

DIRECT DEBIT SCHEME APPLICATION FORM FOR CORPORATES

We hereby apply to become an Originator in the Direct Debit Scheme through I&M Bank Ltd. We have read, understood and agreed to be bound by both Direct Debit Scheme's Terms and Conditions and I&M Bank Ltd General Terms and Conditions. We also commit to indemnify the Bank as per Direct Debit Indemnity.

Details of this Application (*Tick as appropriate) New Application Amendment Date

CUSTOMER DETAILS

Name of Customer	
Collection Bank Account	

(Funds collected through the scheme will be credited to this account. Applicable charges will also be deducted from this account)

Description of Payments	
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CONTACT PERSON DETAILS

Name		Designation	
Email		Mobile	

AUTHORISED BANK SIGNATORIES

Name	Designation	Authorised Signature

FOR BANK USE ONLY

	Name	Signature	Date
Application details confirmed by (RM)			
Signatures confirmed by (Branch)			

KBA Originator Code	
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Direct Debit Scheme Indemnity

- In consideration of your accepting instructions from time to time from _____ (hereby referred to as Originator) We hereby warrant that every Payer on whose account a debit is drawn will have signed a Direct Debit Authority, and we shall keep you indemnified upon your first demand against all actions, claims, damages, costs and expenses arising directly or indirectly from such debiting or failure to debit and without our requiring proof of our agreement to the validity of such demand we shall forthwith pay the amount thereof.
- We authorise you to admit, compromise or reject any claims made upon you without reference to or authority from the undersigned.
- You are not required to verify or check that instructions given to you remain in force in respect of any debits made at the request of the Originator.
- You are not required to verify or check that any purpose of payment stated in the Direct Debit Authority signed by our customers is fulfilled or is observed.
- This indemnity is to be in addition to and is not to prejudice or be prejudiced by any other indemnity which has been or may now or hereafter be executed by us in connection with Direct Debit Scheme operations.
- You are at liberty without thereby affecting your rights hereunder at any time and from time to time at your absolute discretion to release, discharge, compound with or otherwise vary or agree the liability under this indemnity or make any other arrangements with us.
- This indemnity shall be governed by and construed in accordance with the Laws of Kenya.

Terms and Conditions for participation in Direct Debit Scheme through I&M Bank Ltd

1. Interpretation

1.1 The following definitions shall apply

- a) Originator – An organisation that has been authorised by a Payer to make a Direct Debit Transfer.
- b) Payer - Originator's customer and/or debtor who has authorised the debiting of his bank account as instructed in the Direct Debit Authority.
- c) Service – Direct Debit Scheme offered by I&M Bank Ltd.
- d) Originator's instruction – Instructions received by the Bank through the Service and is indicated as coming from the originator.
- e) The Bank – shall mean I&M Bank of Kenya

2. Service

The Bank shall make the service available to the Originator and take all reasonable precautions necessary keep the Originator's data confidential and accessible only to the Originator and the respective personnel of the Bank and of the Originator who are authorised to engage in communication and maintaining the Service.

3. Originator Instructions

3.1 The Bank will endeavour to comply with Originator Instructions as promptly as is feasible. All Originator Instructions shall be irrevocable and unconditional and may be acted upon by the Bank irrespective of any other circumstances contrary mandate or notification. The Originator shall be responsible for correctness of all Originator Instructions and agree to indemnify the Bank against any loss, damage or liability the Bank may incur through action upon them.

3.2 The Bank may from time to time apply limits to Originators set-up and revise these limits as found necessary. Limits and revised limits will come into effect immediately when the Bank applies them and will be notified to the Originator promptly.

3.3 The Bank will only process debit payments where it holds a Direct Debit indemnity signed by the Originator.

4. Charges

The Originator will pay the Bank charges for and arising in connection with the Service notified to it from time to time and (unless otherwise agreed) the Originator hereby irrevocably authorises the Bank, its correspondent banks and agents from time to time to debit a Designated Account (or such other account held by the Originator with the Bank) with such charges or otherwise to deduct such charges. The Bank may vary the basis of future charges for the Service by giving to the Originator not less than one month prior written notice.

5. Originator's Obligation

The Originator shall:

5.1 At its sole risk and expense install and maintain a safe and efficient Originator system which complies with the Bank standards and requirements from time to time and make suitable contingency arrangements to cover systems or operating failures or suspension.

5.2 Notify the Bank immediately if the Originator becomes aware of any failure to receive or delay in receiving or affecting any Originator Instruction or any payment to be made pursuant to an Originator Instruction, or any known or suspected error or fraud in affecting the sending or receiving of any Originator Instruction or payment, or any programming error or defect or corruption of any Originator Instruction and use its best endeavours to assist the Bank take any remedial steps proposed by the Bank.

5.3 Maintain adequate security on their system, keep secret and secure all access telephone numbers, personal identification numbers, passwords, access codes, security cards and security procedures and notify the Bank immediately it knows of or suspects any misuse of or breach of confidentiality or secrecy in respect of any of these.

5.4 Deliver to the Bank either on external data storage media or transmitted over electronic mail as a file attachment and in the required format for the Service. The Bank will not be liable for failing to process payments where the data may not have been submitted in the required format for the Service.

6. Liability

6.1 The Bank shall not be liable for or in respect of any loss, injury or damage or any failure to comply or delay in complying with its obligations hereunder or any other obligations in respect of the Service which is caused directly or indirectly by any downtime unavailability, failure, malfunction, distortion or interruption of any computer hardware, equipment or software, or of any telephone line or other communication system, service, link or equipment: viral contamination, error, discrepancy, ambiguity or delay in any original instruction, industrial dispute, abnormal operating conditions or act, omission or delay of the originator, any agent, correspondent or paying bank, or any third party, force Majeure on without limitations, any event, act, omission or circumstance beyond the Bank's reasonable control.

6.2 No employee or agent of the Bank shall be liable for any consequential, special, secondary or indirect loss, injury or damage or loss of or damage to goodwill, profits or anticipated savings (however caused). No warranty, condition, term or representation on the part of the Bank or any member of the Bank in relation to the Service shall be implied or have effect unless expressly provided for in these conditions.

6.3 No employee or agent of the Bank shall be liable for any errors or omissions in data supplied by person other than members of the Bank, or for any non-compliance by such persons with any data protection legislation relating to the delivery of data or for any breaches of confidentiality or other duty by such persons in the provision of such data.

6.4 No claim may be made against any employee or agent of the Bank unless written notice of such claim, giving reasonable details thereof, shall have been received by the Bank within the three months after the event or omission giving rise to such claim.

7. General

7.1 The contract between the Bank and the Originator is personal to the parties and none of the rights, benefits or obligations thereunder may be assigned.

7.2 The Bank may at any time suspend until further notice the operation of the Service but will promptly notify the Originator of any such suspension,

7.3 The contract between the Bank and the Originator may be terminated by either of them by not less than one month's written notice,

7.4 Such party shall additionally have the right to terminate the said contract by immediate notice upon:

7.4.1 The other party being in breach of its undertakings, warranties or obligations under these conditions, and where such breach is capable of remedy, such other party failing to remedy such breach within twenty-eight days of notification of such breach or

7.4.2 Any receiver or similar officer being appointed in respect of any of the other party's undertaking as an assessor

7.4.3 Any petition being presented, order made, resolution passed or other step taken for the other party's winding up, dissolution or bankruptcy (or any other analogous process) other than for the purpose of amalgamation or reconstruction,

7.5 The Bank may alter these Conditions at any time by written notice to the Originator

7.6 All indemnities, reliefs and limitations of liability in favour of the Bank shall apply equally to all employees and agents of the Bank as the case may be.

8. Arbitration

Any dispute out of or in connection with the Conditions, including any question as to their existence, validity or termination but excluding any questions regarding liquidated sums shall be referred to a single arbitrator to be appointed in accordance with the laws of arbitration on the application of either parties. Such arbitration shall be conducted in accordance with the Arbitration Act 5 of 1995 (and the Rules of the Kenya Chapter of the Chartered Institute of Arbitrators of the United Kingdom) or any statutory modification or re-enactment thereof for the time being in force and the award of the arbitrator shall be final and binding on both parties. The expense of arbitration shall be borne in accordance with the determination of the arbitrator with respect thereto.

9. Law and jurisdiction

The parties agree that this agreement will be governed by the Laws of Kenya. The parties submit to the non-exclusive jurisdiction of the Courts of Kenya.