

INSURANCE PREMIUM FINANCE AGREEMENT

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

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

The Bank: NIC BANK LIMITED whose address is care of P.O. Box Number 44599-00100 Nairobi in the said Republic and includes its Successors and assigns of the second part; and

The Insurer: being the person named in the Schedule hereto and includes the Insurer's successors and assigns of the third part.

The Premium Amount: Kshs/USD.....
(Without Interest) Being the Policy or Policies set out in the Schedule

THE SCHEDULE THE BORROWER

NAME OF BORROWER (as per I/D or Certificate of Incorporation or Certificate of Registration)			
GENDER	FEMALE <input type="checkbox"/>	MALE <input type="checkbox"/>	
ADDRESS	P.O. BOX	POSTAL CODE	TOWN
PHONE NO	MOBILE	OFFICE	FAX NO
PHYSICAL ADDRESS			
EMAIL ADDRESS			
I.D. No.		PIN No.	
CERTIFICATE OF REGISTRATION No. (For Partnerships and Corporate Borrowers)			
NAME AND DESIGNATION OF CONTACT PERSON (For Partnerships and Corporate Borrowers)		PHONE NO	
		EMAIL ADDRESS	
DIRECTORS (for partnerships and Corporate Borrowers)			
Name		Name	
ID		ID	
Pin NO		Pin NO	
Tel NO		Tel NO	
Email Address		Email Address	
Company type (Tick)	Partnership Society <input type="checkbox"/>	Limited company <input type="checkbox"/>	Sole proprietor <input type="checkbox"/>
Company Pin No:	Country of Registration:	Industry:	

Name of Employer (if Employed)		Nature of Business	
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THE INSURER

NAME OF INSURER					
PHONE NO.		FAX NO.			
EMAIL ADDRESS					
PHYSICAL ADDRESS					
NAME AND DESIGNATION OF CONTACT PERSON	PHONE NO.		EMAIL ADDRESS		

THE BROKER/AGENT

NAME OF BROKER/AGENT					
PHONE NO.		FAX NO.			
EMAIL ADDRESS					
PHYSICAL ADDRESS					
NAME AND DESIGNATION OF CONTACT PERSON	PHONE NO.		EMAIL ADDRESS		

DETAILS OF THE POLICY OR POLICIES WITH THE INSURER
(Attach Schedule if there are various policies)

POLICY NO.	START DATE	EXPIRY DATE	TYPE OF COVER (Medical/Motor/Other)	REGISTRATION/ SERIAL NO.	PREMIUM AMOUNT

THE REPAYMENT DETAILS

RATE/FACILITY FEE		INTEREST AMOUNT		PREMIUM AMOUNT			PREMIUM + INTEREST		
NUMBER OF INSTALLMENTS (tick one)			4	5	6	7	8	9	10
DEPOSIT PAYABLE	KSHs.	CONSECUTIVE MONTHLY INSTALLMENTS (except the final installment)						KSHs.	
FINAL INSTALLMENT		KSHs.							
METHOD OF REPAYMENT (Bank to be indicated as Payee)		Post Dated Cheque					Bank Standing Order		
NAME OF BANK						Branch			
ACCOUNT NUMBER									

INSURANCE PREMIUM FINANCE AGREEMENT FORM

NOW THIS AGREEMENT AND GUARANTEE WITNESSETH:

In consideration of the Bank paying the premium amount to the insurer (as defined in the schedule hereto) on behalf of the Borrower being the amount payable by the Borrower to the insurer under the policy (as defined in the schedule hereto):-

1; The Borrower hereby:-

- a) Covenants to pay to the Bank punctually and without any prior demand or deduction or set off whatsoever the consecutive monthly instalments specified in the schedule hereto and in the manner therein set out and to give effect there to the Borrower and to debit the account with the premium amount and any other charges and interest as herein specified. The first instalment shall be paid on the signing of this agreement. Subsequent instalments shall be payable monthly in advance.
- b) Covenants to pay to the Bank in addition to the applicable instalment interest on any instalment(s) or part instalment which remains unpaid after becoming due at the rate of 1.7% per month above the prevailing Bank's base rate or at such other rate of interest determined by the Bank and advised to the customer (within the limits permitted by law and without seeking the Borrowers approval thereof) such interest to accrue from day to day (as well as after any judgment) until repaid in full. The Bank's base rate shall be the Kenya Banks' Reference Rate as shall be determined and communicated by the Central Bank of Kenya from time to time.
- c) Warrants to the Bank that the policy is valid and the Borrower covenants to the Bank that the policy shall remain valid throughout the course of the Borrower's indebtedness with the Bank and to give effect thereto the Borrower under takes not to cancel the policy without the Bank's consent or do any act or commit any default whereby the policy may become void or voidable or whereby an increased premium or charge may become payable (unless the Borrower promptly pays the additional charge or premium to the insurer) provided that in case of default by the Borrower on any of the Borrower's obligations herein it will be lawful but not obligatory for the Bank to do whatever it may deem necessary to make good such default and any money expended by the Bank in that behalf with interest as provided above shall be debited in the account and shall be repaid by the Borrower on demand. The provisions of this Sub-clause shall be without prejudice to the Bank's rights set out in the sub-clause (d) hereunder.
- d) Confirms and acknowledges that the outstanding balance on the account shall immediately become due and payable on demand by the Bank with interest accruing thereon at the rate specified above from the date of demand if the Borrower makes default on any of the Borrower's obligations hereunder or under the policy or if winding up or a petition for Bankruptcy is filed against the Borrower or if it becomes illegal for the Bank or the Borrower to continue with the present arrangement or if there are circumstances which in the sole opinion of the Bank may have a material adverse effect on the ability of the Borrower to perform the Borrowers obligations hereunder or under the policy and the Borrower confirms that the Bank shall be at liberty upon making formal demand as aforesaid to terminate the policy forthwith and to receive refundable premium (if any) from the insurer and the Bank shall be entitled to recover the outstanding balance (if any) in the Account interest and charges from the Borrower by summary procedure as a liquidated debt. A statement or certificate of the Bank as to the amount outstanding shall in absence of manifest error be binding and conclusive as against the Borrower.
- e) Authorizes and instructs the insurer through the signing of this Agreement to register the Banks right to terminate the policy as a financier as well as the Bank's right to terminate the policy and to receive the refund on the premium amount and the Borrower further covenants with the Bank that the Borrower shall procure that the insurer complies with the aforesaid authorization and in any event the Borrower confirms that the Borrower shall hold any monies paid to the Borrower under the policy by the insurer in trust for the Bank and shall immediately upon receipt surrender such monies to the Bank to be credited to the Account .This obligation shall subsist until the Bank confirms in writing that the account has been redeemed in full.
- f) Undertakes to pay all stamps duty and other duties and taxes (if any) to which this Agreement or any other document executed pursuant to this Agreement may be subject to (which duties and taxes will be debited to the account) and the Borrower further undertakes to reimburse the Bank on demand all expenses including legal expenses incurred by the Bank in negotiation and preparation of this Agreement and all expenses

incurred by the Bank in suing for or recovering any sum due to the Bank under this Agreement or otherwise in protecting or enforcing its rights under this Agreement. The charges herein shall also apply to any legal or recovery fees in relation to the account. The applicable legal fees shall be as provided for in the Advocates Act, Chapter 16 and or Auctioneers Act, Chapter 526 and other law(s) that shall be applicable from time to time.

- g) Appoints the Bank to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and do any assurances, acts and things which the Borrower ought to execute and do under the policy including without limitation the power to terminate the policy and to give good receipt and discharge thereof for the refund of the premium amount or any part thereof received by the Borrower on such termination or for any settlement paid under the policy and the Borrower hereby ratifies all acts or deeds done by the Bank in exercise of the power herein conferred and absolves from blame any and all parties giving effect to such power and the Borrower further confirms and agrees that any premium or part of premium refunded as aforesaid or any settlement paid to the Bank will first be applied towards redeeming the Account and the balance (if any) released to the Borrower.
- h) Undertakes that if the Bank shall so request the Borrower shall execute in favor of the Bank by way of security a legal assignment or mortgage over the policy or cede the policy to the Bank and the Borrower undertakes to meet all costs and expenses including the legal fees payable as a result.
- i) Confirms that no failure or delay by the Bank in exercising any right power or privilege under this Agreement shall impair the same or operate as a waiver for the same nor shall any single or partial exercise of any right power or privilege preclude any further exercise of the same or the exercise of any other right power or privilege.
- j) Warrants to the Bank that the Borrower has the power to enter into the transaction contemplated by this Agreement and that neither the execution hereof nor the performance or observance of the Borrowers obligations hereunder will conflict with or result in any breach of any law, regulation, mortgage, agreement or other instrument whatsoever.
- k) The Bank may at any time and without notice to the Borrower combine or consolidate all or any of the Borrower's Accounts with the Bank and set off or transfer any sum standing to the credit of one or more of those accounts in or towards satisfaction of any monies, obligations or liabilities of the Borrower to the Bank whether those liabilities be present, future, contingent, primary, joint or several and the Borrower expressly waives any rights that he may have, insofar as is permitted by law, in respect of any claim which he may know or at any time hereafter have against the Bank.
- l) Confirms that should any cheque remitted to the Bank be dishonoured on presentation resulting in the non-payment of any instalment(s), the subsisting policy(ies) being financed will be subject to cancellation.
- m) Confirms that the Bank is entitled to charge the applicable interest payable for the entire facility at the commencement of the facility as agreed upon with respect to the repayment details indicated herein. The interest shall be payable in full without any prorated deduction or rebate even when the facility is settled in full before the scheduled maturity period by the Borrower.
- n) I/We commit to provide any and all documentary and/ or information that the Bank will find necessary for the purposes connected to this application and/ or any other purpose related to maintaining a relationship with the Bank and/or any other lawful purpose.

2. The insurer (being the guarantor)

- a) Covenants with the Bank that the policy validly exists and that the details set out in the schedule regarding the policy are correct.
- b) Hereby unconditionally guarantees and undertakes as primary obligor and covenants that upon cancellation or termination of the policy by the Bank or the Borrower, the insurer shall forthwith pay the Bank the prorata refund from the date the policy is terminated or cancelled. The insurer shall pay the Bank and in any event not later than seven days from the date of first demand of the prorata refund (the Refundable premium) of the amount due to the Bank by the insurer (as advised by the Bank) under the aforesaid policy or policies financed by the Bank, without any deduction or set off whatsoever. The refundable premium shall be calculated as follows:
The refundable premium amount = the total amount financed by the Bank multiplied by (365 days - number of days from date of premium payment to date of demand)/365 days.
- c) If the refundable premium is not paid on the date on which it is due as herein provided, we undertake to pay the Bank interest on such sum for the period beginning on the date of default until the payment is received

by the Bank in full at the rate of 2% per month or at such other rate as the Bank may specify at its sole discretion (within the limits permitted by law) and we confirm that such interest shall be calculated on the basis of a 365 day year and be compounded monthly until repaid fully.

- d) Warrants that the right to cancel the policy and to pay the refundable premium shall override and prevail over any conflicting provisions in the policy and the refundable premium shall be deemed to be refundable notwithstanding that a claim has arisen or payment has been made under the policy unless the payment is made to the Bank.
- e) Upon cancellation of the policy hereunder the insurer shall comply with all statutory and other common law obligations resulting from such cancellation and including without limitation the provision of notice to any third party of such a cancellation where required.
- f) The right of the Bank to the refundable premium and its interest as financier or assignee shall be noted on the policy or by way of endorsement to be issued in respect thereof following the execution of this agreement and the insurer shall provide the Bank written proof of compliance with this sub-clause upon demand.

3. This guarantee:

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

4. DISCLOSURE

The Borrower(s) agrees and consents that the Bank may:

- a) Disclose any information in the possession of the Bank relating to this application and account details to any and all agents used by the Bank in the course of the operation of the account including but not limited to agents appointed by the Bank to manage the account;
- b) The Bank may disclose any information in the possession of the Bank relating to this application and or account to any third parties (including but not limited to institutions licensed under the Banking Laws of the Republic of Kenya and Credit Reference Agencies) if in the Bank's opinion such disclosure is necessary for the purposes of evaluating any application made to the Bank by the applicant(s) maintaining an account with the Bank or for other purposes but within applicable laws;
- c) The Bank may disclose any information in the possession of the Bank relating to this account including details of the account holder to any third for the purpose of evaluating the applicant(s) credit worthiness or for any other lawful purpose;
- d) The Borrower(s) consents that the Bank may obtain any information relating to the applicant from any third party including institutions licensed under the Banking and Central Bank Act or licensed Credit Reference Agencies under the laws of the Republic of Kenya if in the Bank's opinion such disclosure is necessary for the purpose of evaluating any application made to the Bank by the applicant(s) or for any other purpose as may be prescribed by any existing law;
- e) Disclose any information in the possession of the Bank relating to this application including account details of the account holder to any other party or institution under the international laws and any other laws in order to comply with its obligations pertaining to banking operations.

5. Communication

- a) All notices, letters and other communication from the bank shall be sent to the last postal or email address given by the customer, and the date on the Bank's copy of such communication is taken to be the date of such dispatch in the absence of proof to the contrary;

- b) Any written communication from the Bank to the customer including but not limited to any notice given pursuant to these terms and conditions shall be deemed to have been received by the customer, if delivered then at the date and the time of delivery, and if sent by post it shall be sufficient to prove that the letter containing the communication was properly stamped and addressed.
- c) The customer shall have no claim on the Bank for damage resulting from losses, delays, misunderstandings, mutilations, duplications or any other irregularities due to transmission of any communication whether to or from the customer, the Bank or any third party, by hand delivery, post, fax, telephone, telex, or any other means of communication;
- d) The Bank shall not be held liable for the failure of delivery or receipt of communication by the customer and or exposure of such communication to third parties where the customer fails to provide accurate details of their email and or postal address, including failure to update relevant address details or for any other exposure beyond the control of the Bank such as through malicious or unintended access by unauthorized third parties to whom the address provided does not belong or where the address is shared by certain third parties with the customer.

6. Joint and Several Liabilities

Where the Borrower is more than one person then all obligations on the part of the Borrower shall be jointly and severally liable for the payment of all indebtedness arising from the use of the facility but no partial or full release by the Bank of either of them shall reduce the liability of the other to the Bank.

7. Validity of Documents

The Bank is not responsible for the authenticity, validity, regularity or value of documents including but not limited to receipts and insurance policies.

8. No waiver

No relaxations, delays or indulgence on the part of the Bank in exercise of any of its rights under these terms and conditions shall operate as a waiver of such rights.

9. Jurisdiction of the Courts of Law

The parties herein submit to the jurisdiction of laws of Kenya in the event of any dispute arising in respect to all terms and conditions contained in this document.

10. Variation and Termination of Relationship

The Bank may at any time, upon notice to the Borrower and Insurer terminate or vary its relationship with the Borrower and Insurer. Without prejudice to the generality of the foregoing, the Bank may cancel advances which it has granted and require the repayment of outstanding debts resulting therefrom, upon issuance of a 7 day notice or such other shorter period as the Bank shall determine.

11. Binding

It is agreed that this agreement shall not take effect and shall not be binding on the Bank unless and until it is signed by the Bank and other parties hereto.

It is further agreed that any dispute or difference arising between the parties to this Agreement or in connection with this Agreement or its performance construction or interpretation shall be referred to arbitration by a single arbitrator in accordance with the provisions of the Arbitration Act Number 4 of 1995 or any amendments or replacements thereof whose decision and any determination made pursuant hereto shall be final and binding on the parties hereto.

12. Acceptance

I/we have read and fully understood the terms and conditions governing the Insurance Premium Financing facility offered by NIC Bank Limited and I/we agree that the facility shall be granted solely at the discretion of the Bank and hereby agree to indemnify the Bank at my / our cost against any loss or claim arising in relation to this facility I/we confirm that the above information is correct and true. I/we hereby accept them and will abide by them. I/we confirm that I/we have received all the information pertaining to the facility I/we have independently verified the terms and conditions noted above and where necessary I/ we have consulted other persons independent from the Bank's officials. I/we understand that NIC reserves the right to decline this application without giving reasons.

BOARD RESOLUTION

(Approving Borrowing)

(for limited companies)

The Board of Directors of , (the Company) at their meeting held at (.....) on (.....) 20, and/ or through powers granted to them under the Company's Memorandum and Articles of Association, resolved to approve the acceptance of the facility being offered by NIC Bank Ltd (the 'Lender'), under the terms and conditions set out and as described in the Insurance Premium Financing Agreement (IPF Agreement) herein contained.

The Board of Directors duly granted Authority to officers of the company (all herein after referred to as 'authorized officials' or 'authorized signatories') in accordance with the Company's Memorandum and Articles of Association to execute the IPF agreement and thereby bind the company to take up the obligations set out in the IPF agreement on the following terms:

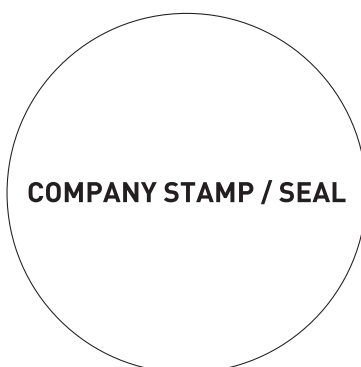
1. The principal terms under which the Bank was offered to avail the Facility are set out in the attached IPF agreement with the Lender to the Company. It is agreed and confirmed that the Facility is to be utilised for the purposes set out in the IPF agreement.
2. The arrangements regarding the facility as set out in the IPF agreement have been reviewed and discussed by the authorized officials in detail.

3. **IT WAS UNANIMOUSLY RESOLVED** that:

- (a) That the terms and conditions of the IPF agreement be and are hereby approved confirmed and ratified and the Company be authorised to undertake the transactions contemplated in the IPF agreement

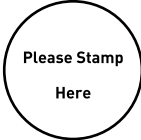
Authorized signatory

Authorized signatory

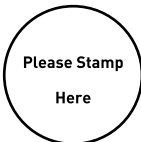


IN WITNESS WHEREOF the borrower, the insurer and the Bank has executed this Agreement the day and year first herein above written.

BORROWER

<p>Signed By: (As authorised officials of the Borrower)</p> <p>1. Name.....</p> <p>Signature.....</p> <p>2. Name.....</p> <p>Signature.....</p> <div style="text-align: center;"></div>	<p>Witnessed by: Broker/Agent/Other (Tick)</p> <p>1. Name.....</p> <p>Address.....</p> <p>Signature.....</p>
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INSURER

<p>Signed By: (As authorised officials of the Insurer)</p> <p>1. Name.....</p> <p>Signature.....</p> <p>2. Name.....</p> <p>Signature.....</p> <div style="text-align: center;"></div>	<p>Witnessed by: (Witness)</p> <p>1. Name.....</p> <p>Address.....</p> <p>Signature.....</p>
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BANK

<p>Signed By: (As authorised officials of the Bank)</p> <p>1. Name.....</p> <p>Signature.....</p> <p>(Company Rubber Stamp)</p>	<p>Witnessed By: (Witness authorised officials of the Bank)</p> <p>1. Name.....</p> <p>Designation.....</p> <p>Signature.....</p>
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Checklist: Any Alterations on the policy and / premium amount to be consist

- Any Alterations on the policy and / premium amount to be countersigned and any stamped by the underwriter.
- Company rubber stamp appended if the applicant is not an individual.
- Policy details are completed i.e Policy numbers, policy dates correct, policy types, premium amount, Registration/ serial no. complete
- All Cheques received are in good order & dated same date not exceeding 25th of every month.
- Board Resolution must be signed & stamped. For all corporate borrowers

Please ensure the following are submitted together with this form:

- Copy of National ID/PIN for individual applicants.
- Copy of Certificate of Incorporation/Certificate of registration for business entities
- Company Pin.
- Copy of Memorandum & Articles of Association, Partnership deed or other constitutive document as per regist entity type for corporate entities.

(Failure to Complete this form in full will **DELAY** your being served in Time).