

**Signed by the Insured**

Name: ..... Signature: .....  <div style="border: 1px solid black; width: 100%; height: 100%; text-align: center; padding: 20px;">Company Stamp</div>	1. Witness Name: ..... Tel: ..... Signature: .....  2. Witness Name: ..... Tel: ..... Signature: .....
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**Signed by the Bank's: authorised officials**

Name: ..... Signature: .....  <div style="border: 1px solid black; width: 100%; height: 100%; text-align: center; padding: 20px;">Company Stamp</div>	1. Witness Name: ..... Tel: ..... Signature: .....  2. Witness Name: ..... Tel: ..... Signature: .....
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**Signed by the Insurer's: authorised officials**

Name: ..... Signature: .....  <div style="border: 1px solid black; width: 100%; height: 100%; text-align: center; padding: 20px;">Company Stamp</div>	1. Witness Name: ..... Tel: ..... Signature: .....  2. Witness Name: ..... Tel: ..... Signature: .....
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**DETAILS OF APPLICANT**

Full Name of participant:				
PIN Number:	ID No.			
Home Address: (Individuals)	P.O. Box No.	Post Office Code	Town	
	Physical Address			
	Phone No.	Mobile No.	Email Address	
Home Address: (Individuals)	P.O. Box No.	Post Office Code	Town	
	Physical Address			
	Phone No.	Phone No. (Other)	Fax No.	
Name and Designation of Contact Person *(For corporate applicants only)		Phone No.	Email	

**TAKAFUL OPERATOR**

Takaful Operator				
Office Contact	P.O. Box No.	Post Office Code	Town	
	Physical Address			
	Phone No.	Phone No. (Other)	Fax No.	
Name and Designation of Contact Person *(For corporate applicants only)		Phone No.	Email	

**THE REPAYMENT DETAILS**

Premium Amount:

Agency Fee:  Monthly Installments:

Mode Of Repayment (Tick One):  
 Post Dated Cheque  Standing Order  Current Account Debit

Name of Bank, Branch:

Account Number:

Insurance Brokers:

**DETAILS OF INSURANCE POLICIES**

Policy No.	Cover Type	Start Date	Expiry Date	Annual Premium

**Applicants Declaration**

I hereby confirm the details set out in the application are true and accurate. I undertake to notify you immediately of any situation which materially changes the information given or representations contained in this Application and hereby authorise and instruct the "Insurer" upon the signing of this agreement to register the interest of **First Community Bank** on the Insurance policy. (I acknowledge the right of **First Community Bank** to issue the Default Notice and demand from the Insurer the repayment of the refundable Premium.) Any monies received by me shall be held on trust for First Community Bank and immediately on receipt of any monies I shall surrender the same to **First Community Bank** to be credited to the Account.

**Enclosed:**

I. Cheque No. \_\_\_\_\_ For Kshs. \_\_\_\_\_  
 \_\_\_\_\_ drawn on \_\_\_\_\_ Bank  
 favouring FCB \_\_\_\_\_ (Name of applicant)  
 \_\_\_\_\_ representing first  
 Repayment Installments.

- 2. Bank Standing Order/Post dated cheques for subsequent Repayment Installments
  - 3. ID Copy
  - 4. PIN Copy
  - 5. Board Resolution to avail Insurance Premium Finance\*
  - 6. Certified Copy of Memorandum & Articles of Association\*
  - 7. Copy of Certificate of Incorporation/registration\*
- \*For companies only

**i-takaful Agency Agreement**

i-T-C-A is made as of the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ between:

**The Insured:** The person whose name appears in the application form together with his personal representatives, heirs and permitted assigns

**The Bank: First Community Bank**, a bank dully registered under the laws of Kenya, whose address is P.O Box 26219 - 00100 Nairobi, Kenya and

**The Insurer:** the person licensed as an insurance company named in the Application Form annexed to this Agreement.

In consideration of the Bank paying to the Insurer on behalf of the Insured, the

<b>Signed:</b>	<b>Date:</b>
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Premiums in respect to the Insurance policy, it is hereby agreed as follows.

### **1. Definitions:**

- (a) "Account" means the designated account of the Insured (hereinafter defined) maintained with the Bank for the purpose of financing (as hereinafter defined) or such other account specified as such and referred to in the Application form.
- (b) "Agreement" means the Insured's application form and Terms and Conditions (hereinafter defined)."
- (c) "Application Form" means the Insured's application to the Bank applying for an Insurance premium financing facility.
- (d) "Bank Standing Order Form" means the instructions from the Insured in the form substantially set out in the Schedule for the payment in the Account and the receipt by the Bank of the Repayment Installment.
- (e) "Default Notice" means the notice made in writing by the Bank notifying the Insurer that the insured has defaulted in making payment of any one or more of the Repayment Installments and the Insurer is obliged forthwith to make payment and the Bank is entitled to receive the Refundable premiums.
- (f) "Financing Charge" means the sum representing per cent % of the premium Amount which sum shall be payable by the Insured to the Bank upon execution of this Agreement.
- (g) "Insurance Broker" means an Insurance brokerage firm appointed by the Insurer and set out in the Application Form authorized by the Insurer to act as its agent in respect of the insurance Policy.
- (h) "Insurance Policy" means the document(s) evidencing the Insurance coverage for the Insured issued by the Insurer subsequent to the remittance the Premiums as detailed in the Application Form together with collection fee thereon as charged from time to time by the Bank.
- (i) "Repayment Installments" means the sum payable by the Insured to the Bank on each Repayment Date (hereinafter defined) being a sum equal (or substantially Equal) to the Installment specified in the Application Form or such other sum as may be specified in writing by the Bank to the Insured.
- (j) "Premiums" means the sum in Kenya Shillings of such other currency denomination required to be paid to the Insurer for the benefit of the Insured in respect to the Insurance Policy.
- (k) "Premiums Amount" means the sum representing the annual insurance premiums in respect of the Insurance Policy payable by the Insured to the Insurer as specified in the Application Form.
- (l) "Refundable Premiums" means the sum payable by the insurer to the Bank as per the terms of clause 11 hereof.
- (m) "Installment date" means the first day in each succeeding calendar month corresponding to the date of first disbursement of the financing or any part of the financing.
- (n) "Terms and Conditions" means these terms and conditions contained in this i takaful Agreement.

### **2. Disbursement:**

- (a) The installments will be disbursed by the Bank on behalf of the Insured to the Insurer either directly or via Insurance Broker (if applicable) in respect of the aggregate Premiums, by means of a bankers cheque favouring the Insurer:
- (b) The Insurer hereby authorizes the Insurance Broker to act as it's agent in respect to the Insurance Policy and to receive the Premiums on it's behalf.

### **3. Payment:**

- (a) The Premium Amount will be paid by the Bank to the Insurer either directly or via Insurance Broker (if applicable), subsequent to receipt by the Bank on time in respect of the payment of each repayment Installment.
- (b) All payments made shall be in Kenya Shillings in cleared funds during normal working hours. If any sum falls due for payment on a day which is not a banking day, then the payment shall be made on the day immediately preceding the day on which banks are open for business.
- (c) All payments received by the Bank in Respect of the financing shall be credited only when payment in respect to the terms and conditions hereof shall have been received in cleared funds. Any payments otherwise credited by the Bank in respect of the financing shall be subjected to receipt of cleared funds and in default shall not be deemed credited until receipt of cleared funds.

### **4. Application of Payment Proceeds:**

- (a) All payment (including prepayment if any) made by the Insured to the Bank shall be applied in the following order:
- (i) Secondly, in payment of the financing charge elements of any unpaid repayment Installment

- (ii) Thirdly, in payment of the principle element of any unpaid repayment Installment.

### **5. Prepayment:**

- (a) The Insured shall be entitled to repay one or more of the repayment Installments provided that any such prepayment shall be of amount equal to whole or one more of the repayment Installments together and shall be payable on a repayment date (and if paid on date which is not a repayment day, it shall be deemed to have been made on the next succeeding repayment date).
- (b) The bank may, in its discretion allow for the prepayment of an amount less than the total outstanding amount of the repayment Installments.

### **6. Default by the Insured:**

- Where the financing has been paid by the Bank to the Insurer or to the Insurance broker (if applicable) the Bank shall be entitled to issue a default notice to the Insurer and demand from the Insured the immediate repayment of all amounts due and owing to the Bank under this agreement in the event that:
- (a) The Insured fails to comply with any of the Terms and Conditions of this agreement
- (b) The Insured fails to pay the Bank any repayment Installment on the repayment date in accordance with the Terms and Conditions of this agreement
- (c) The Bank has reason to believe that the Insured is likely to become insolvent or has otherwise committed or likely to commit an act of bankruptcy
- (d) The Insured acts in a manner which in the opinion of the Bank may have a material adverse effect on the Insured's ability to perform his obligations under agreement

### **7. Waiver:**

No indulgence by the Bank of it's rights hereunder will operate as a waiver of its rights and remedies nor will it constitute a novation hereof.

### **8. Certificate of Indebtedness:**

A certificate under the hand of an authorised signatory of the Bank (whose office need not be proved) shall constitute conclusive evidence of any amount owing this agreement for any purpose and at any time.

### **9. Payment by the Insured on termination:**

- If this agreement is terminated by the Bank under clause 6 above, the Insured shall immediately be liable to pay the Bank through payment into the account
- (a) All unpaid repayment Installments which then be due under this agreement

### **10. Payment by the Insured on terminating:**

The Insured shall pay to the bank all costs incurred by the Bank in consequence of any default by the Insured of any Terms and Conditions, including costs of advocates or an advocate and own client basis.

### **11. Refundable premiums: Insured:**

- (a) In the event of a default under this agreement or the termination of this agreement, the Insured acknowledges the right of the Bank to issue the Default notice to the Insurer
- (b) The refundable premium shall be calculated as follows: the premium amount (term of policy - number of days from the date of the due date to the date of default notice)
- (c) The Insured confirms that he shall use his best endeavours to ensure that the insurer compiles with the default notice and further in the event of the Insurer failing to comply with a default notice he shall indemnify the Bank for any loss suffered as a result of such non compliance
- (d) The Insured hereby irrevocably authorizes the Insurer to act as per the provisions of this section 11 with respect to the Insurance policy
- (e) The Bank may, at it's discretion and upon receipt of the same for the Insurer, refund a part of the refundable premium to the Insured after deduction of all amounts due and owing to the Bank under this agreement

### **Insurer:**

- (a) Upon receipt of the default notice the Insurer shall pay to the Bank on demand and without any deduction whatsoever the refundable premiums in the currency the Premiums were made.
- (b) The Insurer undertakes to notify the Bank if the amount of refundable premium is deducted due to the settlement of any claim under the Insurance Policy shall use its best endeavours to ensure that the Bank shall be paid by the amount by which the refundable premium has been reduced prior settlement of any such claim

- (c) The Insurer also undertakes that no claim will be paid without prior notification to the Bank and shall use its best endeavours to ensure that all payments due to the Bank have been made before the settlement of any claim

(d) The right of the Bank of the refundable Premium shall override and prevail over any conflicting provision in the Policy and the refundable premium shall be deemed to be refundable notwithstanding that a claim has arisen or payment has been made under the Insurance Policy unless that claim or payment is by the Bank.

### **12. Default Charges:**

- (a) If the Insured does not pay any payable monies hereunder on its due date for, payment the Insured shall pay to the Bank (as well as after or before any demand judgement of the Insured) each and every such time the additional financing charge.
- (b) The Insured hereby acknowledges and agrees that each and every payment of the additional financing charge payable by the Insured to the Bank represents a reasonable pre-estimate of the administrative cost incurred by the Bank in seeking the repayment of the financing and the cost to be suffered in for the default of the Insured

### **13. General:**

- (a) Any adjustment in amount of the premiums payable by the Insured in respect of the Insurance policy after due date not be deemed to form part of this agreement
- (b) The expression "Insured" shall include personal representatives, heirs, successors in title and permitted assigns
- (c) In this agreement references to the masculine gender shall include the female gender and references to the singular shall include the plural and vice versa
- (d) Where more than one person is comprised in the expression "Insured" their liabilities and obligations hereunder shall be joint and several and references "The Insured" shall (where the context permits) included any one of them

### **14. Termination by the Insured:**

The Insured shall be entitled to terminate this Agreement by giving not less than ninety (90) days written notice to the Bank of his intention to do so takaful is based on a non-binding contract

### **15. Undertaking & Warranties: Insured:**

- (a) The Insured will not without the Bank's prior written consent, permit any mortgage, charge, (whether fixed or floating), pledging, lien, hypothecation, assignment, security interest, title retention, trust arrangement and other encumbrance securing or any right conferring a priority payment in respect of the Insurance policy
- (b) The Insured will observe and perform all the agreements and undertakings on it's part contained in the Insurance policy

### **Insurer:**

- (a) In the event of any claim being made on the Insurance policy the Insurer hereby irrevocably confirms, acknowledges and agrees that all monies payable as the excess over the Insurance Policy amount under the terms of the Insurance policy will be for the account of the Insured
- (b) The Insurer covenants with the Bank that the Insurance policy is validly existing and that the details of the Insurance policy is set out in the Application Form are true and correct
- (c) The insurer covenants that upon cancellation or termination of the Insurance policy by the Bank or by the Insured, the Insurance shall comply with all statutory and other common law obligations resulting from such cancellations and including without limitation the provision of a notice to any third party of such cancellation if so required.
- (d) The Insurer undertakes that the right of the Bank to the refundable premium and its interest as a financier or assignees shall be noted on the policy or by way of and endorsement to be issued in respect thereof following the execution of this agreement and the Insurer shall provide written proof of the compliance with this sub-clause upon demand.
- (e) The Insurer will promptly notify the Bank in writing of the occurrence of an event which has or is likely with the giving of notice or the passage of time lead in materially affecting the Bank's right to the repayment of the refundable premiums or in the cancellation of the Insurance policy.

### **16. Disclosure:**

The Bank may disclose any information about the Insured to any person in connection with any actual or likely event of default by the Insured. This right to disclose includes disclosing information under the terms of this agreement (including the assignment or transfer of all the Bank's right and obligations under this agreement)

### **17. Assignment:**

The Insured may not assign and/or transfer all or any of its rights, benefits and obligations under this agreement to any person at any time, however the Bank may on written notice to the Insured transfer all of its and obligations under this agreement. The Insured will at the Bank's request forthwith enter into all documents specified by the Bank as necessary to give effect to any such assignment or transfer

### **18. Arbitration:**

In the event of any dispute or difference arising between the parties to this agreement for or in connection with this agreement or its performance construction or interpretation shall be referred to arbitration by a single arbitrator whose decision shall be final and binding on the parties hereto in accordance with the provision of the Arbitration Act Number 4 1995.

**IN WITNESS WHEREOF** the Insurer the insured and the bank have executed this Agreement the day and year first here in above written.