

End User Terms of Reference

1. THE AGREEMENT

- 1.1. This Agreement sets out the complete Terms and Conditions (hereinafter called "these Terms and Conditions") which shall be applicable to the M-Loan Accounts (as hereinafter defined as NaSova Loans) opened by you (as hereinafter defined Customer) with the Bank (as hereinafter defined via Airtel Money).
- 1.2. These Terms and Conditions and any amendments or variations thereto take effect on their date of publication. These terms and conditions shall be read together with the Airtel and Airtel Money Customer terms and conditions of use
- 1.3. **DEFINITIONS** In these Terms and Conditions the following words and expressions (save where the context requires otherwise) bear the following meanings:
 - 1.3.1. **"M-Loan" or "NaSova"** means a product offered to advance loans to users of the Airtel Money in accordance with these terms and conditions;
 - 1.3.2. **"Airtel Money"** means Airtel Mobile Commerce Zambia Limited incorporated in the Republic of Zambia as a limited liability company under the Companies Act.
 - 1.3.3. **"Bank"** means Micro Finance Zambia Limited (MFZ), incorporated in the Republic of Zambia as a limited liability company under the Companies Act and duly licensed as a bank under the Banking Act and includes subsidiaries of the Bank as may from time to time be specified by the Bank to you.
 - 1.3.4. **"Customer"** means the person in whose name the NaSova is accessed;
 - 1.3.5. **"Customer Care Centre"** means a contact point selected by Airtel Money for mobile money customers, any Airtel Retail Shops or such other retail outlets or outlets as may be notified to the Customer by the Bank from time to time;
 - 1.3.6. **"E-Money"** means the electronic monetary value depicted in your Airtel Money Account representing an equivalent amount of cash;
 - 1.3.7. **"Device"** includes your mobile phone handset, SIM Card and/or another device which when used together enables you to access the NaSova
 - 1.3.8. **"Service Provider"** means Airtel Money and MFZ
 - 1.3.9. **"NaSova Menu"** means the steps a customer must follow to access the NaSova Loans on the Airtel Money System.
 - 1.3.10. **"Airtel Money Account"** means your mobile money store of value, being the record maintained by Airtel Money of the amount of e-Money from time to time held by you in the Airtel Money System.
 - 1.3.11. **"Airtel Money Product"** means the mobile money service that allows anyone with a mobile device and Airtel SIM card to load cash on the mobile wallet, after which they can start to make money transfers and payments, access loans and save through the Airtel Money System;
 - 1.3.12. **"Airtel Money System"** means the technical platform operated by Airtel Money in Zambia for the provision of the Airtel Money Products using the Network;
 - 1.3.13. **"Airtel Money PIN"** means your personal identification number being the secret code used to access and operate the Airtel Money System;
 - 1.3.14. **"Airtel Money Subscriber"** means any person duly registered to use the Airtel Money System to send or receive money or make payments;
 - 1.3.15. **"Network"** means the means the GSM system for mobile telecommunications operated by Airtel in the Republic of Zambia.
 - 1.3.16. **"Request"** means a request or instruction received by the service providers from you or purportedly from you through the Network and the System and upon which the service providers are authorized to act;
 - 1.3.17. **"SIM Card"** means the subscriber identity module which when used with the appropriate mobile device enables you to access the Network and to use the Airtel Money System;
 - 1.3.18. **"SMS"** means a short message service consisting of a text message transmitted from one mobile device to another;
 - 1.3.19. **"Airtel Money Fee"** means the tariff or charge payable by a Customer to Airtel Mobile Commerce Zambia Limited for carrying out of any Transaction.
 - 1.3.20. **"We," "Our," and "us,"** means the service providers and includes the successors and assigns of the service providers.

- 1.3.21. "You" or "your" means the Customer and includes the personal representatives of the Customer;
- 1.3.22. "NaSova" Means mobile loan services offered by the service provider.
- 1.4. The word "Customer" shall include both the masculine and the feminine gender as well as juristic persons;
- 1.5. Words importing the singular meaning where the context so admits include the plural meaning and vice versa.
- 1.6. Headings in these Terms and Conditions are for convenience purposes only and they do not affect the interpretation of this Agreement.

2. ACCEPTANCE OF THE TERMS AND CONDITIONS

- 2.1. Before applying for the NaSova via the Airtel Money System you should carefully read and understand these Terms and Conditions (T&Cs) which will govern the use and operation of the said services.
- 2.2. If you do not agree with these Terms and Conditions, please click "Decline" on the NaSova Menu.
- 2.3. You will be deemed to have read, understood, and accepted these Terms and Conditions: -
 - 2.3.1. upon clicking on the "Accept" option on the ABC Menu requesting you to confirm that you have read, understood, and agreed to abide by these Terms and Conditions; and/or
 - 2.3.2. By using or continuing to use and operate the NaSova..
- 2.4. By applying for the NaSova, you agree to comply with and be bound by these Terms and Conditions as long as you have access to the services and you affirm that these Terms and Conditions herein are without prejudice to any right that the service provider may have with respect to the said services in law or otherwise.
- 2.5. These Terms and Conditions may be amended or varied by the service provider from time to time and the continued use of your NaSova constitutes your agreement to be bound by the terms of any such amendment or variation.
- 2.6. You acknowledge and accept that the service provider offers the NaSova only electronically and you agree to do business with the service provider and to operate the NaSova only by electronic means via the NaSova Menu on the Airtel Money System. Any query and complaint you may have related to the NaSova shall be addressed to the service provider through the Customer Call Centre. For the avoidance

of doubt, you acknowledge and accept that you will not be allowed or entitled to receive or demand the Services pertaining to NaSova at any branch or branches of the Bank unless otherwise advised by the service provider in its sole discretion. You further acknowledge and accept that the Customer Call Centre is not a branch of the service provider or the service provider's Agent for purposes of conducting banking business or transactions and that it will not act as such.

3. ACCOUNT OPENING

- 3.1. To apply for NaSova with the service provider you must be at least 18 years old and a registered and active Airtel Money Subscriber. The service provider reserves the right to verify with Airtel Money the authenticity and status of your Airtel Money Account.
- 3.2. You will be eligible to apply for NaSova loans service based on a proprietary loan approval process defined by Service Providers. This approval process considers among other things patterns of usage of Airtel and Airtel Money Services, and additional data points that may vary from time to time up to the sole discretion of NaSova provider.
- 3.3. You may apply for NaSova solely by way of an electronic application made by you using your Device via the NaSova Menu on the Airtel Money System.
- 3.4. You hereby agree and authorise the service provider to access your personal information held with Airtel and Airtel Money for the provision of NaSova including your phone number, name, date of birth, ID or Passport Number and such other information that will enable the Service Provider to identify you and comply with the regulatory "Know Your Customer" requirements (together with the "Personal Information").
- 3.5. You also hereby agree and authorise the Service Provider to access information relating to your use of the NaSova as the Service Provider shall require it for purposes of providing you the Services ("Airtel Money Information"). You hereby consent to the disclosure of the Personal Information and the Airtel and Airtel Money Information to the Service Provider for the aforesaid use of the Personal Information by the Service Provider.
- 3.6. The Service Provider reserves the right to access your further information pertaining to your application for NaSova at any time such as your usage of Airtel calling services and other services. Failure to provide such information within the time required by the Service Provider may result in the Service Provider declining your application for NaSova.

- 3.7. Acceptance by the Service Provider of your application for NaSova shall be done via SMS sent to the Airtel Mobile Phone Number associated with your Airtel Money Account. You acknowledge and accept that the acceptance by the Service Provider of your application for a NaSova loan.
- 3.8. Account does not create any contractual relationship between you and Airtel Money beyond the terms and conditions that apply to your NaSova from time to time and the Airtel and Airtel Money customer terms and conditions
- 3.9. The Service Provider reserves the right to decline your application for NaSova or to revoke the same at any stage at the Service Provider's sole discretion and without assigning any reason or giving any notice thereto.

4. FEES

- 4.1. You hereby agree to pay all Transaction Fees payable in connection with your use of the Services.
- 4.2. You shall pay to the Service Provider and the Service Provider is entitled to deduct from your Airtel Money account (without reference to you):
 - 4.2.1. For a 30-Day duration product, a service fees between 9% and 14% of the amount borrowed based on the credit risk profile of the borrower;
 - 4.2.2. Customer will be given a 3 Day grace period after 30 days. At the end of which, a late penalty fees between 9% and 14% of the principal outstanding on the due date based on the credit risk profile of the borrower;
 - 4.2.3. Any legal charges including advocate and client costs incurred by the Service Provider in obtaining legal advice in connection with your NaSova and your dealings with the Service Provider or incurred by the Service Provider in any legal, arbitration or other proceedings arising out of any dealings in respect of your NaSova; and
 - 4.2.4. All other fees, taxes, duties, impositions, and expenses incurred in complying with your Requests.
- 4.3. You hereby agree to pay costs, charges and expenses incurred by the Service Provider in obtaining or attempting to obtain payment of any loan owed by you under NaSova.

5. STATEMENTS

- 5.1. You may request for a statement or activity report in respect of your NaSova from the Service Provider using your Device ("NaSova Mini Statement").

- 5.2. A NaSova Mini Statement shall provide details of the last 5 (five) transactions (or such other number of transactions as determined by the Service Provider) in your NaSova initiated from your Device.
- 5.3. A NaSova Mini Statement shall not be sent to you in printed form but shall be delivered to you either by SMS to the Airtel Mobile Phone Number associated with your Airtel Money Account or such other electronic means as the Service Provider may in its discretion determine. You shall be responsible for the payment of any charges levied by Airtel Money in delivering the NaSova Mini Statement to you.
- 5.4. You may obtain printed NaSova Mini Statements or a printed bank statement pertaining to your NaSova from the Customer Call Centre. You shall be responsible for the payment of any charges levied by the Customer Call Centre for such printed statements.
- 5.5. Save for a manifest error, a NaSova Mini Statement or bank statement issued to you aforesaid in respect of your NaSova shall be conclusive evidence of the transactions carried out on NaSova for the period covered in the NaSova Mini Statement and/or bank statement.

6. IRREVOCABLE AUTHORITY OF THE SERVICE PROVIDER

- 6.1. You hereby irrevocably authorise the Service Provider to act on all Requests received by the Service Provider from you (or purportedly from you) through the System and to hold you liable in respect thereof, notwithstanding that any such requests are not authorized by you or are not in accordance with any existing mandates given by you.
- 6.2. If you request the Service Provider to cancel any transaction or instruction after a Request has been received by the Service Provider from you, the Service Provider may at its absolute discretion cancel such transaction or instruction but shall have no obligation to do so.
- 6.3. The Service Provider is authorized to affect such orders in respect of your NaSova as may be required by any court order or competent authority or agency under the applicable laws.
- 6.4. In the event of any conflict between any terms of any Request received by the Service Provider from you and these Terms and Conditions, these Terms and Conditions shall prevail.

7. CUSTOMER'S DEVICE AND CUSTOMER'S RESPONSIBILITIES

- 7.1. You shall at your own expense provide and maintain in safe and efficient operating order your Device

necessary for the purpose of accessing the System and the Services.

- 7.2. You shall be responsible for ensuring the proper performance of your Device. The Service Provider shall neither be responsible for any errors or failures caused by any malfunction of your device, and nor shall the Service Provider be responsible for any computer virus or related problems that may be associated with the use of the System, the Services, and the Device.
- 7.3. You shall follow all instructions, procedures and terms contained in these Terms and Conditions and any document provided by the Service Provider concerning the use of the System and Services.
- 7.4. You agree and acknowledge that you shall be solely responsible for the safekeeping and proper use of your Device and for keeping your Airtel Money PIN secret and secure. You shall ensure that your Airtel Money PIN does not become known or come into possession of any unauthorized person. The Service Provider shall not be liable for any disclosure of your Airtel Money PIN to any third party, and you hereby agree to indemnify and hold the Service Provider harmless from any losses resulting from any Airtel Money PIN disclosure.
- 7.5. 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 Service Provider 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.
- 7.6. You shall immediately inform the Service Provider through the Customer Call Centre if:
 - 7.6.1. You have reason to believe that your Airtel Money PIN is or may be known to any person not authorized to know the same and/or has been compromised; and/or
 - 7.6.2. 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.
- 7.7. You shall always follow the security procedures notified to you by the Service Provider 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 NaSova' 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.

- 7.8. You shall not at any time operate or use the Services in any manner that may be prejudicial to the Service Provider.

8. EXCLUSION OF LIABILITY

- 8.1. The Service Provider 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 Device, or (b) any other circumstances whatsoever not within the Service Provider's control including, without limitation, force majeure or error, interruption, delay or non-availability of the System, terrorist or any enemy action device failure, loss of power, adverse weather or atmospheric conditions, and failure of any public or private telecommunications system.
- 8.2. The Service Provider will not be liable for any losses or damage suffered by you because of or in connection with:
 - 8.2.1. Unavailability of sufficient funds in your Airtel Money Account and/or in your NaSova account;
 - 8.2.2. Failure, malfunction, interruption or unavailability of the System, your device, the Network, Airtel Money System and/or Airtel Money Service, howsoever caused;
 - 8.2.3. The money in your NaSova Account being subject to legal process or other encumbrance restricting payments or transfers thereof;
 - 8.2.4. Your failure to give proper or complete instructions for payments or transfers relating to your NaSova;
 - 8.2.5. Any fraudulent or illegal use of the Services, the System and/or your Device; or
 - 8.2.6. Your failure to comply with these Terms and Conditions and any document or information provided by the Service Provider concerning the use of the System and the Services.
- 8.3. If for any reason other than a reason mentioned in sub-paragraphs 9.1 or 9.2, the Services are interfered with or unavailable, the Service Provider's sole liability under this Agreement in respect thereof shall be to re-establish the Services as soon as reasonably practicable.
- 8.4. Save as provided in subparagraph 9.3 the Service Provider shall not be liable to you for any interference with or unavailability of the Services, howsoever caused.

8.5. Under no circumstances shall the Service Provider be liable to you for any loss of profit 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 Service Provider.

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

9. INTELLECTUAL PROPERTY RIGHTS

10. 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 Service Provider provides to you through the System or otherwise are vested either in the Service Provider or in other persons from whom the Service Provider 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 Service Provider.

11. INDEMNITY

11.1. In consideration of the Service Provider complying with your instructions or Requests in relation to NaSova, you undertake to indemnify the Service Provider and hold it harmless against any loss, charge, damage, expense, fee or claim which the Service Provider suffers or incurs or sustains thereby and you absolve the Service Provider from all liability for loss or damage which you may sustain from the Service Provider acting on your instructions or requests or in accordance with these Terms and Conditions.

11.2. The indemnity in clause 11.1 shall also cover the following:

11.2.1. All demands, claims, actions, losses and damages of whatever nature which may be brought against the Service Provider 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 device, 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 Service Provider'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 Service Provider.

11.2.2. 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.

11.2.3. Any unauthorized access to your NaSova 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 Device.

11.2.4. 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 Service Provider because of any breach by these Terms and Conditions.

11.2.5. Any damages and costs payable to the Service Provider in respect of any claims against the Service Provider for recompense for loss where the circumstance is within your control.

12. VARIATION AND TERMINATION OF RELATIONSHIP

12.1. The Service Provider may at any time, terminate or vary its business relationship with you and bar you from your NaSova and in particular but without prejudice to the generality of the foregoing the Service Provider may cancel credits which it has granted and require the repayment of outstanding debts resulting therefrom within such time as the Service Provider may determine.

12.1.1. Without prejudice to the Service Provider rights under clause 12.1, the Service Provider may at its sole discretion suspend or close your NaSova: you use the NaSova for unauthorized purposes or where the Service Provider detects any abuse/misuse, breach of content, fraud or attempted fraud relating to your use of the Services;

12.1.2. If your Airtel Money Account or agreement with Airtel is terminated for whatever reason;

12.1.3. If the Service Provider is required or requested to comply with an order or instruction of or a recommendation from the government, court, regulator or other competent authority;

12.1.4. If the Service Provider reasonably suspects or believes that you are in breach of these Terms

and Conditions (including non-payment of any Loan amount due from you where applicable);

- 12.1.5. Where such a suspension or variation is necessary as a consequence of technical problems or for reasons of safety;
 - 12.1.6. To facilitate update or upgrade the contents or functionality of the Services from time to time;
 - 12.1.7. Where you remain inactive for any period of time determined by the Service Provider in its reasonable discretion; or
 - 12.1.8. If the Service Provider 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.
- 12.2. You may close your NaSova at any time.
- 12.3. If your NaSova Account is in arrears (outstanding amount payable to service providers) at the time of closure, you agree to pay to us immediately all amounts you owe us.
- 12.4. Termination shall however not affect any accrued rights and liabilities of either party.
- 12.5. If the Service Provider receives notice of your demise, the Service Provider will not be obliged to allow any operation or withdrawal from your ABC Save Account by any person except upon production of Grants of Letters of Administration or Probate by your legal representatives duly appointed by the Court.

13. DISCLOSURE OF INFORMATION

- 13.1. You hereby expressly consent and authorize the Service Provider to disclose receive record or utilize your personal information or information or data relating to your NaSova and any details of your use of the Services:
- 13.1.1. To and from any local or international law enforcement or competent regulatory or governmental agencies so as to assist in the prevention, detection, investigation or prosecution of criminal activities or fraud;
 - 13.1.2. To and from the Service Provider's service providers, dealers, agents or any other company that may be or become the Service Provider's subsidiary or holding company for reasonable commercial purposes relating to the Services;
 - 13.1.3. To a Credit Reference Bureau ;
 - 13.1.4. To the Service Provider's lawyers, auditors or other professional advisors or to any court or arbitration tribunal in connection with any legal or audit proceedings;

13.1.5. To Airtel in connection with the Airtel Money Service and the Services;

- 13.1.6. For reasonable commercial purposes connected to your use of the Services, such as marketing and research related activities; and
- 13.1.7. In business practices including but not limited to quality control, training and ensuring effective systems operation.

14. MISCELLANEOUS

- 14.1. These Terms and Conditions (as may be amended from time to time) form a legally binding agreement.
 - 14.2. This Agreement and any rights or liabilities accruing thereunder shall not be assigned by you to any other person.
 - 14.3. The Service Provider may vary or amend at any time and without notice to you these Terms and Conditions and the Transaction Fees. Any such variations or amendments may be published in posters or pamphlets available at Airtel's Agents outlets, in the daily newspapers, on the Service Provider and/or Airtel's website and/or by any other means as determined by the Service Provider and any such variations and amendments shall take effect immediately upon publication.
 - 14.4. No failure or delay by either yourself or the Service Provider 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.
 - 14.5. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
 - 14.6. If any provision of these Terms and Conditions shall be found by any, 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.
 - 14.7. Any addition or alteration to these Terms and Conditions may be made from time to time by the Service Provider and of which notice has been given to you by way of publication as provided in subparagraph 13.3 shall be binding upon you as fully as if the same were contained in these Terms and Conditions.
- ### **15. NOTICES**
- 15.1. The Service Provider may send information concerning the NaSova via SMS to the Airtel to the Mobile Phone number associated with your Airtel Money Account.

15.2. You acknowledge that you have no claim against the Service Provider for damages resulting from losses, delays, misunderstandings, mutilations, duplications, or any other irregularities due to transmission of any communication pertaining to the NaSova.

16. DISPUTE RESOLUTION,

16.1. In case of any claims or issues or NaSova discrepancies arise, you are required to report the same to the Customer Call Centre for assistance and/or resolution.

16.2. Any dispute arising out of or in connection with this Agreement that is not resolved by Customer Call Centre representatives shall be referred to the Management of the Service Provider who shall endeavor to resolve the dispute within 60 days of the notification of a dispute.,

16.3. To the extent permissible by Law, the decision of the Service Provider shall be final, conclusive.

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