or we are under a legal or similar obligation.

1.6.15. Other Terms and Conditions - Other specific terms and conditions in our banking and product agreements that govern the collection, use and disclosure of your personal data must be read in conjunction with this Privacy Statement.

1.6.16. Contact Details - You may contact our Customer Service Department if you have any enquiries or feedback or complaints in relation to the processing of your personal data or if you wish to make any request, in the contact details below:

Faulu Microfinance Bank Limited
Head office: Ngong Lane, off Ngong Road Nairobi
P.O. Box 60240-00200 Nairobi
Tel : +254 711 074 000 or +254 711 074 074
Email Address: info@faulukenya.com

1.6.17. Changes to this Privacy Statement - This Privacy statement may be updated from time to time and you are advised to visit our website: www.faulukenya.com regularly to check for any amendments. This privacy statement was last updated on 1st July 2020.

DATA PROCESSING CONSENT FORM (BORROWER)

I _____ hereby agree and give consent as follows:

- i. That Faulu Microfinance Bank Limited ("Faulu") may collect, use, disclose and process my personal information as set out in my application form, account opening documents and/or otherwise provided by me or my authorized representatives or possessed by Faulu, for one or more of the purposes as stated in Faulu's Data Privacy Statement.
- ii. My personal data may/will be disclosed by Faulu to its third party service providers or agents (including but not limited to its auditors, lawyers/law firms, debt collectors), which may be sited outside of Kenya, for one or more of the purposes, as such third party service providers or agents, if engaged by Faulu, would be processing my personal data for Faulu for one or more of the purposes set out in the data privacy statement.
- iii. I am aware that I may withdraw my consent at any time by using the Bank's Consent Withdrawal Form available in the Bank's branches.
- iv. By signing below, I represent and warrant that I am the user and/or subscriber of the personal data as set out in my application form, account opening documents and/or otherwise provided by me or my authorized representatives or possessed by Faulu, and that I have read and understood all of the above provisions, including the Data Privacy Statement availed at (www.faulukenya.com/privacy statement).
- v. I am aware I can find a full description of what personal data the Bank collects and the purpose for collection and processing on the Bank's website (www.faulukenya.com / privacy statement).
- vi. I/We authorize Faulu MFB to process my/our sensitive personal data both within and outside Kenya, in accordance with the Bank's Privacy Statement.
- vii. I/We authorize Faulu MFB to obtain and process my/our personal data from third parties including my/our health information in accordance with the Privacy Statement.
- viii. I/we authorize Faulu MFB to process my/our personal data for analytics/market research or for marketing/advertising or for similar commercial purposes in accordance with the privacy statement.

Signed by data subject:

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____