



Stanbic Bank

Your handy guide to
Stanbic Bank Kenya
Limited

HOMELOANS TERMS AND CONDITIONS



Terms and Conditions of Loans – Secured by Mortgage/ Charge

1. Definitions and Interpretations

1.1 In these Terms and Conditions, unless the context otherwise requires or indicates;

“Access Mortgage facility” means a revolving Date loan facility governed by the terms of clause 4 below, in terms of which the Borrower can access the loan by transferring funds from the Borrower’s loan account to any of the transaction accounts using any of the Bank’s banking facilities as offered by the Bank from time to time to time. In terms of the facility the Borrower can make up to three transfers in a calendar month from the Borrower’s loan account into any transaction account, in multiples of KES. 10,000.00, provided that following each such transfer, the balance on the Borrower’s loan account does not exceed the access limit on such loan account agreed to in writing by the Bank.

“Applicable Rate” means the interest rate applied to the Loan as indicated in the Loan Agreement;

“Authority to pay” means the Borrower’s written authority to the Bank to guarantee and/or to pay stated amounts to the persons mentioned in the authority, and to charge such payments to the loan account, subject to any conditions contained in the authority;

“Bank” means Stanbic Bank Kenya Limited (Registration Number C.9520) its successors in title, or assigns;

“Buildings” mean the existing and any future buildings and other improvements on the property;

“Charge” or “mortgage” means a registrable instrument created under the Laws of the Republic of Kenya relating to the property in the approved format by the Bank and/or the Chief Land Registrar, on terms acceptable to the Bank, securing repayment of the debt. The Charge or Mortgage may be drawn as a continuing security so as to secure subsequent advances agreed with the Bank or other obligations of the Borrower;

“Debt” means all monies debts and liabilities (including interest costs and charges) from time to time due owing or incurred by the Borrower to the Bank on any current or other account whatsoever pursuant to the loan agreement or otherwise howsoever including any indemnity given by the Borrower in favor of the Bank from time to time;

“Deliver/delivery” means that the Bank will deliver any documents relating to the loan agreement to the Borrower by hand whereas all statements will be delivered to the email address that the Borrower provided to the Bank;

“Guarantor” means a person who stands as guarantor for the obligation of the Borrower in terms of the loan agreement, or in terms of any debt (or any part thereof);

“Instrument of debt” means any such agreement, including applications for home loans constituting evidence of debt;

“Loan” or “home loan” means any amount which the Bank has lent or agreed to lend to the Borrower upon registration of the Charge/Mortgage (and the granting of such other security required by the Bank), on the terms and conditions set out in the loan agreement;

“Loan account” means the account in the books of the Bank which records the details of the loan, from time to time;

“Loan agreement” means the loan agreement made up of the Application form, these terms and conditions, the authority to pay and all annexures and schedules thereto from time to time, all as may be amended, substituted, or novated from time to time;

“Mortgagor/Chargor/Borrower” means the registered proprietor of the property (including a Borrower) who creates a Charge/Mortgage over the property or who has executed the Charge/ Mortgage in favour of the Bank as security for the repayment of the debt by the Borrower;

“Payment instruction” means the debit order authorisation signed by the Borrower;

“Property” means the immovable property which is to be mortgaged/charged as security for the repayment of the debt by the Borrower to the Bank;

“SBIL” means Stanbic Bancassurance Intermediary Limited;



“Transaction account” means any one or more transaction accounts of the Borrower held with the Bank, and linked to the Borrower’s loan account, from time to time;

- 1.2 In the loan agreement, the singular includes the plural and vice versa, any gender includes the other genders and persons include natural and juristic persons.
- 1.3 In the loan agreement, headings have been inserted for convenience only and are not to be taken into account for the purposes of interpreting these terms and conditions.
- 1.4 Unless otherwise defined in the remainders of the loan agreement, the words defined in these terms and conditions will bear the same meanings in the remainder of the loan agreement.

2. Repayment of the Loan

- 2.1 The Borrower shall pay (by way of a written payment instruction acceptable to the Bank or such other means as may be acceptable to the Bank) all amounts owing to the Bank in terms of the loan agreement into the bank account nominated for this purpose by the Bank.
- 2.2 All amounts owing to the Bank in terms of the loan agreement shall bear interest (which shall accrue daily) from the date advances or any other payments are made by the Bank, at the interest rate/s and calculated in the manner determined in the loan agreement.
- 2.3 Payments of all amounts received by the Bank from or on behalf of the Borrower may be used by the Bank towards such of the Borrower’s indebtedness to the Bank, as the Bank in its sole and unfettered discretion may decide.
- 2.4 If the Borrower fails to repay the loan and/or interest due or owing by the Borrower to the Bank, the Borrower will be charged default interest on the overdue amount at the rate of 10% per annum above the applicable rate.
- 2.5 The Borrower acknowledges, agrees and confirms that the default interest charges represent a reasonable amount to cater for the loss that the Bank may suffer in funding the default of the Borrower.

3. Default and Termination

- 3.1 Without prejudice to the Bank’s other rights under the loan agreement, the Bank:
 - will not be obliged to make any advance or re-advances on the loan;
 - may convert the loan to one repayable on demand;
 - may revise any of the terms and conditions; increase the interest rate charged or remove any interest rate concession granted to the Borrower if any of the following events occur:
 - 3.1.1 if the Borrower breaches any of the terms and conditions of the loan agreement (other than those set out in clauses 3.1.1 to 3.1.11 below) or any other agreement between the Borrower and the Bank and fails to remedy this breach within seven (7) days of receiving a written notice to do so;
 - 3.1.2 the Borrower fails to pay any instalment due in terms of the loan agreement, including where there are insufficient funds in the Borrower’s transaction account(s) to meet the Borrower’s payment instruction. In these circumstances, the Borrower agrees that the Bank may make one or more partial recoveries of whatever credit balance is available in the Borrower’s transaction account(s) until the full instalment has been paid;
 - 3.1.3 any representation or warranty made in connection with the Loan Agreement or any documentation supplied by or on behalf of the Borrower is, in the Bank’s opinion, materially incorrect;
 - 3.1.4 any Guarantor commits any breach of their obligations to the Bank, whether as guarantor or otherwise;
 - 3.1.5 a provisional or final order is passed placing the Borrower or any Guarantor:
 - 3.1.5.1 under sequestration (where your property is placed in the hands of a trustee for the benefit of your creditors) or any other legal disability; or
 - 3.1.5.2 in liquidation or under judicial management;



- 3.1.6 any compromise or arrangement between the Borrower and his creditors or any Guarantor and his creditors is sanctioned or otherwise becomes effective.
 - 3.1.7 a warrant of execution issued by any competent court attaching any of the Borrower's assets or any Guarantor's asset remains unsatisfied for more than seven (7) days after the date on which it is issued; or
 - 3.1.8 if any security provided in respect of the Loan Agreement is not, or ceases to be legal, valid, binding or in full force and effect;
 - 3.1.9 if any authorisation and/or approvals required in connection with the Loan Agreement is terminated, suspended or expired without being renewed; or
 - 3.1.10 should the Borrower generally do or omit to do anything which may (in the opinion of the Bank, acting reasonably) cause the Bank to suffer any loss or damage, including any reputational loss or damage; or
 - 3.1.11 should the Bank become aware, at any time, of a fact or circumstance (whether same was present at or before the date of loan approval or arose thereafter), which leads the Bank to believe or suspect that any bank accounts of the Borrower held with the Bank are being used fraudulently, negligently, for money laundering activities, for illegal or terrorist activities, or for any purpose that does not comply with any Law.
- 3.2 In any of the events envisaged in clause 3.1 above, the Bank shall have the right, without prejudice to any other rights or remedies available to the Bank, to terminate the loan agreement and claim immediate repayment of the outstanding balance by giving written notice. It may be effective immediately or from a date stated in the notice. If the loan agreement is cancelled any amounts owing to the Bank become payable:
- 3.2.1 immediately, if so stated in the notice; or
 - 3.2.2 on the date stated in the notice.

4. Access Mortgage Facility

- 4.1 The terms and conditions in this clause 4 only apply if the Borrower has applied for, and has been granted an Access Mortgage Facility.
- 4.2 Should any transaction accounts with the Bank be linked to the Borrower's loan account, available funds can be transferred directly from the Borrower's loan account to any of these transaction accounts.
- 4.3 The Borrower can make up to three (3) transfers in a calendar month from the Borrower's loan account into any transaction account, in multiples of KES 10,000.00 provided that following each such transfer, the balance on the Borrower's loan account does not exceed the access limit on such loan account agreed to in writing by the Bank;
- 4.4 Notwithstanding any other provision in the loan agreement, the Access Mortgage Facility is granted to the Borrower at the Bank's sole discretion. The Bank may, at any time, cancel the Access Mortgage Facility (or any part thereof) or the right to the advancement or transfer of any amount under the Access Mortgage Facility, by giving the Borrower thirty (30) days' notice.
- 4.5 The Borrower may only make up to a maximum of three (3) cash deposits into the Borrower's loan account in any calendar month. Unlimited cheque or electronic transfer deposits into the loan account can still however be made.
- 4.6 No interest will be paid on any credit balance on the loan account.
- 4.7 Withdrawals from the loan account will not be permitted during the last twenty-four (24) months of the agreed loan term.
- 4.8 The Bank, for accounting purposes, will consolidate all advances from the loan account. Each advance will be governed by the same terms and conditions as this loan agreement. However, a new monthly instalment, will be calculated based on the outstanding balance on the loan account, from time to time, together with any withdrawals made from the loan account, from time to time, in such a way that the loan is repaid within the original term agreed to when the loan was first granted. Any such request must be submitted in writing. The Bank is under no obligation to grant such an extension. Any extension granted will be included in the disclosure notice sent to the Borrower from time to time and referred to in 4.9 below.



- 4.9** The Bank will send the Borrower a new disclosure notice, from time to time, in which the Borrower will the new instalment be notified of notified of the new instalment payable by the Borrower, from time to time and, if applicable, any extension to the period of the loan.
- 4.10** Is intended that all security provided in respect of the loan (and any debt related to the loan) will also cover any advances and transfers made in terms of the Access Mortgage Facility.
- 4.11** Direct deposits into the loan account (including debit orders) will only be cleared after ten (10) days.
- 4.12** Lack of clearance of a deposit into the loan account for whatever reason shall not give cause for any action against the Bank whether in contract or tort or any other cause unless it is as a result of wrong or unlawful acts, or intentional misconduct on the part of the Bank.
- 4.13** If the Borrower is a company, co-operative, close corporation, trust, partnership, or association of persons the provisions of clause 30 shall apply. In addition, and notwithstanding any provision to the contrary in the loan agreement, the Access Mortgage Facility shall automatically be cancelled in the event of a change of control of the Borrower (as set out in clause 30) or any amendment to its constitutional documents. In such event should the Borrower require the Access Mortgage Facility, a new application shall be submitted to the Bank.
- 4.14** The Borrower agrees to indemnify the Bank against any loss or damage suffered by the Bank in the event of the unauthorised use of the Access Mortgage Facility or use of the Access Mortgage Facility contrary to the provisions of the loan agreement.

5. Homeowners Insurance and Life Assurance

- 5.1** The Bank may at any time during the period of the loan, in case of cancellation of a policy in the name of the Bank and/or the Borrower, insure the building or takeout credit life insurance with an insurance company of other risks including political riots or civil commotion, with respect to credit life insurance, against death or disability as the Bank decides is necessary. The insured amount will not be less than the minimum replacement value of the buildings from time to time as determined by the Bank and with respect to credit life, not less than the outstanding balance on the Loan. The Borrower must ensure compliance with the Borrower's responsibilities in the loan agreement and will have no claim against the Bank or SBIL, for any actual replacement value.
- 5.2** The Bank may, without reference to the Borrower and without requiring the Borrower's consent, in the name of the Bank and/or the Borrower, adjust, settle, compromise and/or submit to arbitration any claims, demands, disputes and other matters arising from any policy of insurance referred to in clause 5.1 above, and/or may institute or defend legal proceedings arising from the policy. The Borrower will have no claim against the Bank and/or any of its employees arising from any act or omission of the Bank and/or any of its employees in exercising or failing to make use of the authority granted in terms of this clause 5.2, unless in exercising this authority, a claim arises as a result of wrongful or unlawful acts, or intentional misconduct, on the part of the Bank.
- 5.3** The Bank may grant receipts for any moneys received by it in respect of any insurance claim, settlement or compromise and may, at its discretion, use the moneys wholly or partially, either in reduction or payment of any amount due under the loan agreement or for the restoration of the buildings which are damaged or destroyed, under such conditions as the Bank may determine.
- 5.4** The Bank may pay any premium on any policy of insurance referred to in clause 5.1 above or on any life assurance policy taken out by the Borrower in connection with the loan, and the Bank may debit such payment to any account of the Borrower with the Bank.
- 5.5** Nothing in the loan agreement will oblige the Bank to take out or pay any premiums on any insurance on behalf of the Borrower. If any insurer repudiates any insurance policy for any reason, the Borrower will have no claim against the Bank.
- 5.6** The Bank reserves the right, at any stage, in the sole and absolute discretion of the Bank, to terminate the existing insurance or to elect not to renew an insurance policy. If the Bank elects either of these options, it will notify the Borrower of its decision in writing and it will furnish reasons for this decision. The Borrower shall immediately thereafter arrange homeowners' insurance cover acceptable to the Bank to cover the Borrower's indebtedness to the Bank.

6. Maintenance

The Borrower shall always whilst any part of the debt is outstanding keep and maintain the property in good repair to the satisfaction of the Bank. The Borrower shall ensure that the property conforms to the requirements of any



competent public or other authority and shall make no material alterations or improvements to the property or remove the buildings or any part thereof without obtaining the prior written consent of the Bank. The Bank or its duly appointed agents shall be entitled at all reasonable times to enter upon and inspect the property for the purposes of valuation, at the expense of the Borrower. If the Borrower has failed to comply with these conditions, the Bank in its discretion may, on behalf of and at the cost of the Borrower, pay any sum necessary for the repair, maintenance, preservation, and upkeep of the property, including for compliance with the requirements of any competent public or other authority. Any monies paid by the Bank in this regard can be claimed immediately and shall be payable by the Borrower on demand and shall bear interest at the maximum rate permitted by law.

7. Rates, Land Rent and Taxes

- 7.1 The Borrower shall, on or before the due dates, pay all charges in respect of the property, inclusive of rates, land rent, taxes, licences and any other charges and shall produce proof, at the request of the Bank, of having done so. Notwithstanding the foregoing, the Bank shall be entitled at its option to make payment on the Borrower's behalf of any such charges without reference to the Borrower and without being obliged to wait until the Borrower is in arrear therewith and which amounts shall, be recoverable from the Borrower.
- 7.2 It shall be the Borrower's responsibility to notify the Bank in writing of any arrears in respect of rates, taxes, charges, insurance premiums, rent and other imposts and fees of whatsoever nature which may at any time become owing to any competent public or local authority.

8. Title Deeds, Grants etc

The Borrower shall, on or before registration of the Charge/Mortgage, deposit with the Bank the assignments licences and leases of the property, ("the title documents" and, during the period of the Charge/Mortgage, hand to the Bank the policies of insurances and title documents relating to the property together with any collateral documents and insurance premium receipts and the Bank shall retain all the title documents deeds and Mortgage / Charges in safe custody.

9. Sale of Mortgaged Property

- 9.1 The Borrower shall not, without the prior written consent of the Bank, sell, dispose of or otherwise alienate the property under a contract in terms of which the purchase price or consideration is payable in more than two (2) instalments extending over more than one (1) year. If the Borrower does not obtain the consent of the Bank then, without prejudice to any of the Bank's other rights, the Borrower hereby irrevocably cedes and transfers to the Bank, with power of substitution and in the interests of the Bank as the Borrower's attorney and agent for the purpose of, inter alia, recording the sale of the property in the appropriate Land's registry, all the Borrower's right, title and interest in and to:-
- 9.1.1 all the instalments and other sums payable under the contract;
- 9.1.2 collect and receive the instalments, with power to give proper receipts and acquittances discharges for them;
- 9.1.3 institute any legal proceedings for recovery of the instalments if payment is not made; and
- 9.1.4 cancel the deed of sale or contract and evict the purchaser.
- 9.2 The Bank may charge a commission of 10% (ten percent) of the gross amount of any instalments collected by it in addition to any amount charged by collection agents or rent collectors.

10. Use, Letting or Charging of Property

- 10.1 The Borrower may not let, charge or in any way further alienate, burden, encumber or give up occupation of the property or any part of it without the prior written consent of the Bank.
- 10.2 The Borrower may not use the property or any part thereof for purposes other than the intended use at the time that the loan was granted, without the prior written consent of the Bank and prior notification to the insurance company referred to in clause 6 above.

11. Compliance with Laws

The Borrower shall, at all times, comply with the conditions of title, the provisions of all servitudes and town planning schemes, environmental laws and with all laws, bylaws, and regulations applicable to or incumbent on the Borrower or the property.



12. Expropriation

- 12.1** If the whole or any part of the property is lawfully expropriated by any competent authority, the Borrower irrevocably appoints the Bank and in the Bank's interests to receive all compensation and to make any claims and sign any documents as the Bank may consider necessary or desirable.
- 12.2** The Bank will pay to the Borrower any amount received by the Bank in regard to such expropriation after deducting the amounts due under the loan agreement and, the costs incurred by the Bank.

13. Assignment

- 13.1** The Borrower is not entitled to transfer or delegate all or any part of its rights or obligations under the loan agreement without the prior written consent of the Bank.
- 13.2** The Bank is entitled, without the consent of or notice to the Borrower, to transfer or delegate all or any part of its rights or obligations under the loan agreement, either absolutely or as collateral security, to any person (even though that transferor delegation may result in a splitting of claims against the Borrower).
- 13.3** Even if the loan is sold or transferred, the Borrower acknowledges that the servicing or administration of such loan may:
- 13.1.1** still be performed by the Bank on behalf of the purchaser/transferee;
 - 13.1.2** be contractually managed by a third party on behalf of the purchaser/transferee; or
 - 13.1.3** be performed by the purchaser/transferee itself. These services and administrations can include the giving of notices, realisation of any collateral and the recovery of amounts due under the loan agreement.
- 13.4** Even if the loan agreement (or any part thereof) is sold, transferred, ceded and/or delegated to any person ("the transferee"), the Borrower acknowledges that the Bank may elect not to transfer or sell its rights under the Charge or any other collateral given directly or indirectly in respect of the Borrower's obligations under the loan agreement ("relevant collateral") to the transferee such that, notwithstanding the sale, transfer or delegation of the loan agreement (or any part thereof) to the transferee, the relevant collateral (or any part thereof) shall, as between the Bank (or its successors in title or assigns under the relevant collateral) and the Borrower, continue to cover the indebtedness of the Borrower to the Bank (or its successors in title or assigns under the relevant collateral) on the terms set out in the relevant collateral (or any part thereof).

14. Certificate of Amount Owing

- 14.1** The Bank may issue the Borrower with a Certificate of Amount Owing which shall include the following:
- 14.1.1** amount of the debt at any time;
 - 14.1.2** the fact that the debt is due and payable;
 - 14.1.3** the rate of interest payable;
 - 14.1.4** the date from which the interest is calculated; and
 - 14.1.5** any other matter relating to the debt.
- 14.2** In the event that I/we request the Bank to send me/ us a bank statement or any other information by any means, I/we agree to indemnify you against any claim(s) or liability that may arise or be made by any person (including myself/ourselves) against it in consequence of the supply of such information by the requested means.

15. Withdrawal from Agreements

The Bank may, at any time before the disbursement or payment of the loan (or any part thereof) to or on behalf of the Borrower, withdraw from the loan agreement and any undertakings issued by the Bank and/or the lawyers of the Bank, and the Borrower will have no claim against the Bank if the Bank does so.



16. Joint and Several Liability

16.1 Should there be more than one Borrower, then

- 16.1.1** each of them shall be jointly and severally liable with the other as co-principal debtor for every indebtedness and obligation of the Borrower to the Bank; and
- 16.1.2** all references to “the Borrower” shall be construed as reference to all of the Borrowers, jointly and severally, unless otherwise indicated.

17. Costs

17.1 The Borrower shall;

- 17.1.1** pay all costs relating to the preparation and registration of the Charge, including advocates fees, stamp duty and registration fees, and shall also pay for the costs of discharge of the Charge upon repayment of the loan; and
- 17.1.2** pay all costs and expenses of any nature (including legal costs) incurred by the Bank in taking steps to exercise or enforce its rights under the loan agreement and any collateral given directly or indirectly in respect of the Borrower’s obligations under the loan agreement.

17.2 Searches and valuation assessments of properties undertaken by us are to ascertain whether the land and improvements to it have sufficient apparent value for the property to act as a security for the loan granted and also assess the replacement value of improvements for insurance purposes. Such searches and valuation assessments are for our internal purposes only and no warranties whatsoever in respect of the property, its title, condition, the purchase price or the insurance amount are given or implied in the granting of the loan. The cost of such searches will be for your account.

18. Set-off and Realisation

18.1 If the Bank terminates the Borrower’s loan agreement in terms of the provisions of clause 3 above or withdraw from any agreements in terms of provisions of clause 15 above, the Bank may in addition to any rights the Bank has:

- 18.1.1** set-off any credit balances held in any other account (including any transaction account) which the Borrower has with the Bank that are due and payable, against the debt; and/or
- 18.1.2** realise any collateral held by the Bank and use the proceeds in payment of any amount due by the Borrower on the debt. If the Bank does so, it will advise the Borrower in writing.

19. Acceleration of Payments

19.1 The Borrower may at any time in reduction of any loan make payments in addition to any stipulated minimum monthly instalments. If the Borrower wishes to pay the outstanding balance of the loan in one amount prior to the due date of the last instalment the following provisions will apply:

- 19.1.1** the Borrower will give the Bank not less than thirty (30) days’ advance notice in writing (or such shorter period as may be agreed to by the Bank) of the date on which the Borrower will pay the outstanding balance of the loan in one amount;
- 19.1.2** a notice in terms of clause 19.1.1 above may be given at any time before the expiry of the term of the loan; and
- 19.1.3** the date of payment stated in this notice will be deemed to be the date on which the outstanding balance of the loan became due for payment, provided that the Borrower must pay all instalments and other amounts becoming due for payment prior to the date stipulated in this notice.

20. Finance Charges and Fees.

20.1 The Bank is entitled to charge and recover the following fees in respect of any home loan,

- 20.1.1** an administration fee, being a monthly fee recoverable by the Bank as valuable consideration for the Bank’s administering of the Borrower’s home loan account into which payments from the transaction account are made;
- 20.1.2** a facility variation fees for consenting to any request by the Borrower for any variation of the terms of the Charge, the delegation of the obligations of the Borrower in respect of the loan, or a variation or substitution of any suretyship guarantorship or other collateral in connection with the loan;
- 20.1.3** rates, taxes, other fiscal charges actually paid or to be paid by the Bank in respect of the property; and



20.1.4 certain legal costs incurred by the Bank in respect of legal proceedings instituted against the Borrower for the recovery of any amount or charges referred to in this clause 20, which will be as between attorney and own client.

20.2 The Borrower undertakes to repay the Bank all amounts paid by the Bank in terms of clause above, together with finance charges at the annual finance charge rate payable on the principal debt stipulated in the loan agreement.

20.3 Subject to the provisions of the law, the Bank may recover any amounts referred to in clause above. If any amounts fall on their due date or if the Bank agrees with the Borrower to defer the payment of any amount, the Bank may recover from the Borrower additional finance charges in accordance with the provisions of applicable laws or regulations, which will be capitalised monthly.

The Bank's rights under this loan agreement shall in all respects be subject to the provisions of the Banking Act, Chapter 488, Laws of Kenya and the regulations and notices as promulgated by the Central Bank of Kenya from time to time under the Central Bank of Kenya Act,

21. Variation of Finance Charges and Fees

21.1 The Bank may from time to time vary the annual finance charge rate, and will deliver at least thirty(30) days written notice to the Borrower of each variation.

21.2 In the event of a variation, the Bank may adjust the monthly instalments as much as is necessary for the loan to be repaid within the same period in which it would have been repaid if there had been no variation.

21.3 The Bank reserves the right to increase the rate of interest above that of the then current ruling rate and vary other terms of the Facility as applicable should more than 50%(fifty percent) of the property to be used for commercial purposes

22. Loss of Employment

22.1 If;

22.1.1 the loan is conditional on the Borrower's employer giving the Bank a suretyship or guarantee for payment of all or part of the loan; and

22.1.2 the Borrower ceases to be employed by that employer for any reason; and the Borrower default on their repayment obligations to the Bank;

22.1.3 the Borrower does not within 30 (thirty) days of ceasing to be employed make arrangements satisfactory to the Bank for the substitution of the suretyship or guarantee, then, the borrower will on written demand by the Bank, pay the Bank the full amount of the loan.

22.2 The Bank will have the same rights as those mentioned in clause 22.1 above if the Borrower or his/her spouse or any surety for the Borrower is employed by the Bank, and the employment is terminated for any reason.

23. Collateral

23.1 The collateral required by the Bank in respect of the loan (including any debt related to the loan) is set out in the application form (which collateral shall, if required by the Bank, include an indemnity by the Borrower).

23.2 If the value of any collateral for the loan is no longer adequate or the Borrower's management of the Borrower's accounts increases the Bank's risk regarding the loan or any other amount owing to the Bank in terms of any other agreement, the Bank will have the right to ask the Borrower to provide the Bank with additional collateral to secure repayment of the debt, vary the terms and conditions of the loan agreement or to increase the interest rate above the rate currently being charged. The Bank will give a thirty (30) days written notice of the variation.

23.3 Any collateral required by the Borrower in respect of the loan shall not prejudice any other collateral or preference of whatever kind in existence in favour of the Bank.

24. Assessments

24.1 The assessment of the property by the Bank is to determine whether the land and buildings have enough apparent value for the property to secure the debt, and to assess the replacement value of the buildings for insurance purposes.

24.2 The Bank uses various methods to assess the value of properties offered to it as a collateral for home loans. These methods may involve a physical assessment of the property or be based on statistical data provided. The assessment is for the Bank's internal use only and the Bank does not warrant the accuracy thereof.

24.3 The Bank accepts no liability for any defects whether latent (that is, existing but not active or developed or visible) or patent (that is, obvious) in respect of either the land or improvements. The Bank will not advise on any matter, especially



improvements, from the aspect of structural integrity, conformity with approved building plans, the national building regulations nor the land and improvements for suitability to underlying geological conditions or flooding. If the Borrower has concerns regarding the property, it is the responsibility of the Borrower to seek appropriate independent expert advice.

25. Rearrangement of the Loan Agreement

No rearrangement of any loan or alteration of the loan agreement will adversely affect the operation of any collateral given in respect of the loan (and/or any debt in respect of the loan), nor will it substitute the loan or adversely affect the rights of the Bank to sue in terms of the Charge/Mortgage or any such collateral, and all the provisions of the loan agreement shall apply to all or any such rearrangement or alteration fully and effectually, as such if rear arrangements or alterations had been originally contained in the loan agreement.

26. Liability for Loss

The Bank will not be liable for any loss incurred by the Borrower in terms of this loan agreement, save and except where such loss is caused by the Bank's gross negligence, gross misconduct and/or wilful misconduct.

27. Credit Reference Bureau Consent Clause

27.1 By submitting an application for credit facilities, you agree to be bound by the following requirements relating to the submission of information to the Credit Reference Bureau and the issue of whether or not the application for credit facilities is approved.

27.2 Definitions

27.2.1 "Credit Reference Bureau" means all registered credit reference bureaus being utilized by the Bank from time-to-time;

27.2.2 "Customer Credit Information" means information concerning

- i your credit history, including applications for credit, credit agreements to which you are or have been a party, pattern of payment or default under any such credit agreements, incidence of enforcement actions with respect to any such credit agreement, the circumstances of termination of any such credit agreement
- ii your financial history including your past and current income, assets and liabilities and other matters with respect to your income and financial means
- iii your education, employment, career, professional or business history, including the circumstances of termination of any employment, career, professional or business relationship or
- iv your identity, including your name, date of birth, identity number, marital status and family relationships, past and current addresses and other contact details and related matters.

27.2.3 "Data" means the raw factual information furnished by us to the Credit Reference Bureau including, but not limited to, credit applications, credit agreements, payment history or patterns or Customer Credit Information collected and arranged by the Credit Reference Bureau and its employees and processed by the Credit Reference Bureau's computer systems which are stored in the database.

27.3 Consent to Disclosure of Confidential Information

27.3.1 You hereby irrevocably consent to us collecting, receiving, compiling and retaining any Customer Credit Information about you for purpose of:

- i assisting us to perform our statutory assessment of your creditworthiness
- ii deciding whether or not to grant you credit; and
- iii monitoring your credit profile should we grant you credit
- iv filing our customer Credit Information with the credit Reference Bureau

27.3.2 You hereby consent to the receipt, sharing, provision and exchange of data with Credit Reference Bureau and with other financial institutions through the Credit Reference Bureau and Micro finance deposit taking institutions through the Reference Bureau provided that you have the right to lodge a complaint with the Credit Reference Bureau or to challenge any Customer Credit Information held by the Credit Reference Bureau in your respect.



- 27.3.3** You hereby acknowledge that the Customer Credit Information obtained may include positive or negative information regarding your payment record
- 27.3.4** You hereby acknowledge that the Credit Reference Bureau is required by law to collect negative information on the background and credit history relating to your non performing obligations
- 27.3.5** You hereby consent to the collection, recording, retention and submission of all data relating to your economic, financial and commercial obligations in order to determine your overall debt exposure and ability to pay.

28. Disclosure of Information and Data Protection

- 28.1** By accepting these Terms and Conditions the Borrower hereby consents, authorizes and agrees as follows:
 - 28.1.1** That the Bank may use any information provided to the Bank by the Borrower for the purpose of providing the Borrower with the Loan;
 - 28.1.2** That the Bank may furnish Standard Bank Group Limited, any other subsidiary or associate company of Standard Bank Group Limited, and any assignee or transferee of the Bank's rights in terms hereof, with any information and documentation they may request regarding the Loan, including (without limitation) any security or any "know your customer" information provided in respect of the Loan or the Borrower;
 - 28.1.3** The Borrower agrees with the Bank that the Bank may:
 - 28.1.3.1** hold and process, by computer or otherwise, any information obtained about the Borrower as a consequence of the Loan;
 - 28.1.3.2** include Personal Data in the Bank's systems which may be accessed by other companies in the Bank's group for credit assessment, statistical analysis including behaviour and scoring and to identify products and services (including those supplied by third parties) which may be relevant to the Borrower; and
 - 28.1.3.3** permit other companies within the Bank's group to use Personal Data and any other information it holds about the Borrower to bring to its attention products and services, which may be of interest to the Borrower.
 - 28.1.4** The Borrower further agrees that the Bank may disclose its Personal Data and/or Information relating to the Borrower including data and information relating to the Loan and any documents referred to herein or the assets, business or affairs of the Borrower outside the Bank's group whether such Personal Data and/or information is obtained after the Borrower ceases to be the Bank's customer or during the continuance of the banker-customer relationship or before such relationship was in contemplation:
 - 28.1.4.1** for fraud prevention purposes;
 - 28.1.4.2** to licensed credit reference agencies or any other creditor, if the Borrower is in breach of the Terms and Conditions;
 - 28.1.4.3** to its financial partners;
 - 28.1.4.4** to its external lawyers, auditors and other sub-contractors or persons acting as the Bank's agents;
 - 28.1.4.5** to any person who may assume the Bank's rights under these Terms and Conditions;
 - 28.1.4.6** if the Bank has a right or duty to disclose or are permitted or compelled to do so by law; and
 - 28.1.4.7** for the purpose of exercising any power, remedy, right, authority, or discretion pursuant to these Terms and Conditions or any other document.
 - 28.1.5** The Borrower consents to the Bank's collection of their Personal Data and/or other information from it and, where lawful and reasonable, from public sources for credit, fraud, compliance purposes, and for the additional purposes set out below.
 - 28.1.6** If the Borrower gives Personal Data and/or other information about or on behalf of another person to the Bank, the Borrower confirms that they are authorized to:
 - 28.1.6.1** give the Bank the Personal Data and/or other information;
 - 28.1.6.2** consent on behalf of that other person to the Processing of such Personal Data and/or other information, including any cross-border transfer of Personal Data and/or other information into and outside of Kenya where the products or services are or may be provided; and
 - 28.1.6.3** receive any privacy notices on behalf of that other person.
 - 28.1.7** The Borrower hereby consents to the Bank Processing the Personal Data and/or other information:
 - 28.1.7.1** to provide products and services to the Borrower in terms of the Loan and any other products and services for which the Borrower may request from the Bank;



- 28.1.7.2** to carry out statistical and other analyses to identify potential markets and trends, evaluate and improve the Bank's products and services;
- 28.1.7.3** outside of Kenya where the products or services are or may be provided. Such countries may not have the same data protection laws as the country where the products or services are provided;
- 28.1.7.4** by sharing the Borrower's Personal Data and/or other information with the Bank's third-party service providers, in and outside Kenya where the products or services are or may be provided.
- 28.1.8** The Bank's Processing practices and privacy statement are available on the Bank's Website at <https://www.stanbicbank.co.ke>.
- 28.1.9** The Borrower acknowledges and agrees to the Bank's collection, use, Processing and sharing of the Borrower's Personal Data and/or other information for the above purposes. The Borrower further agrees that a disclosure of information by the Bank in the circumstances contemplated by this paragraph does not violate any duty owed to the Borrower in law or pursuant to any agreement between the Borrower and the Bank or in the ordinary course of banking business and the customs, usage and practice related to banking. The Borrower further agrees that the disclosure may be made without further reference to, or, authority from the Borrower and without inquiry by the Bank as to the justification for or validity of such disclosure.

29. Variation

- 29.1** We may, at our discretion, vary any of the terms and conditions from time to time on written notice to you.
- 29.2** No such variation and no agreement inconsistent therewith will be of any force or effect unless it is recorded in writing and signed by both you and us

30. Currency

- 30.1** If any part of the Loan is denominated in a foreign currency ("the currency of the account"), payment under or the repayment of such Facilities will be made in such foreign currency.
- 30.2** Any money received by the Bank, or by any person appointed by the Bank, in a currency other than the currency of the account may be converted by the Bank into the currency of the account or such other currency as the Bank considers necessary to cover the obligations or liabilities of the Borrower. The Bank shall use the Bank's spot rate of exchange for such conversion.
- 30.3** In the event of any legislation or extreme change in market conditions affecting the ability of the Bank to provide or fund facilities in foreign currency, the Bank reserves the right, at its sole discretion, to convert any foreign currency indebtedness by the Borrower into Kenya Shillings at the rate ruling on the day of such conversion.
- 30.4** In the event that the Bank demands repayment of any indebtedness of the Borrower, after such demand has been made, the Bank reserves the right, at its sole discretion, to convert any foreign currency indebtedness by the Borrower into Kenya Shillings at the Bank's spot rate ruling at the day of such conversion.
- 30.5** In exercising the aforementioned rights to convert foreign currency indebtedness into the Kenya Shillings, the Bank will not be liable for any losses.

31. Change in Control and Constitutional Documents

- 31.1** If the Borrower is a legal person such as a company, cooperative, close corporation, trust, partnership, or association of persons:
 - 31.1.1** the Bank shall be entitled in all its actions to rely exclusively upon the documents, including all constitutional documents and authorisations, submitted by the Borrower and in the Bank's possession. (This provision should be noted in particular in relation to the Borrower's dealings with an Access Mortgage Facility)
 - 31.1.2** the Borrower is required to notify the Bank, in writing, as soon as the proposed or actual change becomes known of any proposed or actual changes:
 - 31.1.2.1** in the direct or indirect ownership, or control (including if there is a change in the person that may directly or indirectly exercise the majority of the voting rights in the legal persona), or management of the Borrower, or any such change in any surety for the Borrower's debt to the Bank; or
 - 31.1.2.2** to the Borrower's constitutional documents, and any security given for the loan remains in full force in writing releases such security.



31.2 Any change in control of the Borrower will not affect any collateral held by the Bank nor will it release any surety/guarantor from a suretyship/guarantorship.

32. Jurisdiction

The Borrower consents to the jurisdiction of Courts in Kenya of competent jurisdiction and to the Bank, at its option, taking legal proceedings to enforce or implement any of the Bank's rights.

33. Non-waiver

The failure by the Bank to exercise any of its rights on due date or any indulgence granted to the Borrower shall not be construed as a waiver, abandonment or novation of any of the rights of the Bank in terms of the loan agreement.

34. Address for Notices and Service of Legal Documents

34.1 The postal address you supply on your application form for an account will be regarded as your chosen address where notices may be given and documents in legal proceedings may be served. You must notify the Bank in writing or e-mail immediately if your chosen address changes/has changed.

34.2 You choose, for all purposes in connection with the banking products, the address provided in the application form. The Bank shall change address within reasonable time after it receives written notification from you.

34.3 Any notice or communication requiring to be served on you may be served on you or any of your officers personally by hand delivery, by electronic mail, post or by advertisement in a daily newspaper with national circulation published in the Republic of Kenya.

34.4 Time of delivery. Service by electronic mail shall be to your last known email address and shall be deemed following transmission. Service by post shall be to the postal address provided in this application form you as provided above, and shall be deemed to have Service by advertisement in a local daily newspaper the date of advertisement.

34.5 Notwithstanding anything to the contrary in this paragraph, a written notice or other communication actually received by any party shall be adequate written notice or communication to it notwithstanding that the notice was not sent to or delivered at its chosen address.

34.6 Without prejudice to the generality of paragraph 33 on notices, any information published by the Bank

- I. by advertisement in a local daily newspaper published in Kenya, or
- II. (on the Bank's website at <https://www.stanbicbank.co.ke> (or any replacement page) will constitute adequate notice for purposes of this loan agreement in relation to the matters to which that information relates and effective date of such notice will be the first Business Day following the date of publication.

35. Changes in Law and Governing Law

The Bank may immediately amend the pricing structure of the loan if there is any change in law, statute, regulation, ruling, directive, policy or any similar event with which the Bank is obliged to comply resulting in an increase in cost to the Bank in providing the loan or any part thereof. If the Bank does so, it will advise the Borrower in writing. These terms and conditions shall be governed by and construed in accordance with the Laws of the Republic of Kenya.

36. Acceptance

36.1 By applying for the Loan, the Borrower agrees to comply with and be bound by these Terms and Conditions in respect of any Loan granted and/ or Services provided pursuant to the Borrower's application.

36.2 The Borrower will be deemed to have read, understood and accepted these Terms and Conditions upon clicking on the "Accept" option.

I hereby accept the terms and conditions.

I hereby decline the terms and condition