TERMS AND CONDITIONS

PAPSS - Cross-Border Payment Service

1. Definitions

1.1 "the Bank" means I&M Bank (Kenya) Limited, licensed under the Banking Act (Cap 488).

1.2 "PAPSS" means the Pan-African Payment and Settlement System, a cross-border payment and settlement infrastructure established by the African Export-Import Bank in collaboration with the African Union Commission and the AfCFTA Secretariat, through which payments between participating African countries are settled in local currencies.

1.3 "the Service" means the facility by which the Bank enables a Customer to send and receive cross-border payments through PAPSS.

1.4 "Customer" means a person or entity holding an account with the Bank who is registered for the Service.

1.5 "Participating Institution" means a commercial bank, payment service provider or other institution admitted to PAPSS in a Participating Country.

1.6 "Participating Country" means a country whose central bank has acceded to PAPSS and in which PAPSS transactions may be originated or received.

1.7 "Payment Instruction" means an instruction given by a Customer to the Bank to effect a payment through PAPSS.

1.8 "Beneficiary" means the person or entity named by the Customer as the intended recipient of a payment.

1.9 "Settlement Currency" means the currency in which the Beneficiary's account is denominated and in which the Beneficiary receives the payment.

1.10 "Applicable Rate" means the exchange rate applied by the Bank to convert the amount debited from the Customer's account into the Settlement Currency, determined in accordance with clause 5.

2. The Service

2.1 The Service enables a Customer to send payments to, and receive payments from, accounts held with Participating Institutions in Participating Countries. Payments are settled in local currencies without conversion into a third reserve currency.

2.2 The Service operates on a real-time basis and is available 24 hours a day, seven days a week or during such hours as the bank may notify , subject to clause 8.

2.3 The Service is available through Bank Branches.Other Channels such as Mobile/Internet Banking /OTG may be availed in due course.

2.4 The list of Participating Countries and Participating Institutions is determined by PAPSS and not by the Bank. That list may change without notice. The Bank does not warrant that any particular country, institution or account will be reachable at any given time.

2.5 The Bank is a participant in PAPSS and is not its operator. The Bank does not control the operation, availability, rules or performance of PAPSS.

3. Eligibility and registration

3.1 The Service is available to Customers who hold an eligible account with the Bank, have satisfied the Bank’s know your customer and customer due diligence requirements.

3.2 A business or corporate Customer must supply a valid mandate identifying persons authorised to give Payment Instructions and any limits attaching to their authority.

4. Payment Instructions

4.1 A Payment Instruction must contain the Beneficiary’s full name, account number or other identifier, the Participating Institution and Participating Country, the amount, the currency and the purpose of payment, together with such further information as the Bank may require.

4.2 The Customer is solely responsible for the accuracy and completeness of every Payment Instruction. The Bank acts on the account number or identifier supplied. Where the account number and the Beneficiary name do not correspond, the Bank and the receiving Participating Institution may act on the account number alone.

The Bank is not liable for any loss arising from an incorrect, incomplete or ambiguous Payment Instruction, including where funds are credited to a person other than the intended Beneficiary as a result.

4.3 A Payment Instruction is deemed given when received by the Bank through an approved channel and authenticated in accordance with the Bank’s security procedures. The Bank is entitled to treat any Payment Instruction so authenticated as genuine and to act upon it.

4.4 The Customer must ensure that cleared funds sufficient to cover the payment and all applicable charges are available in the account before the Payment Instruction is given. The Bank is not obliged to execute a Payment Instruction where funds are insufficient.

4.5 The purpose of payment declared by the Customer must be accurate. The Customer acknowledges that this information may be reported to the Central Bank of Kenya for balance of payments purposes and that a false declaration may constitute an offence.

5. Currency conversion

5.1 Where the Settlement Currency differs from the currency of the Customer’s account, the Bank converts the amount at the Applicable Rate.

5.2 The Applicable Rate is the rate quoted by the Bank at the time the Payment Instruction is processed. It comprises the reference rate available to the Bank together with a margin determined by the Bank. The Bank’s margin may be varied from time to time.

5.3 The Applicable Rate may differ from rates published by PAPSS, by any central bank or by any third party. Exchange rates move continuously and the rate applied is the rate at the moment of processing, which may differ from any rate quoted or displayed earlier.

5.4 Once a Payment Instruction has been executed, the conversion is final. Where a payment is subsequently returned under clause 7, the returned amount is reconverted at the Applicable Rate prevailing at the time of the return. The Customer bears any shortfall arising from the difference between the two rates.

6. Limits, charges and cut-off

6.1 Limits are set by the Bank and may be varied. Limits may also be imposed by PAPSS, by a receiving Participating Institution, or by the regulatory authority of a Participating Country, and the lowest applicable limit prevails.

6.2 The Bank's charges for the Service are set out in the Bank's Tariff Guide, as amended from time to time. Charges may also be levied by the receiving Participating Institution and deducted from the amount credited to the Beneficiary. The Bank has no control over such charges.

6.3 The Customer authorises the Bank to debit the Customer's account with all charges, taxes and levies applicable to a payment.

6.4 Payment Instructions received after the cut-off time notified by the Bank, or on a day that is not a business day in the Participating Country concerned, may be processed on the following business day in that country notwithstanding that the Service operates continuously.

7. Execution, irrevocability and returns

7.1 The Bank endeavours to execute Payment Instructions promptly but does not warrant any particular execution or settlement time. Settlement depends on PAPSS, on the receiving Participating Institution and on the systems of the relevant central banks.

7.2 A Payment Instruction becomes irrevocable once it has been submitted to PAPSS. The Customer has no right to recall, cancel or amend a payment after that point.

7.3 Where a Customer requests recall of a payment, the Bank may, without obligation, forward the request to the receiving Participating Institution. Return of funds depends entirely on the consent of the Beneficiary and the co-operation of that institution. The Bank gives no undertaking that funds will be recovered and may levy a charge for handling the request.

7.4 A payment may be rejected or returned by PAPSS, by the receiving Participating Institution or by a regulatory authority. Where a payment is returned, the Bank credits the Customer's account with the amount received, subject to clause 5.4. Charges already incurred are not refunded.

7.5 The Bank notifies the Customer of execution, rejection or return through official Bank communication channels.

8. Availability and suspension

8.1 The Bank may suspend or restrict the Service, in whole or in part or in respect of any Participating Country, without prior notice where it considers it necessary, including for maintenance, on the instruction of a regulatory authority, on grounds of financial crime risk, or where PAPSS or a Participating Institution is unavailable.

8.2 The Bank is not liable for any loss arising from the unavailability, suspension, malfunction or delay of PAPSS, of any Participating Institution, of any central bank system, or of any telecommunications or power infrastructure.

9. Financial crime, sanctions and regulatory compliance

9.1 Every payment is screened against sanctions lists and anti money laundering, counter terrorism financing and counter proliferation financing controls applied by the Bank, by PAPSS, by receiving Participating Institutions and by relevant authorities.

9.2 The Bank may delay, block, reject, freeze or report any payment, and may decline to disclose its reasons, where required or permitted by law or by its internal policies. The Bank is not liable for any loss arising from any such action.

9.3 The Customer must provide any information or documentation the Bank requests in relation to a payment, including as to source of funds, source of wealth and the underlying commercial purpose. The Bank may decline to execute a payment until such information is provided to its satisfaction.

9.4 The Customer warrants that each payment complies with all applicable laws, including tax, sanctions and anti-money laundering laws of Kenya and of the Participating Country concerned, and that the Customer is not acting on behalf of a sanctioned person or entity.

9.5 The Customer acknowledges that the Bank reports cross-border transactions to the Central Bank of Kenya and to other authorities as required.

10. Data protection

10.1 The Bank processes personal data in connection with the Service in accordance with the Data Protection Act, 2019 and the Bank's Privacy Notice.

10.2 The Customer acknowledges that effecting a cross-border payment requires the transfer of personal data — including the names, account details and, where applicable, addresses of the Customer and the Beneficiary — to PAPSS, to central banks, to receiving Participating Institutions and to regulatory authorities in Participating Countries, which are located outside Kenya.

10.3 Such transfers are necessary for the performance of the Customer's payment instruction and for compliance with legal obligations. The Customer confirms that where personal data of a Beneficiary or of any third party is supplied, the Customer is entitled to supply it for this purpose.

10.4 Data protection standards in a Participating Country may differ from those applying in Kenya.

11. Liability

11.1 The Bank is liable only for direct loss caused by its own gross negligence or wilful misconduct in the execution of a Payment Instruction.

11.2 The Bank is not liable for any indirect, consequential, special or economic loss, nor for loss of profit, business, goodwill or opportunity, howsoever arising.

11.3 Without limiting the foregoing, the Bank is not liable for loss arising from: an inaccurate or incomplete Payment Instruction; the act, omission, insolvency or default of PAPSS, of any Participating Institution or of any correspondent; exchange rate movement; the imposition of exchange controls or other restrictions in any Participating Country; or any act of a regulatory authority.

11.4 The Customer indemnifies the Bank against all claims, losses, costs and expenses arising from the Customer's breach of these Terms or from any Payment Instruction executed in accordance with them.

11.5 Nothing in these Terms excludes liability that cannot lawfully be excluded.

12. Complaints and disputes

12.1 A Customer wishing to raise a complaint concerning the Service should contact the Bank via:

Customer Care

Customercare@imbank.co.ke

Or

24-hour Call Centre

+254 719 088 000

+254 20 322 1000

+254 732 100 000

12.2 The Bank acknowledges complaints within 24 hours and provides a substantive response within 48 hours. However, some cases may take longer where resolution depends on third parties, Participating Institutions in other countries, cross-border investigations, or additional information from the customer.

12.3 The Customer must notify the Bank of any unauthorised or incorrectly executed payment without undue delay and in any event within 24 hours of the debit appearing on the account statement.

12.4 Nothing in these Terms limits the Customer's right to refer a complaint to the Central Bank of Kenya or any other competent authority.

13. Variation and termination

13.1 The Bank may vary these Terms by giving the Customer not less than 30 days notice through any channel it considers appropriate, save that changes required by law or by a regulatory authority may take effect immediately.

13.2 Continued use of the Service after a variation takes effect constitutes acceptance of it.

13.3 Either party may terminate the Customer's registration for the Service by notice. Termination does not affect payments already submitted to PAPSS, which remain irrevocable under clause 7.2.

14. General

14.1 These Terms are supplemental to the Bank's General Terms and Conditions governing accounts. In the event of inconsistency, these Terms prevail in respect of the Service.

14.2 The Bank's records of Payment Instructions and of communications relating to the Service are conclusive evidence of their contents in the absence of manifest error.

14.3 No failure or delay by the Bank in exercising a right constitutes a waiver of it.

14.4 If any provision is held invalid or unenforceable, the remaining provisions continue in force.

14.5 These Terms are governed by the laws of Kenya and the parties submit to the non-exclusive jurisdiction of the Kenyan courts.