



NGINYO TOWERS, 5TH FLOOR  
KOINANGE STREET  
P.O BOX 21256-00100  
NAIROBI.

## USSD TERMS AND CONDITIONS

### CIVIL SERVANTS' CHECK OFF LOAN PRODUCT

#### **1. THE AGREEMENT**

- 1.1 This agreement sets out the complete terms and conditions (hereinafter called "Terms and Conditions") which shall be applicable to the Premier Credit Ltd (hereinafter referred to as PCL) mobile lending platform.
- 1.2 These Terms and Conditions and any amendments or variations thereto take effect on their date of publication.

#### **2. DEFINITIONS**

- 2.1 In these Terms and Conditions, the following words and expressions bear the following meanings:
  - 2.1.1 PCL means Premier Credit Limited;
  - 2.1.2 Credit Reference Bureau means a credit reference bureau duly licensed to collect and facilitate the sharing of borrower's information;
  - 2.1.3 Borrower means the person at whose request PCL will advance a loan facility;
  - 2.1.4 Call Centre means PCL's call center;
  - 2.1.5 Equipment includes your mobile phone handset and/ or other equipment which when used together enables you to access the online lending platform;
  - 2.1.6 Products means the various loan facilities offered by PCL;
  - 2.1.7 Request means a request and/or instruction received by PCL from you or purportedly from you through the system and upon which request PCL is authorized to act;
  - 2.1.8 Services shall include any form of financial services or products that PCL may offer you pursuant to this Agreement and as you may from time to time subscribe to and "service" shall be construed accordingly;
  - 2.1.9 SMS means a short message service consisting of a text message transmitted from one mobile to another;
  - 2.1.10 System means PCL's electronic lending platform and communications software enabling the borrower to communicate with PCL for the purposes of these services;
  - 2.1.11 Transaction costs means charges levied by other 3<sup>rd</sup> party service providers which includes but is not limited to Mpesa and bank transaction charges.
  - 2.1.12 We, our and us means PCL and includes the successors and assigns of the PCL;
  - 2.1.13 You and your means the borrower and includes the personal representatives of the Borrower;
  - 2.1.14 USSD T&C's means these USSD Terms and Conditions.
  - 2.1.15 The word borrower shall include both the masculine and the feminine gender as well as the juristic persons;
  - 2.1.16 Words importing the singular meaning where the context so admits include the plural meaning and vice versa.
  - 2.1.17 Headings in these Terms and Conditions are for convenience purposes only and they do not affect the interpretation of this Agreement.

#### **3. ACCEPTANCE OF THE TERMS AND CONDITIONS**

- 3.1 Before applying to PCL's products on our system, you should first carefully read and understand these Terms and Conditions which will govern the use and operation of our system and the products and services accessible thereof;
- 3.2 Thereafter, you will be required to register on our system.
- 3.3 By proceeding with registration, you are agreeing that you have accepted our Terms and Conditions on our official website. Furthermore, you will be deemed to have read, understood and accepted these Terms and Conditions by following through all the prompts and completing a request transaction;
- 3.4 By accessing our system and completing a request, you agree to comply with and be bound by these Terms and Conditions and you affirm that these Terms and Conditions herein are without prejudice to any right that PCL may have with respect to the services or products offered in Law or otherwise.
- 3.5 The Borrower acknowledges that he or she fully understands the provisions of this Agreement and has entered into it voluntarily for his or her own benefit.
- 3.6 By accepting these Terms and Conditions, you authorize PCL assess your credit score including but not limited to accessing your credit history from a registered Credit Reference Bureau.
- 3.7 These Terms and Conditions may be amended or varied by PCL from time to time and the completion of requests and continued use of this service constitutes your agreement to be bound by the terms of any such amendment or variation.



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#### **4. REGISTRATION**

- 4.1 Our system requires that you register by creating an account with us to be able to access our various products;
- 4.2 You agree to be responsible for maintaining the confidentiality of your passwords or other account identifiers which you choose and all other activities that occur on your equipment.
- 4.3 By signing up or otherwise using our system, you have read and understood our Terms and Conditions of registration on our official website and agree to be bound by these Terms and Conditions;
- 4.4 You hereby agree and authorize PCL 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 PCL.
- 4.5 You hereby authorize PCL to access any information available to assess your request, and also give PCL permission to subject your information to our robust credit scoring engine to ascertain your credit worthiness.
- 4.6 PCL reserves the right to request for further information from you pertaining to your application for PCL services or products. Failure to provide such information within the time required by PCL may result in PCL declining to your request for a loan facility.
- 4.7 If you do not accept all of these Terms and Conditions of Registration, then you should not proceed with the registration;
- 4.8 Upon successful registration, you are advised to read and familiarize yourself with the terms and conditions of each product as you shall be bound by the said terms and conditions of each product.

#### **5. BORROWER'S EQUIPMENT AND BORROWER'S RESPONSIBILITIES**

- 5.1 You shall at your own expense provide and maintain in safe and efficient operating order your equipment for the purpose of accessing our system.
- 5.2 You shall be responsible for ensuring the proper performance of your equipment. PCL shall neither be responsible for any errors or failures caused by any malfunction of your equipment, and nor shall PCL be responsible for any computer virus or related problems that may be associated with the use of our system.
- 5.3 You shall follow all instructions, procedures and terms contained in these Terms and Conditions and any information and/or document provided by PCL concerning the use of our system.
- 5.4 You agree and acknowledge that you shall be solely responsible for the safekeeping and proper use of your equipment. You shall ensure that your equipment does not come into the possession of an unauthorized person. PCL shall not be liable for any loss occasioned by any Third Party who comes into contact with your equipment.
- 5.5 You shall immediately inform PCL through the Call Centre through **0709176000/ 0730812000** in the event that you have reason to believe that your equipment has been used to complete a transaction fraudulently without your authorization however PCL shall not be liable for the said unauthorized infringement.

#### **6. EXCLUSION OF LIABILITY**

- 6.1 PCL shall not be responsible for any loss suffered by you should the system be interfered with or be unavailable by reason of the failure of your equipment or any other circumstance not within PCL's control including, without limitation, force majeure or error, interruption, delay or non-availability of our 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.
- 6.2 PCL will not be liable for any losses or damages suffered by you as a result of or in connection with:
  - 6.2.1 Failure, malfunction, interruption or unavailability of your equipment;
  - 6.2.2 Any fraudulent or illegal use of the online lending platform or equipment;
  - 6.2.3 Your failure to comply with these Terms and Conditions and any documentation or information provided by PCL in regards to use of our system.
- 6.3 All warranties and obligations implied by law are hereby excluded to the fullest extent permitted by the law.

#### **7. INTELLECTUAL PROPERTY RIGHTS**

- 7.1 You acknowledge that the intellectual property rights on our system (and any amendments, upgrades or enhancements thereto from time to time) and all associated documentation that PCL provides to you through the system or otherwise are vested in PCL. 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 PCL.



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**8. YOUR REQUESTS**

- 8.1 All requests received from your equipment will be presumed to be executed by you.
- 8.2 You hereby irrevocably authorize PCL to act on all requests received by PCL from you through the system and to hold you liable in respect thereof.
- 8.3 PCL reserves the right and is 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, PCL believes that it can correct the incomplete or ambiguous information in the request without any reference to you being necessary;
- 8.4 PCL 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 PCL may act if PCL has in good faith acted in the belief that such instructions have been sent by you.
- 8.5 PCL may, in its absolute discretion, decline to act on your request in accordance with the whole or any part of your request pending further inquiry or further confirmation (whether written or otherwise) from you.
- 8.6 You agree to and shall release from and indemnify PCL against all claims, losses, damages, costs and expenses howsoever arising in consequence of, or in any way related to PCL having acted in accordance with the whole or any part of any of your requests (or failed to exercise) the discretion conferred upon it.
- 8.7 You acknowledge that PCL shall not be liable for any transaction, any activity or any incident on your equipment whether or not occasioned by your negligence.
- 8.8 PCL is authorized to effect such orders in respect of your loan account as may be required by any court order or competent authority or agency under the applicable laws.
- 8.9 In the event of any conflict between any terms of any request received by PCL from you and these Terms and Conditions, these Terms and Conditions shall prevail.

**TERMS & CONDITIONS**

The following Terms and Conditions Shall also apply to your loan

- 1. At the borrower's request, Premier Credit Ltd agrees to make available to the Borrower the advised loan amount on the terms and conditions set out in this agreement.
  - 1.1. In the event of default, the Lender will exercise its right to recover any unpaid portion of the loan plus all costs including but not limited to accrued fees, accrued interest, cost of execution, recovery fees or legal costs.
    - 1.1.1. Default will be deemed to have occurred if the borrower fails to remit monthly installment on their due date.

**2. Interest**

2.1. The total monthly interest rate chargeable is calculated on the total principal amount which includes capitalized appraisal fees. The interest rate per month subject to loan term is as follows:

<b>Loan term in Months</b>	120	108	96	84	60	48	36	24	12
<b>Monthly Interest (Flat rate)</b>	2.35%	2.35%	2.53%	2.53%	2.75%	2.88%	3.69%	4.43%	5.30%

- 2.2. In accordance with globally accepted International Reporting Standards (IFRS9), principal and interest repayments on the loan amortization schedule shall be calculated on the basis of reducing balance of upto a maximum of 8.52% subject to the loan term, which shall form the basis of calculating the outstanding amount due in the event of a prepayment. Interest shall be calculated monthly.
- 2.3. For accounts past their loan term the unpaid accrued interest shall be charged in full
- 2.4. In the event of prepayment, the processing fees shall be charged in full.
- 2.5. Alteration of Interest: Due to market conditions, the lender may alter the interest charges by giving the borrower one calendar months' notice in advance



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### **3. COST OF CREDIT: FEES, CHARGES AND TAXES**

The cost of credit constitutes various fees that includes Appraisal fee, Monthly collection fee, Statement fee, Agency fee and Administration Fees (Third party Settlements).

- 3.1. Appraisal fee of **12.5%** of the loan amount is charged and capitalized at disbursement
- 3.2. Collection Fees charged of **Kshs 200** per month
- 3.3. Certified Payoff statement shall be issued to the Borrower upon request and an upfront payment of the prerequisite fee of **Kshs. 300**
- 3.4. Onboarding/Agency fees of **6%** of disbursed amount (to be charged at account closure; early settlement/buy off) not applicable to top up loans. The Agency fee caters for the discounted reimbursement of the Agency's expenses.
- 3.5. Admin Fees (Third Party Settlements) shall be applied at request in the event the subject loan is taken over by any other financial institution in your favour for purposes of managing and processing costs in respect of the said takeover.
  - Admin Fees charged - Kshs 1,000/= to loan amounts up to Kshs 10,000
  - Admin Fees Charged - Kshs 3,000/= to loan amounts above Kshs 10,000
- 3.6. **Taxes:** All payments to be made by the borrower in connection with these Terms and Conditions are calculated without regard to any taxes payable by the borrower. If any taxes are payable in connection with the payment, the borrower must pay PCL an additional amount equal to the payment multiplied by appropriate rate of tax.
  - Excise duty tax charged at 20% of fees amount shall be charged separately upon payment of the fees herein and remitted to KRA.
- 3.7. The Borrower agrees that, if the Lender has to use lawyers because the Borrower has not fulfilled any or all obligations under this agreement, the Borrower will have to bear the legal costs due to the Lender's lawyers

### **4. Payment**

- 4.1. The borrower must repay the loan in the installments as advised.
- 4.2. The borrower agrees that PCL shall have the right to deduct the monthly installments in full from the borrower's salary as deductions from his or her Employer's payroll.
- 4.3. The borrower hereby gives PCL the right to deduct monies owing to it from any unpaid wages or any other remuneration credits payable to the borrower, if the borrower leaves the service of his/her employer for any reason before the total amount repayable under this facility has been paid.
- 4.4. In the event of the Borrower's death, or Permanent Disability, the Borrower or his/her estate will not be liable for the repayment of any outstanding payments.
- 4.5. No cash should be handed to an employee or PCL's agent. The Lender shall not take any responsibility for money paid to any of its employees. All cash deposits should be made to Premier Credit Bank accounts through Bankers Cheque.
- 4.6. If payment is made by cheque or banker's cheque, the payment is deemed to have been received on the date funds are cleared, and not on the date the cheque is deposited or electronic funds transfer initiated
- 4.7. The Lender reserves the right to change the channel or mode of receiving payment from the Borrower. The Lender will communicate this change to the Borrower within reasonable time.
- 4.8. The borrower acknowledges and accepts the Terms and Conditions in this document upon which payment of the loan amount shall be made.

### **5. Insurance**

- 5.1. As a responsible lender, PCL has the right to insure the loan in case of death or disability on the part of the Borrower. If the borrower dies or becomes permanently and totally disabled, the loan's insurance coverage will pay the outstanding balance fully and in the case of defined non pre-existing critical illness; 30% of the loan balance is covered to a maximum of Kshs 1million. The borrower or their next of kin must provide medical records or a death certificate as proof and for further guidance. Death by suicide is not covered. The insurance premium is part of the loan application fee.



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## **6. Breach**

6.1. In the event: -

- a. Any failure by you to pay any amount which is owing to this agreement in full and on the dates you have to,
- b. Any other breach by you of the terms of this agreement;
- c. Any claim that you have failed to carry out his/her duties under this agreement; then the full balance due under this agreement together with any roll over interest and all other charges and expenses owing to PCL by you shall become immediately due and payable to PCL and without giving notice to you or affecting any of Premier Credit's rights under this agreement. PCL shall be entitled to terminate this agreement and claim/or recover from you any damages/losses it, may have suffered as a consequence.

6.2. In the event of a default by you in making payment PCL shall have the right to use any money paid by you to first pay legal and other costs, then interest and then the actual loan amount.

6.3. PCL reserves the right to engage third party debt collectors to recover any total outstanding balance at your cost.

6.4. Please note that the responsibility to ensure timely payment of the installment lies with the borrower, the company reserves the right to recover all accrued interest due to late payments either during or after the contractual term of the loan.

6.5. The amount owing by you to PCL at any time may be shown by a statement in which PCL's Officer has worked out and has stated as amount owing. The statement will be a proof of the amount owed to PCL by you and will be able to be used in any legal proceeding and will be accepted by the court on its own as correct unless the Borrower proves that it is incorrect.

## **7. General**

7.1. This agreement is the whole agreement between Premier Credit and the Borrower

7.2. The Borrower acknowledges that he or she fully understands the provisions of this Agreement and has entered into it voluntarily for his or her own benefit.

7.3. Premier Credit will give at the Borrower's request a statement setting out all deductions from his/her salary, outstanding balance and any amount payable in arrears.

7.4. The Borrower authorizes Premier Credit to access any information available to assess his or her application and also gives Premier Credit permission to register details of the conduct of the Borrower's account with any credit bureau, and the Borrower waives any claim he or she may have against Premier Credit in respect of such disclosure.

7.5. By signing this contract, the Borrower authorizes Premier Credit Limited to access the Borrower's credit history from a registered Credit Reference Bureau.

## **8. PCL'S DATA PROTECTION POLICY**

8.1. It is hereby understood and agreed that the personal data herein has been directly obtained from the borrower who has voluntarily provided this data to Premier Credit Ltd to facilitate the processing of the loan facility or the access of the service sought by the borrower.

8.2. It is hereby understood and agreed that by signing this contract, the Borrower;

8.3. Must provide personal data which is required for various purposes including, but not limited to, processing applications for loan facilities or access to services, verification of a borrower's identity, carrying out credit scoring, complying with a contractual or legal obligation, prevention and detection of fraud or other crimes and for research, marketing, statistical, survey and other legitimate business purposes;

8.4. consents that Premier Credit Ltd may disclose their personal data to specific third parties after obtaining their consent or where Premier Credit Ltd has a legal or regulatory obligation to disclose such data. Premier Credit Ltd shall not disclose any personal information to any third party (individual or entity) that is acting beyond its legal mandate;

8.5. consents that for purposes of clause 1.2.2 above, Premier Credit Ltd may disclose their personal data to:

- a. law enforcement agencies, regulatory authorities, courts or other statutory authorities working within their legal mandate;
- b. fraud prevention agencies, anti-money laundering agencies and CRB agencies;



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- c. debt collection agencies or other debt recovery entities and individuals such as advocates;
  - d. valuation and tracking companies
  - e. Auctioneering firms
  - f. Related Parties
  - g. insurance companies; and
  - h. any other person (natural or legal) that Premier Credit Ltd deems legitimately necessary to disclose the data to.
- 8.6. consents to PCL processing their personal data as per its data privacy statement and as guided by the Data Protection Act, 2019 and its subsequent regulations;
- 8.7. has given consent to PCL to continue holding and processing their personal data after the maximum period of seven (7) years even after all obligations under the loan facility or service sought have been settled;
- 8.8. consents to the holding and processing of their personal data after the maximum period of as stated in clause 1.2.3 above for purposes which will include; research, product development, analysis of market trends and legitimate marketing purposes. The Company shall ensure that it has in place proper, technical and organizational, measures to ensure the security, confidentiality and availability of such personal data;
- 8.9. is at liberty to exercise their rights as a data subject as provided by the Data Protection Act, 2019 and its subsequent regulations. Such rights include:
- a. the right to be informed;
  - b. the right to access their data;
  - c. the right to correct/erase false and misleading data;
  - d. the right to restrict/object to the processing of their personal data; and the right to data portability.
- 8.10. For queries, to exercise rights as a data subject and for more information on our Data Privacy Statement, the borrower may contact our Data Protection personnel at [dataprotection@premiergroup.co.ke](mailto:dataprotection@premiergroup.co.ke);
- 8.11. PCL undertakes to ensuring the personal data provided by the borrower is processed in accordance with the Data Protection Act, 2019 and its subsequent regulations.
- 8.12. Kindly access our website <https://premierkenya.co.ke> to view our Data Privacy Statement
- 9. Loan Cancellation**
- 9.1. The Borrower has the right to cancel the loan at any stage of the loan processing or after receipt of the funds,
- 9.2. Loan cancellation before disbursement of the funds should be communicated in writing through the email or an official letter to Premier Credit. [info@premiergroup.co.ke](mailto:info@premiergroup.co.ke)
- 9.3. Where the Borrower cancels the loan after receipt of the funds, the Borrower shall reimburse the disbursed amount within 72 hours of receipt of the said funds and the same should be communicated in writing through the email, a phone call to our call center or an official letter accompanied with the proof or refund, Failure to which Clause 2 of the Terms and Conditions shall take effect.
- 10. DISPUTE RESOLUTION**
- 10.1. In case of a dispute regarding the loan contract herein or any transactions thereof, the borrower can seek resolution from the lender in writing via email [info@premiergroup.co.ke](mailto:info@premiergroup.co.ke) or via Call Centre No **+254 (709 176000/730 812 000)**
- 10.2. Unless this Agreement has already been repudiated or terminated, the parties shall, notwithstanding any disputes continue to carry out their obligations in accordance with this agreement.
11. The borrower hereby agrees and authorizes the Lender at any time without notice or demand and to the Borrower to consolidate all his/her existing loans and institute recovery through deductions from the Borrower's salary and payslip





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12. The borrower represents and warrants that they, their employees, subcontractors and / or agents shall comply with all national labour laws, specifically those prohibiting any form of child labor, exploitation of children and/or forced labour. The borrower shall further comply with national environment and social laws and health and safety regulations.

I confirm that I have read, understood and agreed to have the above terms and conditions. I also authorize my employer to deduct monthly installments from my salary until the loan has been fully paid and to recover any outstanding installments against my terminal dues in the event of termination of employment before the loan is fully recovered.

**13. STATUTORY DECLARATIONS:**

**REPUBLIC OF KENYA**  
**IN THE MATTER OF OATHS AND STATUTORY DECLARATIONS ACT (CAP15 OF THE LAWS OF KENYA)**

I do hereby make oath and declare as follows:

- i. THAT I am a [male/female] adult of sound mind and the lawful holder of a Kenyan National Identity Card Number and I am therefore competent to swear this Declaration.
- ii. That the telephone contacts I have provided shall be in active use for the duration of the loan. In the event that I change my telephone contacts, I will visit PCL offices and update my contacts.
- iii. THAT in case of any communication with regards to my loan account, I will promptly contact Premier Credit Limited's Call Center on Tel No. (0)709 176 000/730 812 000
- iv. THAT I am fully aware that Premier Credit Limited will send any communication with regards to my loan (Statements, Demand Notices) to the Postal and/or email addresses availed.
- v. THAT in the event of default, Premier Credit Limited is at liberty to contact my employer to ascertain my employment status and/or check off status
- vi. THAT should my employment cease for whatever reason during the term of the loan, that cessation of my employment shall not remove the liability of settling the loan from me.
- vii. THAT I acknowledge that I shall be liable to Premier Credit Limited for any outstanding unpaid loan amounts which I shall be required to settle.
- viii. THAT in the event of default, Premier Credit Limited is at liberty to contact my next of kin or alternative contact as provided by the client.
- ix. THAT I have provided all the documentation necessary to secure the loan facility sought including but not limited to my Identification card, copies of my original pay slips, my passport size photo and employment letter/staff id card.
- x. THAT I have received a copy of the Civil Servants Loan Application Form, Terms and Conditions and Statutory Declarations.
- xi. THAT I have read and understood the entire contract in respect of this loan facility that comprises of the Civil Servants USSD Loan Application process, Terms and Condition

This Agreement shall be subject to the Laws of Kenya and to the exclusive jurisdiction of the Kenyan Court.