




LIPA LATER TERMS AND CONDITIONS

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TERMS AND CONDITIONS AND LOAN AGREEMENT

This Agreement sets out the complete terms and conditions between “you” and Lipa Later Limited for the Credit Facility as hereinafter defined in this Agreement and shall be binding on your personal representatives and assigns.

These terms and conditions and any amendments or variations thereto take effect on their date of publication.

This Agreement is a financial service and an end-user agreement between you (hereinafter “the **Borrower**”) and Lipa Later Limited, a company duly registered under the Laws of Kenya of P.O. Box No. 43537- 00100 Nairobi (hereinafter “the **Lender**”) for the loan application in the prescribed manner via the Company’s website lipalater.com, the Lipa Later mobile application or Unstructured Supplementary Service Data Code (USSD).

1. DEFINITIONS AND INTERPRETATION

- 1.1. For the purposes of this Agreement and the Lipa Later Limited’s credit facilities, unless the context requires otherwise:
- “**Agreement**” means these terms and conditions and any amendments that will be made from time to time.
 - “**Amount Due**” refers to any Facility amount, Interest, Fees, charges that remains unpaid after the Facility Term.
 - “**Account**” means your loan account with Lipa Later Ltd.
 - “**Customer**” and “**Client**” means any Applicant, End user or any person who has signed up to use the Service and has accepted this Agreement.
 - “**Credit Facility**” means a loan, facility, advance, or payment plan provided by Lipa Later towards the financing of any products as outlined in section 11.
 - “**Credit Reference Bureau**” or “**CRB**” means a credit reference bureau duly licensed under the Banking Act pursuant to the Banking (Credit Reference Bureau) Regulations, 2013, as amended, revised or promulgated from time to time, to inter alia, collect and facilitate the sharing of customer credit information.
 - “**Event of Default**” refers to any of the circumstances set out in Clause 11 below.

- “**Fees**” means the processing fees applicable for the credit facility applicable for each day your credit facility remains unpaid during the Facility Term, and (b) discharge fees (c) Penalty fees shall mean the flat rate fee assessed against you and (d) any other Fees for the Facility as communicated by us from time to time in accordance with this Agreement. The charge is triggered upon the Borrower missing a payment or making a late payment after the due payment date of the credit facility’s monthly installment.
- “**Force Majeure**” means events, circumstances, or causes beyond reasonable control making the performance of the obligations inadvisable, commercially impracticable, illegal, or impossible, including but not limited to acts of God, war, acts of terrorism, strikes or labor disputes, embargoes or governmental orders
- “**Financed Device**” used interchangeably with “**Device**” means any electronic device covered under the Lipa Later facility.
- “**Interest**” shall mean the rate applicable to the credit facility advanced to the Borrower as may be approved by the Credit Provider subject to meeting its approval criteria and as may be communicated from time to time. “**Loan**” means the principal amount of the loan made or to be made by us to you Lipa Later Ltd from time to time or (as the context requires) the principal amount outstanding for the time being of that loan;
- “**Loan**” shall be construed to mean the principal amount granted or to be granted by Lipa Later to you under this Agreement from time to time through any of the approved Lipa Later Platforms and may be interchangeably used with “**purchase price**”;
- “**Mobile Money**” means the money transfer and payments service operated by the Mobile Money Providers in Kenya which shall be construed to include the services provided and the systems in which those services are provided by the Mobile Money Providers;
- “**Mobile Network Operator**” means a mobile network operator in Kenya registered with the Communications Authority of Kenya;
- “**Party**” refers to You or Lipa Later Ltd. while “**Parties**” shall be construed to mean You and Lipa Later Ltd jointly.
- “**Personal Data**” means personal, identifiable information as prescribed in the Data Protection Act which includes but is not limited to name, address, phone number, identification number,

location data, date of birth, gender, transaction data, an online identifier or information relating to one or more factors specific to the physical, psychological, genetic, mental, economic, cultural or social identity of that.

- **“Platforms”** This shall be construed to mean all channels of communication, application, approval, rejection, inquiry, and responses pertinent to the Loan request, provision of statements, notification, marketing, and such other functions relevant to this agreement and the Loan facility. Such Platforms may include but are not limited to face-to-face interactions, phone calls, Points of Sales, text messages, USSD, the Lipa Later website, and the Lipa Later Mobile application.
- **“Request”** means a request or instruction received by Lipa Later from you or purportedly from you through any Lipa Later Platform and upon which the Lender is authorized to act.
- **“Security Software”** is defined in Clause 12.
- **“Services”** shall include any form of services or products that Lipa Later may offer you through any and all Platforms available pursuant to this Agreement and as you may from time to time subscribe to and **“Service”** shall be construed accordingly.
- **“Unstructured Supplementary Service Data (USSD)”** means the protocol used by the end user using a cellphone to communicate with the Lender’s computers while making a loan application.
- **“SIM Card”** means the subscriber identity module which was used with the appropriate Handset to enable the customer to access a Mobile Network and to use USSD to make a loan application.
- **“SMS”** means a short message service consisting of a text message transmitted from your mobile phone to another.
- The words **“we”, “us”, “our”** its, **“Lender”** and **“Lipa Later”** refer to Lipa Later Ltd and may include its affiliates, successors and assigns.
- The words **“you” “your” “end-user” “user”** or **“Borrower”** means the applicant, client or customer who accesses the Lipa Later Facility through any approved Lipa Later Platforms and enters into such terms and conditions for Lipa Later Products or services which definition will include the personal representatives, successors and assigns of the customer.

1.2. Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

1.3. a reference to any one gender, whether masculine or feminine includes the other gender;

2. ACCEPTANCE OF TERMS AND CONDITIONS

2.1. By accessing the Lipa Later Platforms and requesting the credit facility, you are deemed to have read, understood, accepted, and agreed to be bound by and comply with the terms and conditions set out in this Agreement.

2.2. If you access our services through any of our platforms, you will be deemed to have entered into a binding agreement on these terms.

2.3. You acknowledge that these terms are without prejudice to any other right that the Lender may have with respect to the Services provided in law or otherwise.

2.4. By using the Services, you consent to the Lender:

2.4.1. Collecting, Transmitting, retaining, maintaining, processing and using any Personal Information provided by you in your Loan application to improve your experience, determine our credit scoring services and to improve our Services through our platforms in accordance with the Data Protection & Privacy Notice.

2.4.2. Using your personal information to contact you with Newsletters, marketing or promotional materials and other information that may be of interest to you.

2.4.3. You may opt out of receiving any or all of these communications from us by following the unsubscribe link or instructions provided in any correspondence we send.

2.5. The Lender has agreed, at the request of the Borrower, to advance credit facilities (the “Loan”) for the purposes of purchasing the consumer items as requested by the borrower.

2.6. The Borrower agrees to settle the Loan, interest, fees, penalties, and charges outlined in this agreement in full according to these terms and conditions herein;

2.7. The Parties have agreed to record their mutual understanding in the terms set out in this agreement.

3. OUR CREDIT FACILITIES

3.1. The Services offered by Lipa Later Limited are intended solely and can only be utilized by persons who are citizens, permanent

residents and or holders of valid work permits in the Republic of Kenya.

- 3.2. Applicants for any Lipa Later Products and services must be 18 years or older with valid identification documents and full capacity to enter into a legally binding contract.
- 3.3. Any use of our Services by anyone who does not fit this criterion is unauthorized and in violation of these Terms.
- 3.4. The Lender reserves the right to decline any application or to revoke the same at any stage at their sole and absolute discretion and without assigning any reason or giving any notice thereto.
- 3.5. The Lender reserves the right (in our sole and absolute discretion) to issue, decline to issue a loan, and/or vary the terms of any loan depending on its assessment of the credit profile of each individual customer from time to time.
- 3.6. The Borrower agrees to not use the Lender's Services to conduct any activity that would constitute civil malfeasance or a criminal offense or be in violation of any Local or International law.
- 3.7. The Borrower agrees not to attempt to interfere with the application or security features or to gain unauthorized access to any Lipa Later Platform.

4. USE OF PLATFORMS FOR LOAN APPLICATION

- 4.1. Parties acknowledge that Loans may be applied for, processed, approved and/or denied through our platforms using a mobile phone, a computer, or such other device that may be able to access Google Play, the Apple App Store or the internet or other channels that Lipa Later may approve of from time to time.
- 4.2. Lipa Later Ltd will be entitled to assume that any loan agreements entered into through our Platforms have been authorized and entered into knowingly and with the unequivocal consent of the borrower.
- 4.3. Lipa Later reserves the right to, at our sole discretion, extend to the borrower our products and services upon satisfying our approval criteria.
- 4.4. You are responsible for notifying us immediately you become aware that any unauthorized person may have access to your details and information to avert the risk that they may use the same information to make an authorized application.
- 4.5. The Lender will confirm the monthly installment amount, the repayment period of the loan, the interest rate, insurance costs

- (where applicable), the total amount payable and the dates of the first and final installments.
- 4.6. The borrower will accept the terms of the loan agreement through the Lipa Later Platforms as may be presented by Lipa Later to facilitate the application and approval of the facility.
 - 4.7. The borrower will confirm agreement with these terms by sending their name and National Identity card number.
 - 4.8. Lipa Later Ltd may implement any authentication procedure it believes necessary for customer authentication when the Loan application is received, and the electronic record will be proof that you accept to comply and be bound by the terms herein.
 - 4.9. Lipa Later at its sole discretion reserves the right to revoke any facility applied for if it is ascertained that:
 - 4.9.1. Any customer details from the borrower at the application stage are ascertained to be false
 - 4.9.2. The customer is discovered to have no capacity to enter in to such an agreement
 - 4.9.3. The customer does not meet the approval criteria to access Lipa Later products or services
 - 4.9.4. If upon confirming that the customer has violated these Terms & Conditions
 - 4.9.5. Lipa Later detects or reasonably suspect any abuse/misuse, breach of content, fraud or attempted fraud relating to your use of the Services
 - 4.9.6. Such other reasons as may or may not be communicated to the customer.

5. REQUESTS MADE BY THE BORROWER/CUSTOMER

- 5.1. You hereby irrevocably authorize the Lender to act on all Requests received from you (or purportedly from you) through the System and to hold you liable in respect thereof.
- 5.2. The Lender may nevertheless refuse to carry out any Requests in its sole and absolute discretion. Subject to its discretion, the Lender reserves the right to reject any Request in relation to a loan application from you even if you have previously been issued with a loan by Lipa Later Limited.
- 5.3. The Lender 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 we may act if the Lender has in good faith acted in the belief that such instructions have been sent by you.
- 5.4. The Lender may, in its absolute discretion, decline to act on or in accordance with the whole or any part of your Request pending further enquiry or further confirmation (whether written or otherwise) from you.
 - 5.5. You agree to and shall release from and indemnify the Lender against all claims, losses, damages, costs and expenses howsoever arising in consequence of, or in any way related to us having acted in accordance with the whole or any part of any of your Requests (or failed to exercise) the discretion conferred upon it.
 - 5.6. You acknowledge that to the full extent permitted by law that we shall not be liable for any unauthorized application, drawing, disclosure, any activity or any incident by the fact of the knowledge and/or use or manipulation of your details and devices including but not limited to handset, SIM CARD, ID or any other means used to access lipa later services whether or not occasioned by your negligence.
 - 5.7. Terms shall be assigned prior to approval and the terms shall be based on our approval criteria In the event of any conflict between any terms of any Request received by us from you and this Agreement, this Agreement shall prevail.

6. COMMUNICATION

- 6.1. By agreeing to these Terms, you authorize us, our assigns, successors or servicing agents to send SMS, Emails, letters and such other notifications to any addresses and/or phone number(s) provided to us by you, in connection with your relationship with us, including but not limited to payment information, pending documents, account information, due dates and such other relevant information pertaining to your loan account or concerning Lipa Later and its affiliates.
- 6.2. As used in these Terms “SMS Notifications” means any Short Message Service (SMS) (text message) or equivalent mode of mobile communication of correspondence from us to you pertaining to your loan as delivered to telephone numbers provided in the application.
- 6.3. You may at any time opt out from receiving direct marketing communications from us by writing to us at ask@lipalater.com; and/or using the unsubscribe instructions in any email communications sent to you.

- 6.4. For App notifications only you may turn these off at the device level through your settings or through the mobile application settings within the App.

7. LOAN REPAYMENT, INTEREST RATE, FEES AND CHARGES

- 7.1. You shall pay the Lender the principal/purchase price and interest on the Loan Amount at a set interest rate and on the respective due dates to be specified by the Lender and mutually agreed upon accepting the requisite terms and conditions.
- 7.2. The terms of the credit facility and the interest rate and charges payable in relation to each loan application will be communicated to each individual borrower before the utilization of the service.
- 7.3. The repayment for the entire principal Loan including interest, fees, and charges (as may be applicable) shall be made in monthly installments on a specific date in a manner to be promptly communicated and specified by the Lender on approval of your loan application:-
- 7.4. The Lender at its discretion may vary the interest rate however for purposes of clarity the recommended rates shall be outlined below:
 - 7.4.1. Interest rates as follows
 - 7.4.1.1. **5.5% of the purchase price** paid per month for consumer items for a maximum term of **12 months**
 - 7.4.1.2. **5.5% of the monthly purchase price** for furniture for a maximum term of **12 months**
 - 7.4.2. An upfront Processing fee of **ten (20%) percent** of the loan amount
- 7.5. The Borrower agrees to pay the above amounts which will be subject to the utilized amount from the credit limit provided by Lipa later which shall be calculated as the principal loan amount.
- 7.6. Any percentages and fees shall be derived from can calculated according to the Loan amount/purchase price.
- 7.7. The statement of the Lender as to the rate, mode or amount of interest and penalties payable shall, in the absence of manifest error, be conclusive.

8. INTEREST WAIVER

- 8.1. The Lender may from time to time at its absolute sole discretion run advertisement, awareness, promotions and such other campaigns as incentives for Borrowers to repay off their credit facilities in part or in full before then end of agreed contract term.

- 8.2. Upon the request from the borrower, the Lender may opt to extend a partial or complete interest waiver to the Borrower however the same will be at the sole discretion of the Lender in such terms that may be deemed necessary or adequate upon analysis by the lender.

9. CANCELLATION FEES

- 9.1. In the event that you cancel the loan application after acceptance of the terms of the loan for whatever reason constituting a legally binding contract, you shall be liable to pay Kenya Shillings Two Thousand **KES. 2,000/-** to us being the cancellation fee.
- 9.2. The Cancellation fee may be varied from time to time by Lipa Later at its sole discretion.
- 9.3. The cancellation fees are a nominal recompense Lipa Later for time and resources spent on analysis and approval of the loan.
- 9.4. Cancellation fees shall not apply in the instance where the cancellation happens as direct a fault of Lipa Later and its affiliates, representatives or assigns.

10. EVENT OF DEFAULT

- 10.1. An “**Event of Default**” occurs when the borrower fails to pay any sum payable for a Loan granted under these Terms and Conditions or on such repayment dates as be communicated by the Lender through the various Platforms that Lipa Later may elect to use.
- 10.2. At any time after an Event of Default has occurred, the Lender may serve a demand notice in writing to the Borrower declaring the Loan Amount immediately due and payable together with all interest and late charges.
- 10.3. Failure to pay the principal and the interest when due or any indebtedness or failure to perform or observe your obligations under this Agreement may lead to the Lender exercising the following remedies without prejudice to any other right or remedy granted to it under any law:
- 10.3.1. If the Borrower defaults in making any payments hereunder within the specified time the Borrower shall pay late fees over and above the monthly installment which late fees shall be payable at the rate of **Kenya Shillings One Thousand Five Hundred (KES 1,500.00) per month.**
- 10.3.2. The Lender reserves the right to repossess the item financed under these Terms and Conditions from the Borrower

- 10.3.3. The lender may elect to sell the repossessed item by private treaty to recover the amounts due and owing and any sums over and above the balance due and owing to Lipa Later shall be reimbursed to the borrower with fewer costs of repossession and expenses.
- 10.3.4. In the case the borrower is untraceable, the Lender shall appoint Private Investigators to track down the borrower
- 10.3.5. Instruct Debt Collectors to recover the outstanding balance from the Borrower.
- 10.3.6. Instruct auctioneers to visit the Borrower's place of business and/or home and proclaim an asset or an item of equal or greater value as security or for the purpose of attaching the item to offset the loan.
- 10.3.7. Use reasonable and available resources and or any other methods as it may deem necessary in the recovery of any outstanding balance owed
- 10.3.8. Contact the Borrower's next of kin or place of work in the event efforts of reaching the Borrower on the personal information provided become futile.
- 10.3.9. Supply information concerning the Event of Default to Credit Reference Bureaus. A copy of any adverse information concerning you sent to a Credit Reference Bureau shall be made available to you upon written request.
- 10.3.10. Sue the Borrower for any money due and owing under this Agreement.
- 10.3.11. The Borrower further hereby agrees to reimburse and indemnify the Lender against any loss of profit and expenses, which the Lender may incur as a consequence of the Borrower's default in making payment of either the Loan Amount or the Interest.
- 10.4. At any time after an Event of Default has occurred and is continuing, the Lender at all times reserves the right to utilize the Security Software or any means it deems fit to block the Borrower's device and limit the Borrower's access to the device until full payment of the amount due including the applicable late fees.
- 10.5. In the event a Borrower who receives credit facilities from us to purchase electronics (including Televisions and decoders) obtained from one of our Partners i.e. Star Times Media (K) Co. Ltd and such other company that may sell similar devices, defaults on his loan repayment obligations, the Borrower hereby acknowledges and

consents to have his/her/its subscription from the said Partner blocked and to remain blocked at all times there are outstanding amounts due to the Lender. The subscription shall be unblocked when actual payment and settlement of account arrears or any portion of any outstanding amount as shall be advised by the Lender.

11. SECURITY SOFTWARE

- 11.1. The Lender reserves the right to install security software on the financed device (“**Security Software**”) at its sole discretion and the Borrower hereby agrees to the installation, in accordance with this Agreement (including after an Event of Default has occurred and is continuing) which software shall enable the Lender:
 - 11.1.1. To suspend or disable certain features of the financed device, including (without limitation) factory reset, USB debugging, and side-loading of applications;
 - 11.1.2. To totally block access to the financed device or to applications and features installed on the financed device;
 - 11.1.3. To install and uninstall security apps on the financed device;
 - 11.1.4. To prevent the uninstallation of certain apps from the device;
 - 11.1.5. To customize certain apps installed on the device, such as those downloaded from an application store;
- 11.2. The Security Software is an integral part of the credit facility provided under this Agreement, and you shall not (and shall not attempt to):
 - 11.2.1. a) modify, create derivative works from, display, copy, mirror, publish, distribute, transmit, transfer, license, sublicense, sell, market, or lease copies of the Security Software in whole or in part (or attempt to do any of the foregoing);
 - 11.2.2. reverse engineer, decompile, disassemble, or otherwise reduce the object code of the Security Software to source code form (or attempt to do any of the foregoing); Security Software
 - 11.2.3. interrupt or attempt to interrupt the operation of the Security Software in any way;
 - 11.2.4. use the Security Software, or the content therein, or do any other thing that will infringe any Intellectual Property Rights or other rights of any third party;

- 11.2.5. remove or obscure any trademark symbols, copyright notices, or other intellectual property rights notices in the Security Software (or attempt to do any of the foregoing);
 - 11.2.6. bypass the measures used to prevent or restrict access to the Security Software or enforce limitations on use thereof (or attempt to do any of the foregoing);
 - 11.2.7. do anything likely to impair, interfere with or damage or cause harm or distress to any persons using the Security Software; or
 - 11.2.8. h) use any information obtained using the Security Software otherwise than in accordance with this Agreement.
- 11.3. By entering into this Agreement and using the Services, you expressly consent to the installation of the Security Software on the Handset and to the foregoing uses, restrictions, and limitations, and to such other features in accordance with this Agreement. as may be duly notified to you from time to time in
- 11.4. The Lender shall not be required to remove the Security Software until all of your obligations to the Lender under this Agreement have been satisfied in full or as may be deemed fit by the lender.

12. CONSUMER INSURANCE

- 12.1. For the avoidance of doubt if there exists a warranty or merchant insurance cover for the financed item then the merchant warranty or cover shall take precedence and the borrower shall invoke the merchant's policies at first instance.
- 12.2. The Borrower acknowledges and agrees that for purposes of security and integrity of the purchase, they will take out a mandatory consumer insurance cover over the financed device or consumer item.
- 12.3. The Lender will ensure that any policy that shall be taken out for any financed consumer electronic device or consumer item shall be under the auspices of an Insurance Broker or authorized agent regulated by the Insurance Regulatory Authority to offer insurance to the Customer for all loan facilities.
- 12.4. The Consumer Insurance policy described herewith is mandatory for electronic devices however it may apply to furniture and other consumer items at the discretion of the Lender and the Insurer.
- 12.5. The insurance premium shall be included as part of the **ten (10%) percent** payment for administrative costs and processing fees.
- 12.6. The recommended premium shall be at the rate outlined in the Appendix annexed to these terms and conditions.

- 12.7. The Customer acknowledges that the term of the Insurance cover shall be **twelve (12) months**.
- 12.8. The Borrower shall not raise any claim for replacement or repair until such time as:
- 12.8.1. Fifty percent of the value of the item has been paid and
 - 12.8.2. A minimum of thirty 30 days has lapsed from the day of collection of the item and
 - 12.8.3. The 10% processing and administrative fee is made in full
- 12.9. The Customer also acknowledges that the premium rates are subject to change and such changes in rates shall be communicated promptly to the consumer.
- 12.10. In the event of theft, loss or damage of the financed item, you will be required to have completed paying at least **Fifty (50%) Percent** of the credit facility amount for the financed item/electronic to be replaced or repaired.
- 12.11. The Risks covered under the Consumer Insurance are -
- 12.11.1. Damage from any accident or any other peril other than specifically excluded in the policy document provided
 - 12.11.2. Theft – stealing, robbery or forced entry into the borrower’s premises
- 12.12. In the event of damage or loss under the risks covered, you are required to:
- 12.12.1. Notify the Lender in person or formally in writing within **Twenty-Four (24) hours** of the loss or damage and fill in a claim form which will be provided
 - 12.12.2. Provide the Lender with the following documentation within **Forty-Eight (48) hours** of the event causing loss or damage:
 - Police Abstract – For theft/loss explaining in detail the circumstances of loss/theft
 - Written statement from the borrower detailing the events that led to the theft and/or damage of the financed item
 - Phone Blockage Certificate from mobile network operator in the case of Handset theft / loss
 - Repair Quotation – If the device is damaged, a quotation of how much it will cost to fix it will be required.
 - Proof of payment of excess fee by the borrower prior to repair, replacement or compensation as follows:-
 - o Total Loss of Phone/damage - Nil contribution or excess applicable.

- o In the event of a Damaged Screen - A payment of an excess of **fifty percent (50%)** of the repair costs
- o Other phone repairs - A payment of an excess of **fifty percent 50%** of the repair costs
- o All other items - **ten (10%) percent** of each and every claim amount Minimum 5,000/-

Description	Mandatory Clam Document required	Timelines to avail documentation
Theft/Loss	<ul style="list-style-type: none"> o Claim Form o Police Abstract o Phone Blockage Certificate o Detailed written statement of events leading to loss 	48 Hours
Damage	<ul style="list-style-type: none"> o Claim Form o Pro Forma Invoice for repair o Detailed written statement of events leading to Damage 	48 Hours

- o The Borrower understands that failure to provide all the documentation required within the above-stipulated timelines, the Lender will not be liable to replace or repair the item in such an event.
- The Consumer Insurance cover does not include the following stipulated incidences,
 - o Loss or damage arising from wear and tear or depreciation or the action of light or atmospheric conditions
 - o Loss or damage due to theft, infidelity, fraudulent, dishonesty or attempted theft by any relative or employee of the insured Borrower whether acting alone or in collusion with others.
 - o Loss or deterioration occasioned by any process of cleaning, repairing and restoring.
 - o Manufacturer's defects.
 - o Touch screen display failure.
 - o Loss or damage directly or indirectly caused by seizure, confiscation, and destruction by

- government and/or law enforcing agents while in the natural course of their duty
- o Third party liability.
 - o Damage as a result of distortion, erasure, corruption or alteration of Electronic Data.
 - o Damage directly or indirectly caused by fluctuation, or insufficiency of electricity.
 - o Loss or damage arising directly or indirectly from use of drugs and alcohol.
 - o Loss or damage arising directly from terrorism activities.
 - o Items held in trust or on commission.
 - o Loss arising from negligence
 - o Unexplained loss or unclear circumstances of loss.
 - o Loss/damage recoverable from any other insurance.
 - o Loss/damage as a result of war, radiation, terrorism or political violence.

13. DELIVERY AND RISK OF LOSS/DAMAGE

- 13.1. For purposes of these Terms, delivery to Borrower will occur when the financed item is placed in the possession of the Borrower or their nominated representative.
- 13.2. Risk of loss or damage with respect to the financed item shall pass to Customer upon delivery by courier service or by other means.

14. RETURNS & REFUNDS

- 14.1. For the avoidance of doubt, Lipa Later shall operate with the general policy that goods once sold shall no longer be returnable.
- 14.2. In the event that a Lipa Later merchant, partner, or retailer has a return and/or refund policy, the same shall be adopted under this section of this agreement without any prejudice to any rights due and owing to Lipa Later.
- 14.3. In order for any return or refund policy to be considered, Lipa Later the customer shall ensure that the loan account is in good standing.

15. PERSONAL INFORMATION & PRIVACY POLICY

- 15.1. You agree to provide us with accurate personal information, such as your email address, cell phone number, mailing address, Identification Number (“ID”) or Passport Number, Next of Kin

- Contact details, immigration status and such other information that we may deem relevant in order to complete your application.
- 15.2. You acknowledge and give your unequivocal consent for Lipa Later to collect your personal information relating to your employment to include but not limited to your employer, your position in the Company, copies of employment contract, pay slips, gross pay and work permit.
 - 15.3. You also hereby give your clear and unequivocal consent for Lipa Later to reasonably obtain transactional documents including but not limited to bank statements, card information, mobile money statements for purposes of determining whether or to approve or reject your loan application.
 - 15.4. You acknowledge that Lipa Later may partner with third party institutions who may require Know Your Customer (KYC) Data to effectively offer products and services to you and hereby consent to such data being availed to them solely for purposes of accessing any Lipa Later product or service.
 - 15.5. Save in compliance with an order of the Court, Tribunal, Regulatory Directive or Order or any other legal or regulatory obligation, we will endeavor not to disclose information about identifiable individuals to other parties, but we may provide them with anonymous aggregate information about our users.
 - 15.6. By submitting your personal data, you agree to the collection, transfer, storing or processing of your personal data by the Lender. We will take all steps reasonably necessary to ensure that your data is treated, stored and processed securely at all times.
 - 15.7. In any event, by continuing to use Lender's website, mobile application, USSD or any other platform to make a loan application you confirm your continuing acceptance and your consent to the terms set out therein.
 - 15.8. You hereby agree and authorize us to verify information provided by you against the information held by third parties including but not limited to your employer, Mobile Money Providers, and such other related sources that may be relevant to the provision of our services in relation to your loan application and using of the Personal Information to the extent necessary.
 - 15.9. You hereby agree and authorize us to obtain and procure your Personal Information from the Credit Reference Bureaus and you further agree and consent to the disclosure and provision of such Personal Information by the Credit Reference Bureau. The Credit

Reference Bureau provides a credit profile and possibly credit scores on your creditworthiness, subject to the credit record.

- 15.10. We reserve the right to supply consumer credit information to the Credit Reference Bureaus, and in this regard: you confirm that Lipa Later Limited may transmit to the Credit Reference Bureau any conditions applicable to such loan as well as any collection in the Event of Default.
- 15.11. You hereby further agree to indemnify and hold Lipa Later Limited and the third parties harmless with respect to any claims, losses, liabilities and expenses (including legal fees and expenses) that may arise as a result of the reasonable obtaining and reliance on such Personal Information.
- 15.12. The Lender reserves the right to request for further information from you pertaining to your loan application for credit facilities at any time. Failure to provide such information within the time communicated by us may result in us declining your Loan application.
- 15.13. We may (if necessary) disclose your personal information to fraud reporting agencies and Credit Bureaus, and to any person we may appoint to assist in enforcement of these Terms and Conditions and the Loan Agreement and in this regard, the End User waives any claim that he/she may have against the Company or its affiliates in respect of such disclosure.

16. NOTICE OF ASSIGNMENT

- 16.1. Without prejudice to the provisions of the Personal Information and Privacy obligations of Lipa Later in these Terms and Conditions as well as the Data Protection and Privacy Policy and the operation of the Law as relates to Data Protection and Consumer Protection, we hereby inform you that Lipa Later Limited has the sole and absolute discretion to sell, assign and transfer absolutely to any Assignee all any rights, title and interest, present and future, in and to any facility taken out with us.
- 16.2. If you choose and are approved for any Lipa Later facility under these Terms and Conditions and provided that we reasonably believe you will not suffer any material detriment from the transfer or assignment, you agree and provide your unequivocal consent for Lipa Later to transfer and assign your rights and obligations under the facility agreement.
- 16.3. In this regard, we hereby inform you that Lipa Later shall act as a trustee of the Assignee in so far as onboarding, communication,

- collection and such other action that may be required to maintain the facility as shall be required from time to time.
- 16.4. Notwithstanding the above, the Assignee shall have every right, power, option and discretion that is vested in ourselves in relation to your loan with us, and may at any time direct that you make payment to a different account not otherwise communicated at the onset of the facility.
 - 16.5. The Assignee shall also have the power to nominate and instruct a third party as a Trustee to act on their behalf and exercise any right, power, option and discretion as may be required under the law provided that you will not suffer any detriment from such nomination.
 - 16.6. Lipa Later hereby notifies you that Lipa Later has issued a fixed and floating debenture dated 31 January 2023 (the "deed") in favour of Rubicon Landing UP (the "Security Trustee"). Under the deed, we have assigned, by way of first priority assignment, in favour of the security trustee all monies payable by you to us. Until further notice from the security trustee, please pay the debt to the Lipa Later bank account or Paybill or such other account as the Security Trustee may expressly indicate in writing.
 - 16.7. Communication regarding any changes to your facility shall be clearly relayed and be verified, seconded and/or confirmed by Lipa Later to you.
 - 16.8. By choosing the facility and receiving an approval on that facility, you consent to us giving any information about you to the assignee and also agree to the terms of this notice and to act in accordance with its provisions.
 - 16.9. In the meantime, and without prejudice to the foregoing, all payments in realization of the facility shall be paid as normal in accordance with these terms and conditions and the agreement entered into between yourself and Lipa Later.

17. INDEMNIFICATION AND LIMITATION OF LIABILITY

- 17.1. You hereby agree to indemnify, defend the Lender, its directors, officers, shareholders, subsidiaries, affiliates, agents and licensors harmless from and against any and all liability, losses, damages and costs, including, without limitation, reasonable attorneys' fees, that you may suffer as a result of breach of any provisions (implied or express) of these Terms and Conditions.
- 17.2. In the event the Lender exercises any rights pursuant to this Agreement, the Borrower hereby releases Lender from any

liability, costs, damages or other obligations and waives his/her right to sue (if any) and further agrees, promises and covenants that neither he, nor any person, organization, or any other entity acting on his behalf will file, charge, claim, sue or cause or permit to be filed, charged or claimed, any action for damages or other relief (including injunctive, declaratory, monetary relief or other) against the Lender as a result of such exercise of rights/remedies outlined above.

- 17.3. The Lender shall not be liable for any loss of profits or anticipated revenue or for any indirect or consequential loss or damage of whatever kind, however caused, arising out of or in connection with the provision of the Services.

18. ENTIRE AGREEMENT

- 18.1. These Terms and Conditions as read together with any communication relevant to a financing agreement on any Lipa Later platforms forming an acceptance of the terms thereof constitute the entire agreement which shall be applicable to you and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between us, whether written or oral, relating to its subject matter.
- 18.2. The Borrower acknowledges that in entering into this Agreement you do not rely on any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these Terms and Conditions.
- 18.3. The parties herein agree that neither of us shall have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Agreement.

19. AMENDMENT OF TERMS AND CONDITIONS

- 19.1. The Lender reserves the right to amend or vary these terms and conditions from time to time or to withdraw the Service at any time.
- 19.2. The continued use of the Services constitutes the Customer's/End User's agreement to be bound by the terms of any such amendment or variation which will be effective immediately.
- 19.3. The Lender may give notice of such amendments via email notifications to the end users and at the Lender's discretion on the website www.lipalater.com.

19.4. The amendment of these terms and conditions shall be communicated promptly and clearly by Lipa Later to all Lipa Later customers.

20. GENERAL CONDITIONS

- 20.1. We disburse credit facilities by purchasing the selected items from our Partner stores. Select dealers/ retailers and stores apply. The Borrower acknowledges that they have been duly advised regarding the nature, remedies and that neither the Lender or its employees or agents have used any compulsion or threat or exercised undue influence on them to induce them to execute this Agreement.
- 20.2. The Borrower shall not sell, transfer, lease, gift, or part with the possession of any part of the electronic or consumer item financed under this Agreement without the prior written consent of the Lender.
- 20.3. The Lender reserves the right to assign and/or transfer all or any of its rights, benefits and obligations under this Agreement to any person at any time provided that such assignment shall not relieve the Borrower of any of its obligations hereunder.
- 20.4. These Terms are severable in that if any provision is determined to be illegal or unenforceable by any court of competent jurisdiction such provision shall be deemed to have been deleted without affecting the remaining provisions which will continue to be valid and enforceable to the fullest extent permitted by law. Any disputes arising out of the Terms or our Services offered will be resolved in accordance with the Laws of Kenya.

21. GOVERNING LAW

- 21.1. This Agreement shall be governed and construed in accordance with the Laws of Kenya in all respects.
- 21.2. The Borrower agrees that they have carefully read and understood these Terms and the Loan Application and subsequent Agreement for credit facilities or opening a loan account for the credit facility taken with Lipa Later Limited which shall govern my relationship with Lipa Later Limited and operation of the loan account.

22. Related Policies/References

- 22.1. This policy should be applied in conjunction with the following internal procedures and Laws:
- 22.1.1. Data Protection Act No. 24 of 2019
- 22.1.2. Consumer Protection Act No. 46 of 2012

- 22.1.3.Competition Act No. 12 of 2010
- 22.1.4.Digital Credit Providers Regulations 2022
- 22.1.5.Market Conduct Policy
- 22.1.6.Code Of Ethics
- 22.1.7. Corporate Governance Policy
- 22.1.8.Lipa Later AML/CFT Policy

APPENDIX
INSURANCE

Scheme Name	Lipa Later Capital Micro-insurance
Insurance Broker	LAMI Technologies Inc.
Risks covered	<ol style="list-style-type: none"> 1. Death of borrower 2. Theft/loss of device 3. Damage of device 4. Credit Default
Sum Insured Payable On	<ol style="list-style-type: none"> 1. Death by Accident and Illness: <ul style="list-style-type: none"> - Actual outstanding Loan amount (net of any default during the cover period). 2. Theft/loss of device: <ol style="list-style-type: none"> a. A depreciated value of the phone if the Customer opts to take another device b. Actual outstanding Loan amount net of any default during the policy period if the Customer opts not to take up another device. 3. Damage to the device: <ol style="list-style-type: none"> a. A depreciated value of the device if the Customer opts to take another device b. Actual outstanding Loan amount net of any default during the policy period if the Customer opts not to take up another device. 4. Credit Default: Actual outstanding Loan amount at the date of Default notification.
Cover term	Duration of the Facility
Premium payment	a) Cash
Premium	- 5% of the value of the asset to cover

Exclusions	<ul style="list-style-type: none"> a) Loans granted contrary to these terms and conditions, Lipa Later Policies, and anything repugnant to public policy. b) loan amounts in excess of the coverage limit per borrower as provided; c) loan amounts on loans not declared and premiums paid d) Default in loan repayment as agreed in these terms and conditions e) No benefit will be payable by the Company for a claim for any borrower, which is caused wholly or partly, directly or indirectly as a result of active participation in war or terrorism criminal activities or involvement in criminal activities
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Claim Requirement	<ul style="list-style-type: none"> • In case of loss/damage of the item, the client will be required to clear 50% of the total loan in order for the item to be replaced/repared
Claiming Process	<ol style="list-style-type: none"> 1. Fill in claim form provided by Lipa Later. 2. Provide the following documentation; I. Police Abstract – For theft/loss. II. Phone Blockage Certificate from network service provider – In the case of phone theft / loss. III. Quotation – If electronic is damaged, a quotation of how much it will cost to fix it will be required.