

## dfcu BANK STANDARD TERMS AND CONDITIONS

### 1. DEFINITIONS

**“Account”** means a bank account in Uganda Shillings or in foreign currency maintained by the Customer with **dfcu** Bank.

**“Agent”** means any person authorised by the Customer or Authorised signatory to receive and collect payments or effect transactions in any form acceptable by the Bank;

**“Bank”** means **dfcu** Bank Limited;

**“Business day”** means any day on which the Bank is open for business in Uganda;

**“Customer”** shall mean a person who using the Bank services and includes natural and juridical persons, associations or community-based organisations.

**“Cut-off time”** means the time after which transactions will be accounted for on the next business day.

**“E-banking”** means and includes; electronic banking, Interactive Voice Response, Quick banking, mobile banking, telephone and any other electronic banking service offered by the Bank.

**“Instrument”** means any payment instrument and includes but is not limited to cheques, standing orders, RTGS, EFTs or any other financial instrument.

**“Mandate”** shall mean the extent of authority of the Customer or its agents to operate an account;

**“Related Parties”** means and includes Customers who operate separate accounts but have a common financial interest, ownership, directorship, or shareholding or any other common interest. “Service/s” means and includes any service offered by the Bank.

**“Special Terms and Conditions”** means the terms and conditions that may be published by the Bank from time to time in relationship to a specific product and / or service on offer by the Bank.

**“System”** means and includes any electronic, digital, signal, computer or computer programme, telephone or any other device or gadget used to access e-banking.

**“System Identity”** means any number, sign, password, or code used to access e-banking;

### 2.0 AGREEMENT

2.1 These Terms and Conditions apply to all services offered by the Bank and apply immediately upon, signing up, registration or

once the services are accessed. By signing this Agreement and signing up for any service or product on offer, the Customer is deemed to have notice of all the special terms and conditions that apply to the respective product or service.

2.2 Any service offered by the Bank may be modified, replaced or withdrawn at any time upon issuance of the requisite 30 (thirty) days’ notice to the Customer through the media or customer’s last known address or through appropriate display, in which event the Bank shall incur no liability whatsoever.

2.3 There is a cooling off period of ten working days from the date of application or signing up for the Bank services within which the Customer may revoke or terminate this Agreement. This right is exercisable at any time within the above mentioned ten days by which period any money owed to the Bank should have been repaid, plus any administrative charges.

2.4 No event of any incapacity or disability will be set up or pleaded to avoid or create liability unless notice in writing had been given to the Bank prior to the signing of this agreement or accessing or signing up for any Bank product or service.

2.5 The Bank will act on the instructions received by making applicable accounting entries and or collecting, receipting or transmitting payment instructions, on the day such request is received. All requests should be received by the Bank before cut-off time.

2.6 Notwithstanding any implied obligation upon the Bank, the Bank may from time to time set security features which limit the size of transactions that may be effected through e-banking or may require confirmation of any transaction by telephone or any other channel of communication.

2.7 An instruction is deemed to be received only once the Bank acknowledges or confirms receipt via Short Message Service, USSD or any other e-banking platform. DO NOT re-send any instruction before checking your Statements and contacting our call Centre.

2.8 The Bank shall not be obliged to verify any document or the destination account numbers, party names or the amounts involved in any instruction, or inquire into the ability, competence, or extent of authority of any person to issue any document or to use its e-banking system. All data, document or information transmitted to the Bank is assumed to be correct. The Bank should immediately be advised of any errors or discrepancies by the customer.

2.9 Once requested to disable an access code or any operating system, the Bank may reject all instructions received after such notification, suspend the processing of all instructions not yet executed, reverse (if possible) all executed transactions with

effect from such date and time as may reasonably apply to the unauthorized use, and deactivate the access code access code.

2.10 Passwords/pin codes issued by the Bank shall be kept a secret by the Customer. All activities/ instructions executed shall be assumed to come from the Customer and are authority to act on such instruction and/ or message received.

2.11 Apart from **dfcu** applications on mobile application online stores, any other software downloaded from the Internet, whether from the Bank's website or not, is third party software, the licensing of which shall be subject to such terms and conditions as the licensor may impose. It is understood that the use of such software shall be at user's risk and the Bank is held harmless against any loss or damage which may be suffered as a result of the use of such software.

2.12 At the request of the Customer, the Bank may issue cheque books to the Customer in accordance with any terms and conditions applicable to cheques. The Customer understands that;

a) The Bank may charge a fee for processing of cheque books for the Customer and that it shall be the duty of the Customer to observe that the account details and the details on the cheque book tally;

b) The Bank may refuse to honour any cheque not drawn properly or that has unauthorised erasures or alterations or which the Bank believes not to be sanctioned by the Customer;

c) All cheques or payment instruments accepted for deposit or collection with the Bank are at the risk of the Customer. Where any instrument is unpaid for any reason whatsoever, the Bank shall debit the Customer with the amount previously credited plus interest thereon if the account is thereby overdrawn.

d) The Bank is not liable for any loss or damage suffered if a dishonoured instrument is not noted or protested or both.

e) The Bank and the Customer agree that this right of set off may be exercised against any related parties.

### 3.0 LIMITATION OF LIABILITY

3.1 The Bank is excused from failing or delaying to act and no liability to the Bank arises if such failure or delay is caused by failure, malfunction or unavailability of telecommunications network, data communications and computer systems and services supplied and managed by third parties, fire, war, riot, theft, flood, earthquakes or other natural disaster, hostilities, invasion, civil unrest, strikes, industrial action or trade disputes.

3.2 The Bank is not liable for any claims or damages whatsoever relating to use of the communication system core-banking, including information contained on the communication system

or inability to use the communication system or mobile phone or device and in particular the Bank is not liable for:-

a) Loss suffered as a result of forgery of signing mandates or signatures by third parties, compromise, theft or illegal and or unauthorised use of access codes, interruption, malfunction, downtime or other failure of the communication system or mobile telephone network, banking system, third party system, databases or any component part thereof for whatever reason;

b) Loss or damage which arises from orders, investment decisions, purchases or disposal of goods and services, including financial instruments or currencies, from third parties based upon the use of e-banking or information provided on the communication system.

c) Any event over which the Bank has no control.

d) Losses occasioned by forgery of the mandate or theft perpetrated by an employee or agent of the Customer.

e) No claim or demand for loss or compensation shall be brought against the Bank after the expiry of six (6) years from the date the customer shall be deemed to have been aware of the loss or damage.

3.3 In any event whether arising out of negligence or not, the liability of the Bank to the customer shall be the actual funds in the Bank lost by the Customer, if the customer shall not be found to have contributed to the loss.

3.4 **dfcu** Bank hereby notifies the customers that the default daily transaction limit for the Quick Banking and Online Banking platform can be customized to mitigate fraud on their account. Should the customer not indicate the preferred Quick Banking limit the Bank's default limits will apply.

a) In the event of a lost and/or stolen phone, Customers are advised to make a report immediately to the Bank, through the toll free Call Centre number (0800 222 000 or email – [customercare@dfcugroup.com](mailto:customercare@dfcugroup.com)) or visit the nearest **dfcu** Branch to prevent fraud. The Bank shall not be held liable for any loss in the event the said report is not made within a duration of 6 (six) hours from the time of loss/theft of phone.

b) **dfcu** Bank will not be held liable in the event a customer elects to save their PIN or password or confidential access details on their phone. This includes using a third-party password application manager or any similar automated password managing application on the said phone.

### 4.0 RIGHT OF SET OFF

4.1 The Bank may reverse, debit and or recover from the Customer funds credited or disbursed on account of the customer. Such credits or disbursements shall be a liability to the

customer and the Bank may without notice to the customer set off or recover from any account of the customer whether current, savings or any other account in the first instance to settle this liability.

4.2 The Bank shall by this clause maintain a general lien over the customer's property/assets deposited with the Bank and may exercise the right of set off by realising such property.

4.3 The Bank shall after making a demand in writing to a Customer on whose account the money was paid in error to repay the money charge an interest against such a customer at the rate of 10% above the Bank's prime lending rate, till all the money paid in error shall have been recovered.

## 5.0 FEES AND CHARGES

5.1 The Bank shall levy fees, charges or penalties from time to time for the use, misuse, default upon, repair or restoration of its services or incur any expense necessary to carry out any KYC or comply with any regulatory or legal requirements.

5.2 The Bank shall be indemnified or defray from any funds available on any account of the Customer the costs of litigation, legal demands or any loss that the Bank may suffer in the process of effecting instructions of the Customer

## 6.0 DISPUTE SETTLEMENT

6.1 In case of a dispute as to the effective time and date of notification that the passwords and or/ any equipment may have fallen in the hands of an unauthorized person, the time and date of the written notification to the Bank shall be conclusive.

6.2 The Bank shall only carry out instructions which in its discretion are valid, legal or unambiguous. In the event of any doubt, dispute, suspicion of a commission of a criminal offence or challenge arising as to the right or capacity to operate the account, the Bank shall suspend the operation of the account till the dispute, challenge, doubt, or any proceedings are resolved.

6.3 All disputes relating to the operation of the accounts or arising out of this Agreement shall be amicably resolved by informal negotiations.

6.4 If after 14(fourteen) days from the commencement of such informal negotiations both Parties have been unable to resolve the dispute amicably, the matter shall be referred for Arbitration.

6.5 The Arbitration shall be presided over by a single Arbitrator appointed mutually by the Parties and where such mutual consent fails, by the President of Uganda Law Society.

6.6 Arbitration shall be concluded within sixty (60) days from the date of appointment of the Arbitrator and the arbitral award shall be final and binding on both Parties to the Agreement.

6.7 The Arbitration shall be conducted in Kampala, Uganda

and the language of the arbitration proceedings shall be English.

6.8 This clause shall not preclude either Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the outcome of arbitration.

6.9 Each Party shall pay its own costs of and incidental to the arbitration proceedings including, professional fees

## 7.0 DEALINGS WITH THE BANK

7.1 The Customer may upon notice in writing to the Bank appoint Agents/ Attorneys to effect transactions on the Customer's account subject to such terms and conditions as may be permitted by the Bank.

7.2 The above provision notwithstanding, instructions should only be given in person by the customer and the Bank reserves the right to disregard and or refuse to honour any other instructions, including those given by duly appointed agents.

7.3 The Customer undertakes to make a full and true disclosure of their identity and address to the Bank, and the address given to the Bank upon the signing of this Agreement and unless a notice of change of address has been given to the Bank, such address shall be regarded as the true address of the Customer.

7.4 This Agreement constitutes a personal guarantee of the Directors/ Shareholders signing hereof in the event that the Customer is a juridical person. Read and Approved (in the applicant's own handwriting) Customer/ Authorized signature or; (these terms and conditions have been read over and interpreted to me/us by

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## 8.0 CONSENT TO DISCLOSURE OF PERSONAL INFORMATION

8.1 Consent to use of data held in the National Identification Register

You hereby consent to **dfcu** Bank accessing and using your personal information contained in the National Identification Register maintained by the National Identification and Registration Authority (NIRA). This consent does not waive your right to seek independent legal advice or to take legal action if your privacy rights are violated.

### 8.2 Credit Reference Bureau Consent

By submitting an application for credit facilities, you agree to be bound by the following requirements relating to the collection and submission of information to and from the Credit Reference Bureau and the issue of a financial card whether or not the application for credit facilities is approved;

8.3 "Credit Reference Bureau Business" means the business of disseminating credit information among Financial Institutions, Microfinance Deposit-Taking Institutions and such other

Accredited Credit Providers as shall be approved by the Central Bank for their businesses.

8.4 "Credit Information" means all data and details relating to an individual or organisation's credit history, financial status, or debt repayment behaviour, including but not limited to; payment history, outstanding financial obligations, credit accounts, and any public records (including bankruptcies) which allows **dfcu** Bank to determine the financial situation and exposure of the concerned person. And, any other information collected, pursuant to the legal provisions in force, from any public or private sources of information with no restricted access, including but not limited to credit or financial institutions.

#### 8.5 Consent to disclosure of confidential information

You hereby

- a) further irrevocably consent to **dfcu** Bank collecting, compiling, receiving, sharing and retaining Credit information about you for the purposes of
  - ii) assisting the Bank to perform its statutory assessment of your creditworthiness deciding whether or not to grant you credit; and monitoring your credit profile should we grant you credit; and
  - ii) deciding whether or not to extend credit facilities to you
  - iii) monitoring your credit profile, should we opt to extend credit facilities to you
  - iv) filing our Customer Credit Information with the Credit Reference Bureau.
- b) consent to **dfcu** Bank debiting your account to a tune of UGX 20,000/= or such other sums as it may from time to time advise, which money shall be used to run credit checks with the credit reference bureaus.
- c) consent to the receipt, sharing, provision and exchange of data with Credit Reference Bureaus and with other licensed financial institutions and micro finance deposit taking institutions through the Credit Reference Bureau, provided that you reserve 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;
- d) acknowledge that the Customer Credit Information obtained may include positive or negative information regarding your credit worthiness;
- e) acknowledge that the Credit Reference Bureau is required by law to collect adverse information on the background and credit history relating to your nonperforming obligations;

f) we may provide to the Credit Reference Bureau your personal information including fingerprints, photographs as well as name and contact details amongst other identifying information;

g) the information on the financial card may be used to link credit profiles and financial information to you, which information will be housed on the database files of the Credit Reference Bureau; and your Financial card may be used to verify your identity at a Branch or at any other institution with a compatible card reading device.

8.6 "Adverse Information" means any negative information, data, or record indicating a borrower's unsatisfactory credit history, financial instability or debt repayment issues, including but not limited to; credit default on all types of facilities, bounced cheques, frauds or forgeries, tendering false securities, debt collections, charge offs, false declarations and statements, receiverships, bankruptcies and liquidations, accounts compulsorily closed other than for administrative reasons.

8.7 "Positive Information" means favourable data, record, or information, demonstrating a borrower's satisfactory credit history and financial obligations including but not limited to; timely payments, low debt to income ratios, long standing credit accounts in good standing, successful debt repayment history, absence of adverse credit events.

8.8 In terms of default as stated in the Facility Letter/Letter of Offer/ facility terms and conditions, attached hereto, you agree that your name, and the full transaction details of the negative information may be passed by **dfcu** bank to the Credit Reference Bureaus for circulation to other credit grantors who may use such information to assess your credit worthiness for their own business purposes after a written notice of 28 (twenty eight days) from the date of default.

#### 9.0 SANCTIONS CLAUSE

9.1 It is understood that the Bank will undertake sanction screening of the customer and its related parties. By submitting information pertaining to the customer and related parties, the customer authorizes the Bank to undertake sanction screening, and where applicable confirms having procured necessary consent for the Bank to undertake sanction screening on the related parties.

9.2 You undertake to immediately notify the Bank upon becoming the subject of sanctions investigations where upon the Bank maintains the right to terminate the relationship should I/We become the subject of Sanctions under a regulatory body duly authorised to issue such sanctions including; the government of Uganda, His Majesty's Treasury of the United Kingdom (HMT), the Office of the Foreign Assets Control of the Department of Treasury of the United States of America ("OFAC"), the United Nations Security Council ("UNSC"), the

European Union's Common Foreign and Security Policy (EU) and the French Ministry of Economic, Finance and Industry.

## 10. INDEMNITY CLAUSE

10.1 You hereby indemnify the bank against any actions, proceedings, claims and/or demands that may be brought against the Bank, as well as against losses, damages, costs and expenses which I/we may incur in connection with the seizure, blocking, withholding of any funds by any competent authority and any activity which directly or indirectly benefits any party against who sanctions have been established by any competent authority.

10.2 You undertake that; I/we will not use (or otherwise make available) the funds/ facilities on this account(s) for the purposes of financing, directly or indirectly, the activities of any person which is Sanctioned or in a country which is subject to any Sanctions; I/We will not contribute or otherwise make available, directly or indirectly, the funds/ facilities on this account (s) to any other person or entity if such party uses or intends to use such funds/ facilities for the purpose of financing the activities of any person or entity which is subject to any Sanctions; I/we am not/aren't involved in any illegal or terrorist activities currently or in the foreseeable future the subject of any sanctions investigation and shall notify the Bank if my/our customer/parent/ shareholder/surety and/or grantor becomes the subject of a sanctions investigation.

Share my/our personal information within the Bank for marketing purposes and that the Bank may then market its products, services and special offers to me.

Communicate other third-party products, services and special offers to me. If I/We respond positively to the communication, they may contact me. Contact me for research purposes. (The research companies will follow strict codes of conduct and treat customer information confidentially

## 11. CONFIDENTIALITY CLAUSE

11.1 This Agreement imposes confidentiality obligations upon the Bank. These obligations shall not apply in the event of suspicion of commission of a criminal act, default upon any obligation to the Bank, sharing of customer's profile with the Credit Reference Bureau, under a Court Order or Regulatory Authority or with any person entitled by virtue of any legislation.

## 12. TERMINATION CLAUSE

12.1 This Agreement may be terminated at any time by the Customer upon giving notice of 14 days and settling any obligations to the Bank. The Bank may however immediately terminate the Agreement if the Customer is suspected to have misrepresented any fact, committed any financial crime, or where it would be risky in the discretion of the Bank to deal with such a Customer.

## 13. INACTIVE, OVERDRAWN AND DORMANT ACCOUNT;

a). The above provision notwithstanding, the Bank may close an account if the same is overdrawn for six months.

b). The Bank may internally classify a current Account as inactive if there are no customer-induced transactions for 12 months in the Account.

c) The Bank will classify any account as Dormant if there are no customer-induced transactions for 24 months in the account. Therefore, in both (b) and (c), the customer will be required to reactive it prior to resuming transacting thereon.

14. The Bank may with or without notice to the Customer assign all rights and obligations arising out of this Agreement to any person at any time. The Customer shall however seek the consent of the Bank in writing before making any assignment of its rights or obligations under this Agreement.

## 15. SEVERABILITY

If any part, term or provision of this Agreement not being of a fundamental nature should be held illegal or unenforceable, the validity or enforceability of the remainder of this Agreement shall not be affected

## 16. ANTI BRIBERY & ANTI CORRUPTION

16.1 The Customer shall comply with all applicable laws, statutes, regulations, policies and procedures relating to and governing anti-bribery and anti-corruption including but not limited to the Anti-Corruption Act 2009, and the Bank's related policies and procedures.

The customer shall not engage in any activity, practice or conduct which would constitute an offence under the Act or policies. The Parties shall not and shall procure that their employees, agents and sub-contractors not to offer, solicit or accept an inducement/advantage in connection with the service under the contract.

16.2 Breach of this clause shall be deemed a material breach of these Standard Terms and Conditions and the Bank shall be entitled to terminate the Banking relationship with the Customer immediately.