

**TERMS AND CONDITIONS FOR THE EDON SACCO LOAN, SHARES, DEPOSITS, LOAN
GUARANTEE FUNDS**

1. THE AGREEMENT

- 1.1. This agreement sets out complete terms and conditions which shall be applicable to EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds opened by you (as hereinafter defined) with the SACCO (as hereinafter defined).
- 1.2. These Terms and conditions and any amendments or variations thereto take effect on their date of publication and from the time you accepted to join the SACCO.
- 1.3. This agreement is in addition to EDON SACCO By Laws as approved by Commissioner of Cooperatives and granting of Registration No CS 23854 Dated 14/03/2019 and various Loans, Products and Service introduced from time to time.

2. DEFINITIONS

- 2.1. In these Terms and Conditions, the following words and expressions (save where the context requires otherwise) bear the following meanings:
 - 2.1.1. The SACCO means EDON SACCO Limited operating under the Companies Act (Chapter 486 of the Laws of Kenya) and duly registered under Co-operative Societies Act Cap 490 Laws of Kenya.
 - 2.1.2. Credit Reference Bureau means a Credit reference bureau licensed under the Banking Act pursuant to the Credit Reference Bureau Regulations, 2013, as amended, revised or promulgated from time to time, to inter alia, collect and facilitate the sharing of customer facility information.
 - 2.1.3. Customer/ Member means the person in whose name the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds with the Company is existing.
 - 2.1.4. Customer Care Centre means any Company Branch or customer care centre.
 - 2.1.5. E-Money means the electronic monetary value depicted by M-PESA Account representing an equal amount of cash; used together enables you to access your account.
 - 2.1.6. Equipment means your mobile phone handset, sim card
 - 2.1.7. Agent or Agents as may be notified to the Customer by the SACCO from time to time.

2.1.8. IPRS means the Integrated Population Registration System set up and maintained by Government of Kenya under the Ministry of State for Immigration and Registration of Persons and its successors.

2.1.9. EDON SACCO Account is a SACCO account held by a Customer with the SACCO and which is opened and operated in accordance with the Terms and Conditions herein contained.

2.1.10. Product and services mean:

- i. EDON SACCO Instant Loan, Shares, Deposits, Loan Guarantee Funds,
- ii. EDON SACCO Chama

2.1.11. Other Products and Services to be introduced are:

- i. EDON SACCO Remittances,
- ii. EDON SACCO Payments:

3. ACCEPTANCE OF THE TERMS AND CONDITIONS

3.1. Before applying to open the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds via USSD, web portal or App you should carefully read and understand these Terms and conditions which will govern the use and operation of the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.

3.2. If you do not agree with these Terms and conditions, please click the decline button on the menu.

3.3. You will be deemed to have read, understood and accepted these Terms and Conditions:

3.3.1. Upon clicking on ACCEPT option on the EDON SACCO menu requesting you to confirm that you have read, understood and agreed to abide with these Terms and Conditions; and/or

3.3.2. by using or continuing to use and operate the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and/or the Services.

3.4. By applying to open the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds with the SACCO, you agree to comply with and be bound by these Terms and Conditions for the time being and from time to time in force governing the operation of the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and you affirm that these Terms and Conditions herein are without prejudice to any right that the SACCO may have with respect to the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds in law or otherwise.

3.5. These Terms and Conditions may be amended or varied by the SACCO from time to time and the continued use of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and/or the Services constitutes your agreement to be bound by the terms of any such amendment or variation.

4. REGISTRATION

4.1. In order to open a Loan, Shares, Deposits, Loan Guarantee Funds Account with the SACCO, you must be at least 18 years old and have a registered and active mobile number including mobile money. The SACCO reserves the right to verify with any of the telephone companies like Safaricom, Airtel and Orange the authenticity and status of your Mobile Money Account.

4.2. You may open EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Accounts solely by way of an electronic application made by you using your USSD, Web or App via the EDON SACCO Menu on USSD, Web or App.

4.3. You hereby agree to give all information requested at the time of registration. At the same time, you agree and authorize the SACCO to request the telephone companies for your personal information held by them pursuant to the agreement between you and the telephone companies for the provision of their services including your phone number, name, date of birth, ID or Passport Number and such other information that will enable the SACCO to identify you and comply with the regulatory know your customer requirements. You also hereby agree and authorize the SACCO to request any of the telephone companies for information relating to your use of their mobile money, and services as the SACCO shall require for purposes of providing you the services. You hereby consent to the disclosure of the personal information, mobile money Information by telephone companies to the SACCO and to the aforesaid use of the Personal Information and the mobile money Information by the SACCO.

4.4. You hereby agree and authorize the SACCO to obtain and procure your Personal Information contained in the IPRS from the Government of Kenya and you further agree and consent to the disclosure and provision of such Personal Information by the Government of Kenya to the SACCO.

4.5. You hereby further acknowledge and authorize the SACCO to verify your Personal Information received from telephone companies pursuant to Clause 4.3 against the information received from the Government of Kenya in your respect as contained in the IPRS.

4.6. The SACCO reserves the right to request for further information from you pertaining to your application for EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds at any time. Failure to provide such information within the time required by the SACCO may result in the SACCO declining to accept your application for a Loan, Shares, Deposits, Loan Guarantee Funds.

- 4.7. Acceptance by the SACCO of your application for EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds shall be done via SMS sent to the registered Mobile Phone Number associated with your mobile money. You acknowledge and accept that the acceptance by the SACCO of your application for EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds does not create any contractual relationship between you and the telephone companies.
- 4.8. The SACCO reserves the right to decline your application for EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds or to revoke the same at any stage at the SACCO's sole discretion without assigning any reason or giving any notice thereto.

5. YOUR REQUESTS

- 5.1. You hereby irrevocably authorize the SACCO to act on all Requests received by the SACCO from you (or purportedly from you) through the System and to hold you liable in respect thereof. The SACCO may nevertheless refuse to carry out any Requests which would result in there being an overdraft on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.
- 5.2. The SACCO shall be entitled to accept and to act upon any Request, even if that Request is otherwise for any reason incomplete or ambiguous if, in its absolute discretion, the SACCO believes that it can correct the incomplete or ambiguous information in the Request without any reference to you being necessary.
- 5.3. The SACCO shall be deemed to have acted properly and to have fully performed all the obligations owed to you notwithstanding that the Request may have been initiated, sent or otherwise communicated in error or fraudulently, and you shall be bound by any Requests on which the SACCO may act if the SACCO has in good faith acted in the belief that such instructions have been sent by you.
- 5.4. The SACCO may, in its absolute discretion, decline to act on or in accordance with the whole or any part of your Request pending further enquiry or further confirmation (whether written or otherwise) from you. The SACCO shall not be under any obligation to so decline in any case, and shall in no event or circumstance be liable for not so declining.
- 5.5. You agree to and shall release from and indemnify the SACCO against all claims, losses, damages, costs and expenses howsoever arising in consequence of, or in any way related to the SACCO having acted in accordance with the whole or any part of any of your Requests (or failed to exercise) the discretion conferred upon it.
- 5.6. You acknowledge that to the full extent permitted by law the SACCO shall not be liable for any unauthorized drawing, transfer, remittance, disclosure, any activity or any incident on your account by the fact of the knowledge and/or use or manipulation of your M-PESA PIN, password, ID or any means whether or not occasioned by your negligence.

- 5.7. You can only cancel your Request by calling the Customer Care Centre and Requesting cancellation. Cancellation will however only be allowed where your Request is revocable and has not yet been acted on. If the SACCO is able to cancel your instruction you may be charged for such cancellation.
 - 5.8. The SACCO may refuse to make a payment if you do not have sufficient funds in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds. In deciding whether you have sufficient funds, the SACCO will take account of any instructions to make payments and regular payments which have not yet been paid from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds. The SACCO will not be obliged to take account of regular facilities or any amounts received after it has decided not to make the payment.
 - 5.9. The SACCO is authorized to effect such orders in respect of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds as may be required by any court order or competent authority or agency under the applicable laws.
 - 5.10. In the event of any conflict between any terms of any Request received by the SACCO from you and these Terms and conditions, these Terms and conditions shall prevail.
6. OVERDRAWING YOUR EDON SACCO LOAN, SHARES, DEPOSITS, LOAN GUARANTEE FUNDS
- 6.1. No Overdraft will be allowed on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.
 - 6.2. The SACCO is entitled to demand repayment of any money overdrawn from your account together with Loan, Shares, Deposits, Loan Guarantee Funds and penalties.
7. LIEN
- 7.1. The SACCO shall have a general lien over commensurate chattels /assets in your possession and in its possession in the event that you owe any money to the SACCO. These include but not limited to machines, stocks, equipment, Tvs, Stereos, Home theatres, cash, goods, securities or any other movable or immovable property charged or not charged to secure repayment of any money, whether or not that money has been repaid, and also over all property in respect of which, by the general law, the SACCO has lien.
 - 7.2. Where you are in arrears in your Loan to the SACCO in circumstances giving the SACCO a right of set off, all property you have and or held under lien in terms of sub-clause 7.1 hereof shall be deemed to be held as security for the Loan.
 - 7.3. The SACCO may at any time give you notice in writing that if an accrued Loan is not paid within a period being not less than 14 days (or such other period specified in the notice) from the date of receipt by you of the notice then the SACCO may, without further notice, take possession of your

assets or and realize sufficient of your assets to discharge the Loan. Any part payment made will be accepted strictly on account and without prejudice to the SACCO's rights.

7.4. You hereby constitute us as your attorney for the purposes of any transaction will be held on your behalf in relation to your assets for purposes of discharging the Loan.

8. SET-OFF

8.1. The SACCO may, upon notice, combine/consolidate your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account with any of your other accounts held in the SACCO, whether joint or any other type and thereafter set off any amount held to your facility against any in money you owe to the SACCO.

8.2. The SACCO may, upon notice to you, set off your EDON SACCO Loan against any other fund or Shares, Deposits, Loan Guarantee Funds in respect of which you are liable, notwithstanding that some other person may also be liable in respect thereof. In such circumstances, upon receipt of an indemnity acceptable to the SACCO (against costs) and at your expense, the SACCO will give you any assistance necessary in obtaining a refund.

8.3. If the set off is for Loan recovery, the SACCO will provide you with a detailed breakdown of the costs and expenses recovered from you together with a justification for such costs and expenses.

9. STATEMENTS

9.1. You may request for a statement or activity report in respect of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds from the SACCO using USSD, Web or App.

9.2. EDON SACCO Mini Statement shall provide details of the last 4 (four) transactions (or such other number of transactions as determined by the SACCO) in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds initiated from your USSD, Web or App.

9.3. EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Mini Statement shall not be sent to you in printed form but shall be delivered to you either by SMS to Mobile Phone Number associated with your Mobile Money Account or such other electronic means as the SACCO may in its discretion determine. You shall be responsible for the payment of any charges levied by the telephone company in delivering the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Mini Statement to you.

9.4. You may obtain printed EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Mini Statements or a printed SACCO statement pertaining to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds from the SACCO. You shall be responsible for the payment of any charges levied by the SACCO for such printed statements. You also hereby authorize the SACCO to share your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds information with telephone companies for this purpose.

- 9.5. Save for a manifest error, EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Mini Statement or SACCO statement issued to you aforesaid in respect of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds shall be conclusive evidence of the transactions carried out on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds for the period covered in the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Mini Statement and/or SACCO statement.
- 9.6. Your statement will show all amounts added or taken from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds during the period requested and/or since the previous statement. You must check your statement carefully and tell the SACCO as soon as possible if it includes any transaction or other entry which appears to you to be wrong or not made in accordance with your instructions.
- 9.7. The SACCO reserves the right to rectify discrepancies, add and/or alter the entries in your statements, without prior notice to you. The SACCO will however inform you of any rectification, additions and or alterations effected on your statements within a reasonable time after the changes are effected.
- 9.8. You will be notified of all transactions on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds by way of SMS and the charges for this service will be debited to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.

10. CUSTOMER COMPLAINTS

- 10.1. Complaints may be made in person, in writing, by post, fax, email or by telephone.
- 10.2. The SACCO will take all measures within its means to resolve your complaints within a reasonable time. All complaint will be handled in accordance with the SACCO's complaint handling procedures which are available on request from your manager, any SACCO Branch or the Customer Care Centre. Where a notification regarding your complaint or any other matter is expected from the SACCO but not received, the complaint must be made within a reasonable time after non-receipt of such notification.
- 10.3. Applicable tariffs will be charged by your telephone and internet service provider (s) when communicating with the Customer Care Centre.

11. INOPERATIVE AND DORMANT ACCOUNTS

- 11.1. Your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds will automatically be classified as inactive if you do not initiate any transactions on the account for a continuous period of 12 months or any period the SACCO may deem fit.
- 11.2. The SACCO shall make reasonable endeavors to inform you of the intended classification of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds as inactive at least one (1)

month before such classification. The SACCO shall, no later than seven (7) days from the date of such classification, inform you of such classification by way of SMS alerts addressed to your mobile telephone number.

11.3. Your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds will be classified as Dormant if it remains inactive for a further period of 12 months, in which case the account balances shall be transferred from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds to a central account for security reasons.

11.4. You will not be allowed to transact on an inactive or dormant account, but the SACCO shall, upon your written (e.g. letter/email) request, inform you of the procedure to be followed to activate your inactive/dormant account.

11.5. The SACCO may (including without limitation) apply any one or more of the following conditions to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds upon its classification as Dormant:

- i. confirm the validity and authenticity of the first transaction reactivating the account,
- ii. suspend the payment of Interest Rate (if applicable),
- iii. suspend the issuance of statements,
- iv. charge a maintenance fee as may be determined from time to time.

11.6. If your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds will not have any transactions initiated by you for a continuous period of five (5) years or if you shall not have communicated with us for a continuous period of five (5) years regarding your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, such account will be presumed abandoned and transferred to the Unclaimed Financial Assets Authority as such.

12. SACCO CHARGES AND EXPENSE

12.1. The SACCO may debit your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account with SACCO fees, commissions, costs and other charges in respect of the SACCO's products and services provided to you, including but not restricted to the following:

12.1.1. Unless otherwise agreed in writing, interest rate on overdrawn accounts, Loan, Shares, Deposits, Loan Guarantee Funds accounts or any other facility granted, at any rate or rates as the SACCO may determine from time to time, but not exceeding the maximum allowed by law, which rate or rates may be different for different accounts. Such interest rate will be calculated on daily balances and debited monthly. The SACCO will notify you within reasonable time prior to effecting any change(s) as regards interest rates. Where a higher interest rate of Loan, Shares, Deposits, Loan Guarantee Funds has been agreed, the SACCO may charge such higher rate on any of your accounts. Such interest rate is payable

notwithstanding the determination of your relationship with the SACCO and until you repay the full amount you owe the SACCO in full.

12.1.2. Legal charges: Advocate and client charges, costs and expenses incurred in any legal, arbitration or other proceedings arising out of or connected with your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds;

12.1.3. Commissions: Commissions at such rates as the SACCO may determine from time to time.

12.1.4. Other charges and expenses: In addition to the debits authorised by sub-clauses (12.1.1) and (12.1.2) of this clause, all other proper expenses and charges including but not limited to ledger fees, postage, cables, telephone calls, taxes, duties and impositions.

12.1.5. The SACCO may also debit your account with expenses incurred:

- i. In complying with your requests,
- ii. In complying with the requests of authorized and affiliated Government or other agencies in relation to your account,
- iii. In maintaining your Account,
- iv. In collecting or attempting to collect any amount of money you owe the SACCO; and,
- v. Expenses incurred in realizing any security or protecting the subject matter of any security issued to the SACCO.

12.1.6. Such penalties as are provided in these Terms and Conditions at any rate or rates as the SACCO may determine from time to time. The penalties will be calculated on daily balances and debited monthly. Penalties shall be due and payable notwithstanding the determination of your relationship with the SACCO until settlement in full.

12.1.7. The SACCO will provide you with a detailed breakdown of the costs, charges and expenses incurred under all the sub-clauses of this clause 12 in the account statements. Please visit your nearest branch or EDON SACCO website. The SACCO will give you at least seven (7) days' notice of intention to effect new charges, fees, cost, interest rates, and/or commissions by way of email, SMS, letter and/or notices in the daily newspapers.

13. TAXES

13.1. All payments to be made by you in connection with these terms and conditions are calculated without regard to any taxes payable by you. If any taxes are payable in connection with the payment, you must pay the SACCO an additional amount equal to the payment multiplied by the appropriate rate of tax. You must do so at the same time as making the payment.

13.2. Amounts in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds may be subject to withholding tax in accordance with applicable law.

13.3. You consent and agree that the SACCO may withhold amounts in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds or any other of your accounts held in the SACCO at any time, if any tax authority requires the SACCO to do so, or the SACCO is otherwise required by law or pursuant to agreements with any tax authority to do so, or if the SACCO needs to comply with internal policies or with any applicable order or sanction of a tax authority.

14. SPECIFIC EDON SACCO LOAN, SHARES, DEPOSITS, LOAN GUARANTEE FUNDS AND SERVICES

14.1. EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds

14.1.1. As a holder of a EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account, you will be entitled, subject to these Terms and Conditions, to transfer money from your Mobile Account and/or make withdrawals therefrom into your Mobile Account, and/or to get Loan, Shares, Deposits, Loan Guarantee Funds from the SACCO as follows:

- i. You may make deposits into your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds or withdraw funds therefrom using the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Menu on your USSD, Web or App.
- ii. You will not be required to notify the SACCO in advance of making a deposit or withdrawal into or from your EDON SACCO Loan, Deposits, Loan Guarantee Funds. For Shares, the withdrawal must be within 60 days or within 24 hours by paying 5% as facilitation fee.
- iii. The SACCO shall channel withdrawals from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds into your Mobile Money Account or any account you may designate.
- iv. You will be required to pay Transaction Fees or any other charges or commissions to mobile money provider in respect of transactions effected between your mobile money account and your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account through the mobile money system.
- v. Transaction Fees and applicable SACCO fees, commissions and other charges will be charged on all transactions between your other SACCO account (s) and your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, as well as on any transactions on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds facilitated through any of our channels.
- vi. There will be no restrictions on the number of deposits into your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds over any period of time subject to a minimum deposit of Kes 10.

- vii. Subject to availability of sufficient funds to your facility, the SACCO shall impose no restrictions on the number of withdrawals you may make from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds over any period of time. You may withdraw up to the maximum allowable limit under the mobile money services or to any SACCO account.
 - viii. The maximum deposit limit on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account shall be Kes 5,000,000/= or such other minimum or maximum amount as the SACCO may from time to time in its sole discretion determine. Your deposits shall however not exceed Kes 1,000,000 except with the SACCO's prior written approval subject to your compliance with such further or other conditions and documentation as may be required by the SACCO.
 - ix. Through the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Menu on your USSD, Web or App, you may establish standing orders and instruct the SACCO to make Loan, Shares, Deposits, Loan Guarantee Funds repayments and establish term deposits using funds from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.
 - x. As a holder of a EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, you may, subject to these terms and conditions, apply for a facility from the SACCO using the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Menu on your USSD, Web or App.
- 14.2. EDON SACCO Wallet
- 14.2.1. Only holders of EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds will be eligible to open EDON SACCO Wallets.
 - 14.2.2. You will earn interest rate on your deposits in your EDON SACCO Shares, Deposits and Loan Guarantee Funds.
 - 14.2.3. Interest shall accrue to the facility balance on the account and shall be calculated based on your end-of-day balance and will be credited into your EDON SACCO Shares, Deposits, Loan Guarantee Funds on a yearly basis.
 - 14.2.4. We reserve the right to vary interest rates from time to time and will reasonably endeavour to give prior notice of the changes in the interest rates by way of SMS. If you do not receive such prior notice we will not be prevented from changing the interest rate.
 - 14.2.5. The maximum savings limit on your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet shall be Kes 1,000,000/= or such other minimum or maximum amount as the SACCO may from time to time in its sole discretion determine. If you however

wish to save any amount above Kes 1,000,000 in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet, you must provide the SACCO with such further documentation and comply with any other or further conditions as may be required by the SACCO.

14.2.6. The Maximum savings transfer into your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet shall be the maximum allowed per channel used eg from M-PESA, the maximum is Kes 300,000 per day.

14.2.7. The maximum deposit transfer into your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet from M-PESA shall be Kes 150,000 per deposit transaction.

14.2.8. Deposit via EDON SACCO Appointed Agents will see a minimum transfer of Kes 100 and a maximum transfer of Kes 100,000. Deposit via SACCO Branches will have no maximum limit on deposit.

14.2.9. The Minimum deposit for your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet and minimum transferrable amount from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet shall be Kes 100

14.2.10. You shall not be entitled to overdraw your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet.

14.2.11. In the event that your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, Wallet does become overdrawn, debit interest rate shall accrue to the account on the debit balance. The debit interest rate shall be equal to the maximum unauthorized overdraft rate levied on SACCO current accounts.

14.3. EDON SACCO CHAMA

14.3.1. Once you are registered and authenticated Via IPRS, CRB and later Safaricom, you will be able to:

- i. Make savings via mobile money, ATM cards, and PesaLink.
- ii. Send money to a number, Paybill, Lipa Na M-PESA and any SACCO Account,
- iii. Crowd fund for any cause, be it fundraising for school fees, putting up a project, starting a business, or meeting any calamities such as funerals etc.
- iv. Access Loan, Shares, Deposits, Loan Guarantee Funds facility anytime, anywhere.
- v. Buy airtime and pay bills,
- vi. Guarantee and be guaranteed by other members.
- vii. Make bulk payments where you can pay multiple recipients to their mobile numbers and accounts.

14.3.2. The above are also available for Individuals, SACCOS, groups, chamas and companies.

14.4. EDON SACCO LIPA KARO

14.4.1. Once you open the account, you can save and be given a facility up to 10 times your savings subject to your credit rating.

14.4.2. The money will be paid directly into the school account.

14.5. EDON SACCO REMIT (FUTURE)

14.5.1. Once you register for the service, you can send money to Kenya instantly through mobile money by debiting your debit, credit or prepaid cards.

14.5.2. Your account will be thoroughly vetted using both local and international ID and Passport validation systems before you are allowed to transact.

14.5.3. PAYMENTS

14.5.4. You can also register and participate in Payments which is used for revenue collection services /Health system/ Bursaries/Teleconferencing/livestreaming.

15. EDON SACCO Loan Facility

15.1. In order to qualify for EDON SACCO Loan facility, you must be at least 18 years old, a registered and active mobile money subscriber for at least six (6) months and an active EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account holder.

15.2. Upon opening your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account, you will receive a confirmation message bearing your facility limit. You may thereafter, subject to these terms and conditions, apply for an emergency facility or any Loan facility listed using the request facility menu on the EDON SACCO Menu on your USSD, Web or App. The Transaction Fees payable for transactions effected in respect of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds from time to time will apply to any transactions effected in respect of your EDON SACCO facility.

15.3. Customers who do not have an allocated facility limit will be required to save and build a history to get a facility score.

15.4. As you apply for the facility, you will be able to select your preferred facility repayment period from the EDON SACCO Menu on your USSD, Web or App.

15.5. Your EDON SACCO facility application will be appraised according to the applicable facility appraisal processes of the SACCO. The SACCO reserves the right at its sole discretion and without assigning any reason to approve or decline your application for a facility.

15.6. Acceptance or rejection by the SACCO of your application for EDON SACCO facility shall be done via SMS sent to the Mobile Phone Number associated with your EDON SACCO Account.

- 15.7. Subject to approval of your application for a facility, the SACCO shall disburse to you a facility of an amount to be determined by the SACCO in its sole discretion subject to a minimum amount of Kenya Shillings one hundred (Kes 100) and a maximum amount of Kenya Shillings one million (Kes 1,000,000) or such other minimum or maximum amount as the SACCO may from time to time in its sole discretion determine.
- 15.8. The SACCO will deposit the facility proceeds into your EDON SACCO Wallet or MPESA subject to any deductions on account of applicable Transaction Fees and Loan, Shares, Deposits, Loan Guarantee Funds charges.
- 15.9. You may only withdraw the facility from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds in accordance with Clause 14.1.1 (iii). Transactions between your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and your M-PESA Account will be subject to the deposit and withdrawal limits under the mobile money Services.
- 15.10. In consideration of the SACCO granting you the facility, you shall pay monthly, daily weekly, or periodically our prevailing interest rate on the facilities, which will be set at between 2% to 15 % p.m. We shall accordingly revise the applicable rate or rates of Loan from time to time and give you notice of changes to our prevailing interest rate on facilities. You confirm that you will visit our EDON SACCO website to access our prevailing interest rates on facilities and that you shall at all times be bound by the prevailing interest rate as published on the website, notwithstanding that you will not have received notice of changes thereto.
- 15.11. The Customer facility will be issued net of Loan, Shares, Deposits, Loan Guarantee Funds and negotiation fees calculated at a rate of 5% of the amount borrowed.
- 15.12. You shall make all payments due from you to the SACCO in respect of the facility and Transaction Fees through your Mobile Money Account, your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, or any other acceptable channels.
- 15.13. In the event that you do not repay the facility in full within the agreed repayment period, the SACCO will automatically roll over any outstanding amount in respect of the facility for a further period of thirty (30) calendar days.
- 15.14. In consideration of the SACCO forbearing to demand the immediate payment of the outstanding amount due in respect of your facility and rolling over the same pursuant to Clause 15.13, you shall, in addition to paying the outstanding amount in respect of the facility any outstanding fee, pay to the SACCO a rollover fee to be advised prior to effecting the roll-over of the outstanding amount in respect of the facility.

- 15.15. You hereby agree to pay costs charges and expenses incurred by the SACCO in obtaining or attempting to obtain payment of any facility owed under your EDON SACCO Loan Facility Account.
- 15.16. The SACCO shall be entitled to terminate this Agreement and close your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account in accordance with the provisions of Clause 22 without prejudice to any of its rights accruing hereunder if you fail to repay the facility and/or the Transaction Fees due thereon within the agreed repayment period.
- 15.17. The SACCO shall utilize funds in any other accounts opened and operated by you to offset any amounts outstanding and due from you to the SACCO in respect of your facility.
- 15.18. The SACCO reserves the right to vary the terms of the facility including the interest rate and fees payable thereon from time to time having regard to the prevailing rules and regulations and the policies of the SACCO.
- 15.19. You hereby expressly consent and authorize the SACCO to disclose, respond, advise, exchange and communicate the details or information pertaining to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account and or facility to Credit Reference Bureaus or any regulator or authority as required under the SACCO Act, Credit Reference Bureau Regulations), 2013, as published, amended or revised from time to time or any other law.
- 15.20. You also hereby expressly consent and authorize the SACCO to disclose, respond, advise exchange and communicate the details or information pertaining to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and or facility to third parties involved in the administration of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and or facility, underwriting of insurance policies, updating of databases, or provision of user support.
16. EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and other EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds
- 16.1. The Customer will be able to send money from one EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds to another EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.
- 16.2. Mobile Money limits will apply and approved charges will be applicable.
- 16.3. Customers will be able to place standing orders on their accounts.
17. DISCLOSURE
- 17.1. You hereby expressly consent and authorize the SACCO to disclose, receive record or utilize your personal information or information or data relating to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account and any details of your use of the Services:

- 17.1.1. to and from the SACCO's service providers, dealers, agents, or any other company the SACCO has interests in for reasonable commercial purposes to the Services,
- 17.1.2. to a Credit Reference Bureau,
- 17.1.3. To the SACCO's lawyers, auditors, or other professional advisors or to any court or Arbitration tribunal in connection with any legal or audit proceedings,
- 17.1.4. to telephone companies in connection with the mobile money services,
- 17.1.5. for reasonable commercial purposes connected to your use of the services, such as marketing and research related activities; and
- 17.1.6. in business practices including but not limited to quality control, training and ensuring effective systems operation.

17.2. You authorize the SACCO to disclose any information relating to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account to any local or international law enforcement or governmental agencies so as to assist in the prevention, detection, investigation or prosecution of criminal activities or fraud or to any other institution or third party as required by the laws of any country and as the SACCO may deem necessary.

17.3. In the event of death, your estate administrator will be granted access to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account upon production of administration letters from a competent authority or confirmed grant of letters of administration or confirmed grant of probate by your legal representatives duly appointed by the Court.

18. YOUR EQUIPMENT AND RESPONSIBILITIES

18.1. You shall at your own expense provide and maintain in safe and efficient operating order your USSD, Web or App necessary for the purpose of accessing the System and the Services.

18.2. You shall be responsible for ensuring the proper performance of your USSD, Web or App. The SACCO shall neither be responsible for any errors or failures caused by any malfunction of your USSD, Web or App, and nor shall the SACCO be responsible for any computer virus or related problems that may be associated with the use of the System, the Services and the USSD, Web or App. You shall be responsible for charges due to any service provider providing you with connection to the Network and the SACCO shall not be responsible for losses or delays caused by any such service provider.

18.3. You shall follow all instructions, procedures and terms contained in these Terms and Conditions and any document provided by the SACCO concerning the use of the System and Services.

18.4. You agree and acknowledge that you shall be solely responsible for the safekeeping and proper use of your USSD, Web or App and for keeping your EDON SACCO Loan, Shares,

Deposits, Loan Guarantee Funds Account PIN secret and secure. You shall ensure that your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds PIN does not become known or come into possession of any unauthorized person. The SACCO shall not be liable for any disclosure of your EDON SACCO PIN to any third party and you hereby agree to indemnify and hold the SACCO harmless from any losses resulting from any EDON SACCO PIN disclosure.

18.5. You shall take all reasonable precautions to detect any unauthorized use of the System and the Services. To that end, you shall ensure that all communications from the SACCO are examined and checked by you or on your behalf as soon as practicable after receipt by you in such a way that any unauthorized use of and access to the System will be detected.

18.6. You shall immediately inform the SACCO through the Customer Care Centre or your manager in the event that:

18.6.1. You have reason to believe that your EDON SACCO PIN is or may be known to any person not authorized to know the same and/or has been compromised; and/or

18.6.2. You have reason to believe that unauthorized use of the Services has or may have occurred or could occur and a transaction may have been fraudulently input or compromised.

18.7. You shall at all times follow the security procedures notified to you by the SACCO from time to time or such other procedures as may be applicable to the Services from time to time. You acknowledge that any failure on your part to follow the recommended security procedures may result in a breach of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Fund's confidentiality. In particular, you shall ensure that the services are not used or requests are not issued or the relevant functions are not performed by anyone other than a person authorized to do so.

18.8. You shall not at any time operate or use the Services in any manner that may be prejudicial to the SACCO.

19. EXCLUSION OF LIABILITY

19.1. The SACCO shall not be responsible for any loss suffered by you should the Services be interfered with or be unavailable by reason of (a) the failure of any of your USSD, Web or App, or (b) any other circumstances whatsoever not within the SACCO's control including, without limitation, force majeure or error, interruptions, delay or non-availability of the System, terrorist or any enemy action equipment failure, loss of power, adverse weather or atmospheric conditions, and failure of any public or private telecommunications system.

19.2. The SACCO will not be liable for any losses or damage suffered by you as a result of or in connection with:

- 19.2.1. unavailability of sufficient funds in your mobile money account /or in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds account,
- 19.2.2. failure, malfunction, interruption or unavailability of the System, your USSD, Web or App, the Network, mobile money services,
- 19.2.3. the money in your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account being subject to legal process or other encumbrance restricting payments or transfers thereof,
- 19.2.4. your failure to give proper or complete instructions for payments or transfers relating to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds,
- 19.2.5. any fraudulent or illegal use of the Services, the System and/or your USSD, Web or App, or
- 19.2.6. Your failure to comply with these terms and conditions and any document or information provided by the SACCO concerning the use of the System and the Services.

19.3. If for any reason other than a reason mentioned in subparagraphs 19.1 or 19.2, the Services are interfered with or unavailable, the SACCO's sole liability under this agreement in respect thereof shall be to re-establish the Services as soon as reasonably practicable.

19.4. Save as provided in subparagraph 19.3 the SACCO shall not be liable to you for any interference with or unavailability of the Services, howsoever caused.

19.5. Under no circumstances shall the SACCO be liable to you for any loss of interest or anticipated savings or for any indirect or consequential loss or damage of whatever kind, howsoever caused, arising out of or in connection with the Services even where the possibility of such loss or damage is notified to the SACCO.

19.6. All warranties and obligations implied by law are hereby excluded to the fullest extent permitted by law.

20. INTELLECTUAL PROPERTY RIGHTS

20.1. You acknowledge that the intellectual property rights in the System (and any amendments, upgrades or enhancements thereto from time to time) and all associated documentation that the SACCO provides to you through the System or otherwise are vested either in the SACCO or in other persons from whom the SACCO has a right to use and to sub-license the System and/or the said documentation. You shall not infringe any such intellectual property rights. You shall not duplicate, reproduce or in any way tamper with the System and associated documentation without the prior written consent of the SACCO.

21. INDEMNITY

21.1. In consideration of the SACCO complying with your instructions or Requests in relation to the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds, you undertake to indemnify

the SACCO and hold it harmless against any loss, charge, damage, expense, fee or claim which the SACCO suffers or incurs or sustains thereby and you absolve the SACCO from all liability for loss or damage which you may sustain from the SACCO acting on your instructions or requests or in accordance with these Terms and conditions.

21.2. The indemnity in clause 21.1 shall also cover the following:

21.2.1. All demands, claims, actions, losses and damages of whatever nature which may be brought against the SACCO or which it may suffer or incur arising from its acting or not acting on any Request or arising from the malfunction or failure or unavailability of any hardware, software, or equipment, the loss or destruction of any data, power failures, corruption of storage media, natural phenomena, riots, acts of vandalism, sabotage, terrorism, any other event beyond the SACCO's control, interruption or distortion of communication links or arising from reliance on any person or any incorrect, illegible, incomplete or inaccurate information or data contained in any Request received by the SACCO.

21.2.2. Any loss or damage that may arise from your use, misuse, abuse or possession of any third-party software, including without limitation, any operating system, browser software or any other software packages or programs

21.2.3. Any unauthorized access to your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds or any breach of security or any destruction or accessing of your data or any destruction or theft of or damage to any of your USSD, Web or App credentials.

21.2.4. Any loss or damage occasioned by the failure by you to adhere to these Terms and Conditions and/or by supplying of incorrect information or loss or damage occasioned by the failure or unavailability of third-party facilities or systems or the inability of a third party to process a transaction or any loss which may be incurred by the SACCO as a consequence of any breach by these Terms and conditions.

21.2.5. Any damages and costs payable to the SACCO in respect of any claims against the SACCO for recompense for loss where the particular circumstance is within your control.

22. VARIATION AND TERMINATION OF RELATIONSHIP

22.1. The SACCO may at any time, upon notice to you, terminate or vary its business relationship with you and close your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds and in particular but without prejudice to the generality of the foregoing the SACCO may cancel Loan, Shares, Deposits, Loan Guarantee Funds which it has granted and require the repayment of outstanding Loans resulting therefrom within such time as the SACCO may determine.

- 22.2. Without prejudice to the SACCO rights under clause 22.1, the SACCO may at its sole discretion suspend or close your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds:
- 22.2.1. if you use the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds for unauthorized purposes or where the SACCO detects any abuse/misuse, breach of content, fraud or attempted fraud relating to your use of the Services,
 - 22.2.2. if your mobile money Account or agreement with telephone company is terminated for whatever reason,
 - 22.2.3. if the SACCO is required or requested to comply with an order or instruction of or a recommendation from the government, court, regulator or other competent authority,
 - 22.2.4. if the SACCO reasonably suspects or believes that you are in breach of these terms and conditions (including non-payment of any facility amount due from you where applicable),
 - 22.2.5. where such a suspension or variation is necessary as a consequence of technical problems or for reasons of safety,
 - 22.2.6. to facilitate update or upgrade the contents or functionality of the Services from time to time,
 - 22.2.7. where your account becomes inactive or dormant,
 - 22.2.8. if the SACCO decides to suspend or cease the provision of the Services for commercial reasons or for any other reason as it may determine in its absolute discretion.
- 22.3. You may close your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account at any time at the branch or by issuing an electronic instruction.
- 22.4. If your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account has any facility balance at the time of its closure, we will return any such balance to you, less any applicable fees. If your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Facility Account is in arrears at the time of closure of your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds Account, you agree to pay to us immediately all amounts you owe us and those you have guaranteed.
- 22.5. Termination shall however not affect any accrued rights and liabilities of either party.
- 22.6. If the SACCO receives notice of your demise, the SACCO will not be obliged to allow any operation or withdrawal from your EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds by any person except upon production of administration letters from a competent authority or confirmed grant of letters of administration or confirmed grant of probate by your legal representatives duly appointed by the Court.

23. MISCELLANEOUS

- 23.1. These terms and conditions (as may be amended from time to time) form a legally binding agreement binding on you and your personal successors.
- 23.2. This Agreement and any rights or liabilities accruing thereunder may not be assigned by you to any other person.
- 23.3. The SACCO may vary or amend these terms and conditions and the Transaction Fees at any time and without notice to you. Any such variations or amendments may be published in posters or pamphlets available in SACCO branches, agents in daily newspapers, and any such variations and amendments shall take effect immediately upon publication.
- 23.4. No failure or delay by either yourself or the SACCO in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.
- 23.5. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
- 23.6. If any provision of these Terms and Conditions shall be found by any duly appointed arbitrator, court or administrative body of competent jurisdiction to be invalid or unenforceable the invalidity or unenforceability of such provision shall not affect the other provisions herein.
- 23.7. Any addition or alteration to these Terms and Conditions may be made from time to time by the SACCO and of which notice has been given to you by way of publication as provided in subparagraph 23.3 shall be binding upon you as fully as if the same were contained in these terms and conditions.

24. NOTICES

- 24.1. The SACCO may send information concerning the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds via SMS to registered mobile number.
- 24.2. You acknowledge that you have no claim against the SACCO for damages resulting from losses, delays, misunderstandings, mutilations, duplications or any other irregularities due to transmission of any communication pertaining to the EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds.

25. DISPUTE RESOLUTION, JURISDICTION AND ARBITRATION

- 25.1. You may contact the Customer Care Center to report any disputes, claims or EDON SACCO Loan, Shares, Deposits, Loan Guarantee Funds discrepancies.
- 25.2. Any dispute arising out of or in connection with this Agreement that is not resolved by Customer Care Centre representatives shall be referred to arbitration by a single arbitrator to be appointed by agreement between the parties or in default of such agreement within 60 days of the notification of a dispute, upon the application of either party, by the Chairman for the time being

of the Chartered Institute of Arbitrators (Kenya Branch). Such arbitration shall be conducted in the English language in Nairobi in accordance with the Rules of Arbitration of the said Institute and subject to and in accordance with the provisions of the Arbitration Act.

25.3. To the extent permissible by Law, the determination of the Arbitrator shall be final, conclusive and binding upon the parties hereto.

25.4. This Agreement shall be governed by and construed in accordance with the laws of the Republic of Kenya.

EDON SACCO TERMS AND CONDITIONS