

GENERAL TERMS & CONDITIONS

In consideration of Kenya Post Office Savings Bank hereinafter referred to as "Postbank" opening an Account pursuant to my request and making available to me a Postbank Debit Card, I agree to be bound by the following General Terms and Conditions:

1) DEFINITIONS & TERMS

- "Account" means an account maintained by Postbank, which the Account Holder(s) is entitled to operate and in respect of which the Account Holder(s) has requested to be able to give Transaction Instructions.
- "Account Holder" means a person to whom an Account has been opened and whose name appears on the Card and who agrees to be bound by these terms and conditions as varied from time to time.
- "Agreement" means the Agreement between Postbank and the Account Holder, the terms of which are these conditions of use for the time being and as varied from time to time.
- "Application Form" means Postbank Application to Open Account Personal / Joint Account Form [SB11 (A)].
- "ATM/POS" means all Automated Teller Machines or Point-of-Sale machines operated or affiliated to Postbank.
- "Authorised User/Signatory" means the Account Holder or person nominated by the Account Holder whom the Bank shall open the Account and issue a Debit Card, or in relation to the Account Holder, any person(s) authorised as specified in writing by the Account Holder to operate the Account on the Customer's behalf;
- "Available Balance" means the amount (excluding any unconfirmed credit), which can be drawn by the Account Holder.
- "Bank" means Kenya Post Office Savings Bank, its successors and assigns.
- "Bank's Branches" means (including the main registered office of the Postbank) all places within the Republic of Kenya where the Bank's business is operated and conducted.
- "Business Day" means the days on which the Bank is open for all classes of banking business (excluding statutory and other public holidays) as the Bank may determine from time to time.
- "Banking Hours" means the hours for which the Bank is generally open for all classes of business as may be determined by the Bank in respect of each of the Bank's Branches from time to time.
- "Bank's Tariffs" means (including but not limited to) the schedule of charges and fees levied by the Bank in relation to the Account.
- "Card" means Postbank Debit Card issued by the Bank in the name of the person named upon it for use in connection with transactions related to the account.
- "Card Holder" means a person to whom a Postbank Debit Card has been issued and whose name appears on it and who agrees to be bound by these terms and conditions as varied from time to time by the Bank.
- "Customer" means the holder of the account.
- "Debt" means all monies, obligations and liabilities whatsoever for principal, interest or otherwise which may now or in future be due, owing or incurred by the Customer to the Bank whether present or future, actual or contingent;
- "Mandate" means the manner in which the Bank will act upon the Customer's instructions as set out in the Application Form.
- "PIN" means in relation to an Account Holder, the Personal Identification Number required gaining access via an ATM terminal or POS machine to give a Transaction Instruction.
- "Specific Terms & Conditions" means the particular Terms and Conditions relating to a specific type of Account
- "Transaction Instruction" means an instruction given by the Customer with regards to entries in the Account.

2) ELIGIBILITY

- The Bank may open an Account for a Customer, subject to the Specific Terms & Conditions of that Account.
- By opening an Account with the Bank, the customer consents to an automatic registration to mobile banking.

3) REQUIREMENTS TO OPEN AN ACCOUNT

- Personal / Joint / Staff:**
 - Original & Copy of Identification Document
 - Two coloured passport size photos.
 - Account Opening Amount
 - Completed Account Opening Application Form.
- Minor:**
 - Original & Copy of Identification Document of Guardian
 - Two coloured passport size photos of the Parent/Guardian
 - Original & Copy of Birth Certificate / Notification of Birth
 - Account Opening Amount
 - Completed Account Opening Application Form.
- Additional Requirements if Mzalendo Account:**
 - Copy of Valid Passport and National Identification Card must be certified by a Bank Manager / Lawyer / Kenyan Consulate.
 - Two recent coloured passport size photos (one must be stamped and signed at the back by Bank Manager / Lawyer / Kenyan Consulate.
 - Address confirmation document i.e. current utility bill (telephone/water/electricity) or lease agreement. The utility bill must not be less than three (3) months old.
 - For Students, a valid student identity card or university acceptance letter.
 - Introduction letter from a Bank Manager / Lawyer / Kenyan Consulate.
 - Completed E-mail / Fax Indemnity.
 - Completed Authentication & Introduction Form.

4) CUSTOMERS NAME & ADDRESS

- a) The address given by the Customer in the Application Form will be considered the registered address of the Account Holder. All postal communications to the Customer will be sent by the Bank to the address specified in the Application Form. The Customer must notify the Bank in writing of any changes to this address.

- b) The Account will be operated by the Customer under the names appearing in the documents provided by the Customer together with the Application Form. The Bank may require satisfactory proof of the Customer's Name and any change thereof (if any) and the Bank may refuse to act on the Customer's instructions until these requirements are met.

5) CUSTOMER'S INSTRUCTIONS:

- a) The Bank shall only act on Customer's original signed instructions or documents drawn or accepted in accordance with the Mandate until such a time as the Customer shall give the Bank written notice to the contrary;
- b) Instructions received after Banking Hours or on a Non-Business Day will be processed on the next Business Day;
- c) The Customer may cancel instructions which the Bank has confirmed in writing but have not been acted upon. This will not be applicable where the Bank is irrevocably bound to process the transaction in question. The Bank is entitled to and may levy a charge for cancelling instructions;
- d) The Bank may, subject to certain requirements and upon prior written request from the Customer, act upon telephonic, facsimile, electronic or other forms of non-written communication. The Bank shall however not be held liable and the Customer shall hold the Bank harmless if the Bank acts on instructions which have been corrupted or improperly transmitted or if the information contained in the said communication is not received or delayed;
- e) The Bank may refuse to act on the Customer's instructions, if the instructions are not clear and / or the Bank has reason to believe that the Customer did not give the instructions; and / or the Bank believes that a law, regulation code or other duty which applies to the Bank may be broken by carrying out the instructions.

6) SPECIMEN SIGNATURES:

- The Customer will give to the Bank in a form acceptable to the Bank a specimen of the signature of the Customer and/or Any Authorised Signatory. The Bank may require a fresh specimen in the event of a change in the Customer's name. The Bank reserves the right to reject the specimen and the Bank shall not be obliged for giving its reasons for doing so.

7) OPERATING AN ACCOUNT

- a) The Customer may Deposit Cash, Cheques and or other instruments drawn in a manner acceptable to the Bank for credit to the Account. The Bank will not accept any liability for cash sent through the post. All cheques and/or other instruments sent through the post must be crossed and marked "Account Payee Only/Not Negotiable" and must be made payable to the name appearing in the Customer's Account.
- b) The Bank reserves the right to without prior notice reverse entries in the Account where cheques previously credited to the account are returned unpaid for any reason even after the Bank has advised the Customer of payment. The reversing of such entries does not affect the right of the Bank to retain such unpaid cheques and exercise in its favour all rights relating to such instruments.
- c) The Bank assumes no responsibility or any liability for the value given to funds by a beneficiary or corresponding bank provided that the Bank has acted according to the Customer's Instructions.
- d) The Bank acts on as the Customer's collecting agent and assumes no responsibility for the realization of any items deposited with the Bank for collection.
- e) Cash or cheques deposited in an ATM for credit to a Postbank Account shall be subject to verification by the Bank. In the event of any discrepancies, the Bank's own determination of the amount(s) credited shall be in the absence of manifest error be conclusive.
- f) Cash or Cheques deposited in an ATM for credit to an Account will be collected by the Bank and the proceeds will not be available until the relevant funds have been received for value by the Bank.
- g) The Bank will only pay Cash to the Customer upon presentation of their Debit Card and Identification Document and upon entry of the correct Personal Identification Number (PIN) on the POS Terminal by the Card Holder.
- h) Where an instruction is presented not by the Customer but by a third party for the payment of cash, the Bank may require confirmation from the Customer or from an Authorised Signatory before it makes payment to that third party;
- i) Where the Customer requests the Bank to make payment under sub-clause 7(h), the Customer shall indemnify the Bank on a full and unqualified basis in respect of all payments made to the person named on the instruction whether or not the money is received by the Customer and whether or not the order for payment is in fact the order of the Customer;
- j) Subject to daily withdrawal limits (if any), the Available Balance and the Specific Terms & Conditions of the Account,
 - i) The Customer may make withdrawals from the Account, provided there is sufficient available balance.
 - ii) The Bank may refuse to make any payment or allow any withdrawal from the Account if the available balance is insufficient to cover such withdrawal or payments.
 - iii) The Bank may also refuse to make any payment or allow any withdrawal because of any outstanding amount due to the Bank;
 - iv) The Customer will not be permitted to draw against, and the Bank will not be obliged to make payment against a cheque or other payment, which has not been cleared
 - v) The Bank may also refuse to make any payment or allow any withdrawal if the Customer does not enter the correct Personal Identification Number (PIN) on the POS Terminal;
- k) The daily withdrawal limit as applied for in the respective Application to Open Personal / Joint Account Form (SB11[A]) will apply to the total daily withdrawals made from all the Bank Accounts linked to a particular Card.

- l) Where the Bank receives several instructions from the Customer at approximately the same time, the total amount of which exceeds the Available Balance to the Customer, the Bank may at its sole discretion honour the orders in whatever manner it thinks fit, subject to the Available Balance.
- m) In the absence of manifest error, the Bank's records as to any Transaction Instruction or their consequences thereof shall be conclusive.
- n) The contents of any receipt issued by the Bank to the Customer, to which the Customer has not objected to within twenty eight (28) days of issuance, shall be deemed to be accepted by the Customer and shall not be challenged by the Customer on any ground, whatsoever;
- o) In case multiple cards have been issued on any Bank Account, each of these cards will be subject to the daily withdrawal limit as applied for in the respective Application Form.
- p) These terms and conditions shall not affect any other terms and conditions whether express or implied, governing the Account as set out in the Specific Terms and Conditions governing various accounts/products/service. The execution of a Transaction Instruction will be subject to any operating limitations on the Bank Account.
- 8) JOINT ACCOUNTS**
- a) Where a Joint Account is operated by a Mandate designated as "Either/or Survivor", each Customer is authorised to operate the Joint Account individually. The Bank shall assume that the instructions given by one Customer regarding the Account are authorised by the other Customer.
- b) Cards that can be used to make a withdrawal at an ATM Machine will only be issued with respect to only those **Joint Accounts where the mandate is "Either or Survivor"**.
- c) More than one card will be issued to a **Joint Accounts where the mandate is "Either or Survivor"** provided the respective Application Form has been signed by all the account holders of the Joint Bank Account.
- d) Where a Joint Account is operated on a Mandate designated "**Jointly**", each Customer is only authorised to operate the Joint Account together with the other Customer (or as specified in the Mandate):
- The Bank shall issue to such accounts cards that cannot be used to make a withdrawal at an ATM Machine;
 - The Account Holder(s) must confirm the withdrawal instruction in a manner prescribed by the Bank and as per the mandate of the account;
 - The Bank shall not be held liable for refusing to act or for any delay in accepting the Customer's instructions where only one Customer gives instructions;
 - If any Customer issues instructions that conflict or appear to conflict with instructions given by another Customer, the Bank may refuse to act on such instructions until the conflict is removed to the Bank's satisfaction;
 - Each Customer shall be jointly and severally liable to repay any monies owing to the Bank in respect of the Account.
- 9) USE OF CARD & PIN**
- a) A Debit Card is not transferable and may not be used by any person other than by the Card Holder.
- b) A Debit Card will be issued in the name of a single Card Holder only. In case of Joint Accounts where more than one account holder desires to hold a Card, one Card will be issued to each of such account holder and separate applications must be submitted.
- c) Where the Card Holder is a person other than the Account Holder, the holder of the account shall be **jointly and severally liable** for the payment of all indebtedness from the use of the card but no partial or full release by the Bank of either of them shall reduce the liability of either of them to the Bank. Any reference herein to the liability of the Card Holder or the appropriation of the funds or any security of the Card Holder shall be deemed to be a reference to the holder of the account.
- d) A card remains the property of the Bank and upon cancellation must be surrendered on demand to the Bank.
- e) An issued card will have a limited validity period, on expiry of which a new card will automatically be issued by the Bank at its own discretion.
- f) The Bank shall be entitled to give immediate effect to the following Transaction Instructions on the POS Terminal / ATM;
- To effect a debit or credit to the Card Holder's Account.
 - To display the current balance on the Card Holder's Account.
 - To give an account statement to the Card Holder.
 - Such other Transaction Instructions given through the use of the Postbank Debit Card facilities from time to time made available by the Bank to the Card Holder.
- g) All withdrawals from ATMs will be subjected to daily withdrawal limit as applied for by the Card Holder.
- h) A Card Holder must exercise **DUE CARE AND ATTENTION TO ENSURE THE SAFETY OF THE CARD AND THE SECRECY OF THE PIN** at all times and prevent the loss of and/or use his/her Card or PIN by any third party. A Card Holder in a Joint Account will be fully responsible for ensuring that its **PIN** is only known to the persons with due authority within the Joint Account. Subject to this, a Card Holder must not disclose his/her PIN to anyone under any circumstances.
- i) If a card is lost/stolen or if a PIN is disclosed to any unauthorised person, the Card Holder must immediately notify the bank of such loss, theft or disclosure. Any oral notification must be confirmed in writing immediately. The Card Holder will be liable in respect of any Transaction Instruction given prior to receipt by the Bank of notification in writing of such loss, theft or disclosure.
- j) The Card is neither a Credit Card nor a Cheque Guarantee Card and the Card Holder shall not represent the card as such.
- 10) BANK CHARGES, EXPENSES & FEES**
- The Bank shall be entitled to charge and debit from the Customer's Account:
- Such fees as it may from time to time notify the Account / Card Holder(s) including but without limitation an initial card issuance fee, a card renewal / replacement fee, transaction fees, service fees, processing fees, commitment fees, commission charges, etc
- at such rates and at such times or in such manner as the Bank may from time to time decide.
- All expenses incurred by the Bank in clearing or attempting to clear any cheques or other payment to be credited to the Customer's Account.
 - All other expenses and charges levied by the Bank as more particularly set out in the Bank's Tariff (a copy of which is available upon request).
- 11) STATEMENT OF ACCOUNT**
- The Bank will provide the Customer with a Statement of Account on a regular basis (as determined from time to time), covering all transactions made in and out of the Account.
 - The Customer may request (at a nominal fee) for extra statements;
 - The contents of any statement issued by the Bank to the Customer, to which the Customer has not objected to within twenty eight (28) days of dispatch, shall be deemed to be accepted by the Customer and shall not be challenged by the Customer on any ground, whatsoever;
 - For all purposes, including any legal proceedings, a certificate by any Manager or Authorised signatory of the Bank as to any matter relating to the Account and/or shall be conclusive and binding upon the Customer in the absence of any manifest error.
- 12) APPROPRIATION & LIEN**
- These terms and conditions shall not affect any other terms and conditions whether express or implied, governing the Account as set out in the General Terms and Conditions governing accounts.
 - If the account shall ever be in debit the Bank may, in its sole discretion and without notice, reduce or settle the account by **APPROPRIATING** to it any monies standing to the credit of any other Account of the Account Holder or otherwise held at any time by the Bank for and on behalf of the Account Holder whether the amounts are set off against each other, are due and payable or not and / or to realise any security launched with the Bank by or on behalf of the Account holder and use the proceeds thereof towards the reduction or settlement of such indebtedness
 - The Bank Account may not be overdrawn by the giving of a Transaction Instruction.
 - When the customer is indebted to the Bank, the Bank has a **GENERAL LIEN** over all property of the Customer in the Bank's possession, including but not limited to cash, goods, securities or valuables, deposited for safe custody or any security, cheques presented for repayment for bills and any other property both movable and immovable.
 - Any money credited by the Bank to the Account in error must be repaid to the Bank upon demand being made. The Bank reserves the right to reverse without prior notice to the Customer, any entry made to the Account in error. The Bank accepts no responsibility for the consequences of such reversals.
 - Cash or cheques deposited in an ATM for credit to a Bank Account will be collected by the Bank and the proceeds will not be available until the relevant funds have been received for value by the Bank.
 - The execution of a Transaction Instruction will be subject to any operating limitations on the Bank Account.
- 13) MULTIPLE BANK ACCOUNTS**
- Transactions may be effected on multiple, single and joint [either or anyone operation mandated joint accounts only] accounts from the same card, providing the card holder is at least one of the account holders in every one of the bank accounts and the respective Application Form has been signed by all the account holders of all the multiple accounts.
 - The daily withdrawal limit as applied for in the respective Application Form will apply to the total daily withdrawals made from all the Bank Accounts linked to a particular card.
- 14) CANCELLATION OF CARDS**
- The Card Holder(s) may at any time cancel his/her card by returning it to the Bank.
 - The Bank may at any time cancel a card without notice or without assigning any reason without incurring any liability to the Card Holder(s).
 - The Card Holder(s) must not use or attempt to use the card after any notification of its cancellation or withdrawal has been given.
- 15) REPLACEMENT OF CARDS**
- If a Card Holder(s) loses or changes his/her card, the Bank may at its discretion issue a replacement card as the Card Holder(s) may require.
- 16) INTEREST**
- Interest shall only be payable on all deposits and will be calculated at the Bank's specified rate which may be varied from time to time and will be credited to the Account as specified in the Specific Terms and Conditions of the Account.
 - Interest credited is **free from any taxation**.
- 17) DORMANT ACCOUNTS**
- An account shall be deemed to have become dormant where in respect to the Specific Terms and Conditions of the Account, the Account has become inoperative over a given period of time, as may be determined by the Bank from time to time;
 - The Bank may (including without limitation) apply any one or more of the following conditions to the Account, once the account has been classified as Dormant:
 - Confirm the validity and authenticity of the first transaction reactivating the Account;
 - Suspend the payment of interest(if applicable);
 - Suspend the issuance of Account statements;
 - Charge a service fee as may be determined by the Bank from time to time
- 18) FREEZING OF THE ACCOUNT**
- The Bank in its sole discretion may at any time, refuse to accept instructions in regard to the Account, if and for as long as:

- i) There is any dispute between the Customer and the Bank;
- ii) If the Bank has any reason to suspect that a fraud has been or is likely to be committed;
- iii) That the account is being or is likely to be operated by the Customer for an illegal transaction;
- iv) The Bank has any doubt for any reason that the Customer is not the person entitled to operate the Account
- v) The Bank is under a legal obligation to do so.

19) VARIATION OF RELATIONSHIP & CLOSURE OF THE ACCOUNT

- a) The Customer may upon giving notice in the prescribed form, close the Account subject to the settlement of any payment due to the Bank and any Account Closing charges.
- b) The Bank may at any time, upon giving notice to the Customer, terminate or vary its business relationship with the Customer and may require the repayment by the Customer of any indebtedness of the of the Customer to the Bank resulting from such determination or variation;
- c) If the Bank terminates or varies its relationship and/or closes the Account, it shall be the Customer's responsibility to notify others regarding such termination or variation.

20) LIABILITY OF ACCOUNT / CARD HOLDER

- a) The Bank shall not be liable to the Customer:
 - i) For any loss of profit, opportunity or any consequential loss or damage to the Customer's reputation
 - ii) In anyway or to any third party for making payment on the Customer's behalf or acting upon any written instructions presumed to be issued by the Customer even negligently, where the signature or content of the written instruction has been forged if the Customer has facilitated in such forgery and / or if there has been a previous forgery of the Customer's instructions to which the Customer has not previously objected to and / or if the Bank has exercised due care and in good faith in making such payment
- b) The Account Holder(s) shall be fully liable in respect of each Transaction Instruction given. The Bank shall not be liable for any disclosure of **Personal Identification Number (PIN)** to any third party or arising out of a transaction instruction.
- c) The Account / Card Holder(s) shall be fully liable in respect of each **Transaction Instruction given by use of his/her Card**. Transaction Instruction must be given in such a way that any confidential information is not disclosed to a third party. The Bank shall not be liable for any disclosure to any third party arising out of a transaction instructions
- d) The Account Holder shall not hold the Bank liable, responsible or accountable in any way whatsoever for any loss, injury or damage howsoever arising out of the use of the Bank's facilities.
- e) Subject to these General Terms & Conditions, where the Bank is found liable to the Customer for any loss, injury or damage resulting from any wilful or negligent, delay or error in carrying out the Customers clear and unequivocal instructions, the Bank's liability will be the lower of:
 - i) The amount of such loss, injury or damage; or
 - ii) The amount of any interest not received or any interest that the Customer has to pay because of such failure, delay or error.

21) COMPLAINTS

- The Bank may require that any complaint made by the Customer in relation to the Account be made in writing. The Bank shall act upon such complaint, as soon as reasonably possible, after receipt of the complaint by the Bank.

22) CONFIDENTIALITY

- a) The Bank shall hold in confidence information about the Customer and the Customer's Account.
- b) However, the Bank may in certain circumstances disclose any information about the Customer to any person in connection with any actual or likely event of default by the customer. This right to disclose includes disclosing information under these General Terms and Conditions (including the assignment or transfer of all the Bank's rights and obligations under this General Terms and Conditions).
- c) The Customer authorises the bank to respond, if it so chooses, to any and all inquiries (including without limitation any bank's references) received from any other bank, financial institution or person providing credit or financial services, concerning the Account without any reference to the Customer.
- d) The Bank may give information, other than where the Customer is in default to the following:
 - i) Any credit reference, scoring or rating agencies;
 - ii) Persons providing information or services to the Bank, (including without limitation a holding or group companies, subsidiaries or related parties) on the understanding that the information will be confidential and may not be further disseminated; and
 - iii) Where the Bank is under a legal obligation to do so or where it is in the interests of the public.

23) INTERPRETATION

- a) The expression the "Customer" and/or "Person" shall include any natural person, firm, partnership, incorporate or corporate body, state, state agency, governmental authority in whatever name of style and when there are two or more included in the expression the "Customer" such expression shall include either one of such persons severally and / or all or both of them jointly.
- b) Unless the context clearly indicates a contrary intention, words importing one gender include the other and the singular includes the plural and vice versa.
- c) Any obligation imposed by or resulting from the execution of these General Terms and Conditions which is undertaken by more than one person shall be a joint and several obligation of each of the persons who has undertaken it whether as principal, guarantor, indemnifier, surety or otherwise
- d) Each of the provisions of these Terms & Conditions is severable and distinct from the others. If at any time, any of the Terms or Conditions hereof is or becomes illegal, invalid or unenforceable in any respect neither the legality, validity nor enforceability of the remaining Terms and Conditions hereof shall in any way be affected or impaired thereby.

24) CIRCUMSTANCES BEYOND THE CONTROL OF THE BANK

- The Bank shall have no liability for inability to perform its obligations with regard to the Account due to anything whatsoever outside the reasonable control of the Bank, its agents or subcontractors including but not limited to fire, strike, insurrection or riot, embargo, theft or burglary, delays in transportation or the requirement or regulations of any civil or military authority.

25) AMENDMENT

- a) The Bank may amend these General Terms and Conditions or any Specific Terms and Conditions or the Bank Tariffs (either in whole or in part) at any time and from time to time. Notification of any such variation shall be given to the Customer either in writing or by publication thereof by such means as the Bank may decide.
- b) Any such amendment shall be deemed to be effective and binding on the Account Holder(s) on receipt and any subsequent transactions will be deemed to constitute acceptance.
- c) Where there is any conflict between these General Terms and Condition and any Specific Terms and Condition, the Specific Terms and Conditions shall apply.

26) NO WAIVER

- No relaxation, concessions, delays or indulgence on the part of the Bank in exercising any of its rights under these General Terms and Conditions shall operate as a waiver of such rights and shall not affect the Customer's obligations to the Bank.

27) INDEMNITY

- The Customer hereby agrees to indemnify the Bank against all costs and expenses incurred by the Bank (or by any other person on the Bank's behalf) in connection with:
 - i) Any preservation or exercise (or attempted preservation or exercise) of any of the Bank's rights under or in connection with the enforcement (or attempted enforcement) of these General Terms and Conditions or any Specific Terms and Conditions;
 - ii) Any dealing with or obtaining of a professional and / or other advice about any matter or question arising out of or in connection with these General Terms and Conditions or any Specific Terms and Conditions;

28) ASSIGNMENT

- The Bank may assign and / or transfer all or any of its rights, benefits and obligations under these General Terms and Conditions and / or any Specific Terms and Conditions, to any person at any time.

29) LAW

- These terms and conditions shall be constructed and the provision of the Account facilities shall be regulated in accordance with the Laws of Kenya for the time being in force.