

General Account Opening Terms and Conditions

These Terms and Conditions govern the opening, closing and general dealing with accounts opened with the Bank and constitute the agreement between the Bank and the Customer.

1. Definitions

In these Terms and Conditions the following expressions shall unless the context otherwise requires have the following meanings:

“Account” means any of a savings bank account, current deposit account, fixed deposit account, loan or other bank account opened with the Bank pursuant to an application made by the Customer to open such an account or howsoever opened.

“Bank” means Choice Microfinance Bank Limited, its successors and assignees (whether immediate or derivative) and any of its branches.

“Business Day” means a day (other than a Sunday or a gazetted public holiday in Kenya) on which banking institutions are generally open for the conduct of normal banking business in Kenya.

“Customer” means a person (whether a natural person, body corporate or incorporate, firm, corporation, club, partnership, proprietorship, association, state, administrative and governmental body whether being a separate legal entity or not, trust or joint venture) who has opened an Account with the Bank and includes the Customer's authorised signatories and permitted agents.

2. Agreement

2.1 By completing and signing the Bank's prescribed Account opening form, the Customer shall be deemed to have accepted to be bound by these Terms and Conditions in addition to other terms and conditions which govern the opening, closing and general operation of specific Accounts.

3. Customer's Instructions

3.1 The Customer hereby authorizes and directs the Bank to honour and to debit to the Customer's Account, all cheques, drafts, bills, acceptances, negotiable instruments and orders drawn, accepted or made out in accordance with the operational instructions held by the Bank from the Customer or authorized agent, or mandated account holder, and to carry out any instructions the Customer may give in connection with the Account notwithstanding that any such debiting or carrying out may cause the Account to be overdrawn or an overdraft to be increased.

Where no overdraft has been agreed or the limit of overdraft has been reached, the Bank may at its discretion refuse to carry out any instructions which would result in there being an overdraft or an overdraft greater than that agreed, or may carry out such instructions at the sole risk, cost and liability of the Customer notwithstanding that this may result in there being an overdraft or an overdraft greater than that agreed. The Bank has the sole discretion to return any cheques paid out of any account whose overdraft limit has been exceeded or any cheques which in the Bank's opinion if paid would cause the account to be overdrawn, or where the Customer's

account is at a minimum balance, or where an overdraft has been agreed.

4. Authorised Signatories and Agent

4.1 The Customer shall at the time of opening an Account give to the Bank in a form required by the Bank the full name, address and specimen signature of every person authorized by the Customer to operate the Account. The Account will be operated by the Customer's authorized signatories in accordance with operating instructions given to the Bank.

4.2 Notwithstanding any authority given to an agent by the Customer, the Customer shall remain liable to the Bank for all loans, overdrafts and monies borrowed or incurred by, and all costs, charges, expenses, commissions and other liability whatsoever incurred or suffered by the agent pursuant to or in breach of Customer's agent's authority, together with all interest thereon as determined solely by the Bank. The Customer shall indemnify the Bank (on a full unqualified indemnity basis) in respect of all liability (which shall include without limitation all losses, actions, costs, claims, damages, charges, taxes, legal and other professional fees and expenses, including any value added tax) which the Bank may incur or suffer as a result of anything done or omitted by the Customer's agent.

5. Set-off and Consolidation

5.1 The Bank may at any time without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of the Customer's then existing accounts (whether current, deposit, savings, fixed, loan or of any other nature whatsoever, whether subject to notice or not and whether in Kenya Shillings or any other currency) and set off or transfer any sum standing to the credit of any such account in or towards satisfaction of any obligations and liabilities of the Customer to the Bank. Where such combination, set-off or transfer requires conversion of one currency into another, such conversion shall be calculated at the then prevailing buying rate of exchange of the Bank.

5.2 The Bank is hereby irrevocably authorized by the Customer to perform such acts and sign such documents as may be required to give effect to any set-off or transfer pursuant to the condition above. These provisions shall be in addition to and without prejudice to such rights of set-off, combination, consolidation, lien and other rights conferred on the Bank by law.

6. Simultaneous Orders in Excess of Funds

6.1 Where the Bank receives from the Customer several orders at approximately the same time, the total amount of which exceeds the available funds of or the credit granted to the Customer, the Bank may honour the orders in whatever manner it deems fit subject to the limit of funds available in the Customer's account.

7. Bank Charges and Interest

7.1 The Bank shall be entitled to debit the Customer's account to recover the following:

7.1.1 Interest on overdraft accounts, loan accounts or any other facility granted by the Bank, at rate or rates agreed with the Customer or at such other increased rate as decided by the Bank and advised to the Customer, which may be different for different accounts.

7.1.2 Interest in respect of a temporary overdraft or any other facility notwithstanding that the interest rate has not been mutually agreed, which interest rate shall be determined by the Bank in its sole and

absolute discretion from time to time.

7.2 Such interest will be calculated on daily balances and debited monthly. The Bank shall notify the Customer of any change in the rate of interest charged by written notice of not less than 30 days prior.

7.3 The Bank shall also be entitled to debit the Customer's account to recover:

7.3.1 Charges incurred by the Bank in obtaining legal advice in connection with the Customer's dealings with the Bank or incurred in any legal, arbitration or other proceedings arising out of such dealings.

7.3.2 Commissions levied for various services provided by the Bank at such rates and at such time or times as provided under the Bank's tariff sheet which could be revised from time to time.

7.3.3 All other expenses and charges including but not limited to fees on money transfer services, standing fees, cheque book charges, telephone calls, taxes, duties, inspection, impositions and expenses incurred in complying with the Customer's requests or incurred in the ordinary course of Customer's dealings with the Bank.

8. Statements of Account

8.1 Statements of Account will be issued at the sole discretion of the Bank or on such other times as mutually agreed between the parties, provided that the Bank shall be entitled to charge for statements requested more regularly than the normal practice of the Bank.

8.2 The contents of any Statement of Account or statement of any other nature which has been sent by the Bank to the Customer's last known address, and to which the Customer has not objected within fifteen (15) days of receipt thereof, shall be deemed to have been received and approved by the Customer and shall not thereafter be challenged on any ground whatsoever.

9. Customer to Inform Bank

9.1 The Customer shall inform the Bank of any matter relating to the Customer's Account in respect of which the Customer requires action from the Bank within a reasonable time (as determined by the Bank).

9.2 The Bank shall not be liable to the Customer in respect of any matter relating to the Customer's Account in respect of which it has not received any timely communication from the Customer.

9.3 Whereas the Bank will take reasonable care to comply with the Customer's communications, the Bank will nevertheless not be liable for failure to comply with any communication received from the Customer.

10. Use of Automated Teller Machines and Cards

10.1 The Bank will issue the Customer with a card(s) if the Customer is eligible for the service, subject to payment of such tariff as the Bank may impose from time to time.

10.2 The card must be signed by the Customer immediately on receipt and may only be used by the Customer subject to the terms and agreements governing the card.

10.3 The Bank may decide at its discretion to withdraw the right to use the card, refuse to renew, replace or reissue the card or refuse any request or authorization.

10.4 The Customer and any joint card holders will jointly and individually be liable for all card transactions debited to the Customer's account.

10.5 The Bank will not be liable, responsible or accountable to the Customer in any way whatsoever for any loss, injury or damage arising from the use of any Choice Microfinance Bank ATM card where it can be demonstrated that such loss arises from fraud perpetrated by Bank employees.

10.6 The Bank shall be entitled to charge the Customer for the replacement of any Card whether upon loss, destruction, expiry or otherwise.

11. Deposit of Cheques

11.1 All cheques or other orders for payment of whatsoever nature are accepted for deposit or collection at the risk of the Customer. Where any cheque or order is unpaid for any reason whatsoever other than arising out of the Bank's negligence, the Bank is entitled to debit the Customer's Account with the amount previously credited (taking into account any exchange fluctuation where relevant) together with interest since the date of crediting and any Bank charges incurred thereby.

11.2 Before making any withdrawal, the Customer must allow sufficient time to elapse after making any deposit (even of cash) in order to enable the Bank to carry out the necessary bookkeeping operations to credit the account.

11.3 The Bank shall be entitled to recover from the Customer, by debiting the Customer's Account, any money credited to the Customer in error and the Customer shall be liable to refund any shortfall forthwith to the Bank.

11.4 The Bank may credit the Customer with amounts paid in by third parties.

12. Drawing of Cash

12.1 The Bank will pay cash to the Customer where the cheque is signed in the presence of the teller by an authorized signatory or authorized signatories.

12.2 Where cash cheques are presented by employees or other known agents of the Customer, the employees or agent will be identified beforehand in a manner acceptable to the Bank.

12.3 Where the Customer requests that payment be made under paragraph (b), the Customer shall indemnify the Bank in respect of all payments made to the presenter of the cheque whether or not the money was received by the Customer.

13. Repayment of Overdrawn Account

13.1 The Bank shall be entitled on demand to the immediate repayment (together with interest) of any amount that is overdrawn in any of the Customer's Accounts.

14. Lien

14.1 Where the Customer is indebted to the Bank, whether such indebtedness be present, future, actual, contingent, primary, collateral, several or joint, the Bank has a general lien over all properties of the Customer in the Bank's possession, including but not limited to cash, goods, securities or valuables deposited for safe custody or as security, cheques presented for repayment, bills and any other property movable or immovable charged to the Bank.

14.2 Where the Customer is indebted in circumstances giving the Bank a right of set-off, all securities as set out in clause 14.1 above will be held as security for the debt.

14.3 The Bank may at any time after giving the Customer notice in writing, dispose of and realize (without thereby incurring any liability to the Customer) any of the Customer's assets referred to in clause 14.1 above. Any sum remaining after such a transaction will be held for the Customer subject to these Terms and Conditions.

14.4 Deposits for a given period of time may be set off against debts notwithstanding that the period of the deposit has not expired.

15. Variation and Termination of Relationship

15.1 The Bank may at any time, after serving notice to the Customer, terminate or vary its bank-customer relationship with the Customer. In particular, the Bank may cancel credits which it has granted and require the immediate repayment of outstanding debts within such time as the Bank may determine.

15.2 Upon termination, the Customer must return all plastic cards, unused cheque books and any stationery including computer banking software provided by the Bank.

15.3 The Bank may at any time without notice freeze any account of the Customer:

- At its own instance.
- At the instance of a Court Order or Administrative Order.

16. Joint Accounts

In the event of two or more Customers holding a joint account, the following additional provisions apply:

16.1.1 The holders of a joint account authorize the Bank to pay or deliver to, or to the order of, the survivors or survivor or the executors or administrators of such survivor, any moneys standing to the credit of their joint account.

16.1.2 All liabilities on a joint account are joint and several.

17. Trust Accounts

17.1 The account shall be operated as per the resolutions passed at the meeting of Trustees and/or Managing Committee members.

17.2 The trust account will be expressly so designated and there must be notice to the Bank of the trust account.

18. Limited Company Accounts

18.1 There shall be a resolution authorizing the company to open and operate the account.

18.2 The Bank shall require that the directors authorized to operate the account sign a mandate for operating the account. Any change in the authorized signatories should be advised to the Bank by means of a resolution.

19. Minor Accounts

19.1 The account shall only be operated by a Guardian, parent or Attorney appointed by a Court of Law.

19.2 The title of the account shall be in the name of the minor.

19.3 The Bank shall only accept cheques in the name of the minor to be deposited in the account.

20. Partnership Accounts

In the event of the Customer being a partnership firm, the following additional provisions apply:

20.1.1 The partners shall give the Bank written instructions countermanding payment of cheques or other orders for payment when such instructions are given by any person whose name appears on the operating instructions.

20.1.2 The partners authorize the Bank to make advances with or without security by way of overdraft, loan or in any other manner on the request of the partners for the time being and made in accordance with the operating instructions.

20.1.3 The partners authorize the Bank to accept by way of pledge, deposit, security or safe custody anything belonging to the partnership on the instructions of the partners for the time being and made in accordance with the operating instructions.

20.1.4 All liabilities of the partners to the Bank are joint and several. Upon death of one partner, the surviving partners shall give the Bank notice of such death and of the dissolution of the partnership. After dissolution, the authority of each partner to bind the firm and other rights and obligations of the partners shall continue so far as may be necessary to wind up the affairs of the partnership.

20.1.5 Upon any change in the constitution of the partnership, the partners will forthwith furnish amended operating instructions.

20.1.6 A mandate remains in force and may be acted upon by the Bank until it has either been revoked in writing by all or any of the signatories or until it has been replaced by a new mandate.

21. Fixed Deposit Accounts

The Bank may at its sole discretion allow premature withdrawal of fixed deposits. The Customer accepts that all such premature withdrawals will be subject to levy of penalties and charges as the Bank may determine and that these may be subject to change without notice to the Customer.

22. Freezing of Accounts

22.1 The Bank may at any time freeze any account of the Customer after receiving instructions to do so by any appropriate authority, or if there is any dispute, or the Bank has doubt or any other reason as to the person or persons entitled to operate the same, without any obligation to institute inter-pleader proceedings or to take any step on its own initiative for the determination of such dispute or doubt.

23. Dormant Accounts

23.1 The Bank shall at its sole discretion declare a current account or a savings bank account as dormant.

23.2 Any savings account shall be declared dormant if not operational for a period of 6 months.

23.3 The Bank shall have the sole discretion to reactivate the account if approached by the Customer.

24. Closure of Accounts

24.1 The Customer must specifically request the Bank to close the account by giving the Bank sufficient notice.

25. Cheque Books

Cheque books are issued subject to the Customer agreeing to use such cheque book and cheque form with the utmost care. In particular, the Customer agrees to ensure that:

25.1.1 All unused cheque forms are kept in safe custody at all times and all cheque forms accounted for.

25.1.2 The Bank is informed in writing immediately upon discovering that any cheque book or form has been stolen, lost or mislaid.

25.1.3 Any person preparing the cheque is authorized to do so.

25.1.4 Every cheque is prepared and signed in ink or other indelible writing materials.

25.1.5 The amount of any cheque is written as near as possible to the left side of the block provided for filling the amount in numbers, to prevent any unauthorized addition of figures.

25.2 The Customer is advised that if it is known with which Bank the beneficiary of a cheque keeps their account, then the name of the Bank should be added to the crossing in order to make the cheque negotiable only through that particular Bank.

25.3 The collection of cheques shall be done by the holder of the account, and the Customer shall execute an acknowledgement of receipt of cheque. The Bank shall not release the cheque book to any other person(s) other than the account holder and/or the representative authorized to operate the account under the mandate already signed.

25.4 On receipt of written notice from the Customer to stop payment of a cheque, the Bank will immediately stop payment of the cheque and require that the Customer or authorized representative sign a disclaimer in the form approved by the Bank and settle any charges levied for stopping the cheque. The Bank will register instructions to stop payment but will not undertake any responsibility in case these instructions are overlooked.

25.5 Upon closure of any account, the Customer will return to the Bank any unused cheque forms relating to that account.

25.6 The Bank has absolute discretion to refuse payment of any cheque not drawn on the Bank's cheque form in the manner specified by the Bank.

26. Use of Apple TrueDepth API

Our application uses Apple's TrueDepth API to access facial depth and biometric mapping data solely for identity verification and user authentication purposes (for example, selfie verification or face-based security checks). This data is processed in real time on the user's device and is not stored, shared, or transmitted to our servers or any third parties. We do not use TrueDepth data for advertising, analytics, profiling, or any purpose other than the feature explicitly presented to the user. All facial data usage complies with Apple's policies and is limited strictly to enhancing security and preventing fraud.