

INSURANCE PREMIUM FINANCE (IPF) TERMS AND CONDITIONS

THIS INSURANCE PREMIUM FINANCE AGREEMENT witnesseth as follows:

In consideration of Platinum Credit Uganda Limited (hereafter referred to as “**PCUL**”) paying the premium amount to the Insurer (as defined in the schedule hereto) on behalf of the Borrower being the amount payable by the Borrower to the Insurer under the policy (as defined in the schedule here to in respect to motor vehicles (hereafter referred to as “**motor vehicle**”):

1. The Borrower Hereby Covenants and Agrees:

- 1.1 To pay to PCUL, punctually the monthly instalments specified in the schedule contained in the confirmation letter and in the manner specified.
- 1.2 To pay to PCUL Uganda Shillings One Hundred Thousand Only (UShs.100,000) for any dishonored cheque in addition to the any other applicable costs that PCUL may incur thereon;
- 1.3 To pay to PCUL a penalty fee of 0.33% per day on the outstanding instalment.
- 1.4 The total interest chargeable on the facility is calculated at a flat rate of 4% per month on the base of the principal loan amount plus capitalized fees (where applicable) subject to the applied loan term. In accordance with globally accepted International Financial Reporting Standards (IFRS), principal and interest repayments on the loan amortization schedule shall be calculated on the basis of an equivalent reducing balance interest rate of up to a maximum of 6.64% subject to the loan term, which shall form the basis of calculating the outstanding amount due in the event of a pre- payment.
- 1.5 Warrants that the policy is valid and shall remain valid throughout the course of the Borrower’s indebtedness with PCUL. The Borrower shall not cancel the policy without PCUL’s consent or do any act or commit any default thereby. The provisions of this sub-clause shall be without prejudice to PCUL’s rights set out hereunder.
- 1.6 To procure a valuation within fourteen (14) days of receiving a valuation request note from PCUL, failure of which PCUL shall downgrade the particular policy or cancel it absolutely.
- 1.7 Where the actual value of the vehicle is found to be lower than that previously issued by the Insurer, then the difference realized will be appropriated by PCUL to offset the loan amount payable.
- 1.8 It shall be the sole responsibility of the Borrower to ensure that the valuation of the vehicle is done timeously and that PCUL shall bear no liability on any eventuality resulting from the Borrower’s failure to fulfil this obligation.
- 1.9 In the event of any default under clause 10, PCUL may cancel the policy, and terminate this Agreement within fourteen (14) calendar days after issuance of notice to cancel the policy.
- 1.10 To service the loan and settle it fully.
- 1.11 Where a claim arises, before the Borrower has fully serviced the loan, the Borrower undertakes to service the loan and settle it fully.
- 1.12 The termination of this Agreement shall not absolve the Borrower from liability to the PCUL for any outstanding amounts due on the account.
- 1.13 That the outstanding balance on this loan shall be payable by the Borrower on demand, with a penalty fee of 0.33% per day on the outstanding installment accruing from the date of demand if the Borrower makes default. PCUL shall be at liberty, upon making the formal demand to terminate the policy and to receive refundable premium (if any) from the Insurer. PCUL shall also be entitled to recover the outstanding balance (if any), interest and charges from the Borrower. A certificate/statement of PCUL as to the amount outstanding shall be binding and conclusive as against the Borrower.

- 1.14 Authorizes the insurer hereby to register PCUL's right to terminate the policy as well make any refund on the premium amount to PCUL as the financier. The Borrower shall ensure that the insurer complies with the aforesaid authorization. This obligation shall subsist until PCUL confirms in writing that the loan has been redeemed in full.
- 1.15 Appoints PCUL to be his attorney and in his name and on his behalf to execute and do any assurances, acts and things which the Borrower ought to execute and do under the policy including without limitation the power to terminate the policy.
- 1.16 Authorizes PCUL to execute, conduct any assurances, terminate the policy, to give receipt and discharge amount or any part received by the Borrower upon termination or settlement paid under the policy on his behalf. The Borrower further agrees that any premium or part of premium refunded or any settlement paid to PCUL will first be applied towards repaying the loan and the balance [if any) thereafter released to the Borrower.
- 1.17 To execute in favour of PCUL a legal assignment or mortgage or cede the policy upon request by PCUL at the Borrower's cost.
- 1.18 Confirms that no failure or delay by PCUL in exercising any right power or privilege under this Agreement shall operate as a waiver for the same nor shall any single or partial exercise of any right preclude any further exercise of the same or of any other right, power or privilege.
- 1.19 That the Borrower has the power to enter into this Agreement and that neither the execution nor performance of the Borrower's obligations hereunder will result in any breach of any law.
- 1.20 Commits to provide information that PCUL will find necessary for the purposes of this agreement.
- 1.21 Agrees that it shall be the sole responsibility of the Borrower to undertake a logbook transfer to himself/herself if need be and that PCUL shall bear no liability on any eventuality resulting from the borrower's failure to fulfil this obligation.
- 1.22 At his/her own expense provide and maintain in safe and efficient operating order his/her mobile phone handset, computer, SIM Card and/or other equipment ("Equipment") which when used together enables him/her to apply for the insurance premium finance facility ("Facility") from PCUL and pay the specified monthly instalments.
- 1.23 Shall be responsible for ensuring the proper performance of the Equipment. PCUL shall neither be responsible for any errors or failures caused by any malfunction of the Equipment, and nor shall PCUL be responsible for any computer virus, malicious code, program or related problems that may be associated with the use of the Equipment. Any charges due to any mobile money services provider, providing money transfer services for payment of the monthly installments shall be on his/her account.
 - a) Agrees that he/she shall be solely responsible for the safekeeping and proper use of the Equipment and for keeping his/her login credentials including PINs and passwords ("Credentials") secret and secure. PCUL shall not be liable for any disclosure of the Credentials to any third party and the Borrower hereby agrees to indemnify and hold PCUL harmless from any losses resulting from any such disclosure.
 - b) Shall take all reasonable precautions to detect any unauthorized use of the Equipment and immediately inform PCUL in the event that:
 - i) he/she has reason to believe that the Credentials have been compromised; and/or
 - ii) he/she has reason to believe that unauthorized or fraudulent use of the Equipment or the Facility account has or may have occurred or could occur;and
 - iii) he/she has reason to believe that fraud has or may have occurred or could occur.
 - c) The Borrower shall not at any time operate or use the Facility in any manner that may be prejudicial to PCUL.

2. Refund of Premiums and Claims:

- 2.1 In the event of a claim, the Borrower shall continue servicing the loan.
- 2.2 If the insurance cover is terminated, either by PCUL or the Borrower, PCUL will take possession of any refund of premiums either from the Insurer or the insurance broker (“Broker”) and apply such refund in the first instance in paying the balance of the loan then account for the surplus (if any) to the Borrower.
- 2.3 If the Borrower or the Broker acting on behalf of the borrower makes a claim in respect of the policy (ies) herein, then PCUL shall at any time before the loan has been repaid in full, take possession from the Insurer or of the proceeds for payment of the claim and apply it towards repayment of the balance of the loan together with any interest due and costs incurred and thereafter account to the Borrower in respect of any available surplus.
- 2.4 In the event of a total loss of the asset insured, PCUL shall receive the final settlement (discharge amount) and deduct any amounts due to PCUL including the full credit charge and/or late payment charges and thereafter account to the Borrower in respect of any available surplus.
- 2.5 The Borrower hereby authorizes the Broker to:
 - i) forward to PCUL the original policy(ies) herein held by it;
 - ii) instruct the Insurer referred herein to cancel the said policy(ies) and to remit to PCUL any part of the premium(s) payable thereunder refunded by the Insurer.
 - iii) inform PCUL of any claims pending under the said policy(ies), the progress and outcome of such claims and remit to it such portion of these claims as PCUL may require; and
 - iv) inform PCUL of the intention to cancel or avoid the said policy(ies) and to remit to PCUL any part of the premium(s) payable by the Insurer.

The authorization to the Broker in terms of this clause is irrevocable and shall to apply until the Broker receives a notification from PCUL that all sums due to it in respect of the policy have been paid in full.

3. Disclosure

The Borrower agrees and consents that PCUL may:

- 3.1 disclose information in its possession relating to this Agreement to its authorized agents for purposes of managing the Borrower’s account;
- 3.2 disclose any information in its possession of PCUL relating to this Agreement and the Borrower’s account to authorized third parties including but not limited to credit reference agencies pursuant to the laws of Uganda;
- 3.3 disclose any information relating to this Agreement including details of the Borrower to authorized third parties for the purpose of evaluating the applicant(s)’ creditworthiness or for any other lawful purpose;
- 3.4 obtain any information relating to the Borrower from any third party including licensed credit reference agencies for purposes of evaluating the Borrower’s application;
- 3.5 disclose any information in its possession relating to this application including account details of the Borrower to authorized parties or institutions under the laws of Uganda in compliance with its obligations and;
- 3.6 use the Borrower’s personal data to market PCUL’s products.

4. Communication:

- 4.1 Any notice from PCUL shall be sent to the last postal or email address provided by the Borrower. Any written communication from PCUL to the Borrower shall be deemed to have been received if delivered personally to the Borrower or sent by post to the address provided by the Borrower and be deemed to have been received if it was properly stamped and addressed.

4.2 PCUL shall not be liable for:

- i) damage resulting from losses, delays, or any other irregularities due to transmission of any communication whether to or from the Borrower, PCUL or any third party; and
- ii) the failure receipt of communication by the Borrower or unauthorized exposure of such communication to third parties where the Borrower fails to provide accurate details of their email and or postal address.

4.3 Any communication transmitted electronically shall be deemed to have been received upon delivery.

5. Joint and Several Liability:

Where there is more than one Borrower, they shall be jointly and severally liable for the payment of all dues payable under this Agreement.

6. Validity of Documents:

The Borrower shall ensure that all documents submitted to PCUL are authentic and valid.

7. No Waiver:

No relaxations, delays or indulgence on the part of PCUL in exercise of any of its rights under this Agreement shall operate as a waiver of such rights.

8. Governing Law and Jurisdiction

This Agreement shall be governed and construed in accordance with the laws of Uganda. Both Parties consent to the exclusive jurisdiction of the courts of Uganda.

9. Variation, Renewal and Termination of Relationship:

- 9.1 PCUL may upon notice to the Borrower and Insurer, terminate or vary its relationship with the Borrower and Insurer. PCUL may cancel advances which it has granted and require the repayment of outstanding debts resulting therefrom, upon issuance of a fourteen (14) days' notice.
- 9.2 Upon the expiry of any insurance cover, the Borrower shall within seven (7) days of such expiry deliver to PCUL the relevant renewal advice, failure of which PCUL shall renew such insurance through its insurance brokers at the Borrower's cost and further credit the Borrower's account with the amount paid by PCUL.

10. Specific events of Default

- 10.1 *Default will occur if:*
 - i) *the Borrower fails to remit one of any monthly installments on the due date;*
 - ii) *the Borrower uses the Facility for unauthorized or unlawful purposes or where PCUL detect any abuse/misuse breach, fraud or attempted fraud relating to the Facility.*
- 10.2 *the Borrower has an existing Logbook loan (LBL) facility and or USSD Credit Card facility running simultaneously with the IPF Facility and fails to remit one of any monthly installments on their due date for the IPF Facility. In the following circumstances, on the fifteenth (15th) day after the due date, a repayment shall be initiated by PCUL in the IPF Facility and the same amount added as fees to the LBL facility account or USSD Credit Card facility.*
- 10.3 *In addition to the other grounds of termination provided in this Agreement, PCUL may terminate this Agreement if:*
 - i) *PCUL is required to comply with an order or instruction of or a recommendation from the government, court, regulator or other competent authority; or*

- ii) *PCUL reasonably suspects or believes that the Borrower is in breach of the terms of this Agreement (including non-payment of any loan installment due from the Borrower where applicable) which he/she fails to remedy (if remediable) within seven (7) days after the service of notice by email, SMS or other electronic means requiring him/her to do so.*

11. Exclusion of Liability

11.1 PCUL shall not be responsible for any loss suffered by the Borrower should the Facility be unavailable or be delayed by reason of the failure of any of the Borrower's Equipment, or any other circumstances whatsoever not within PCUL's control including, without limitation, Force Majeure or error, interruption, system downtime, delay or non-availability of the PCUL's 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.

PCUL will not be liable for any losses or damages suffered by the Borrower;

i) *as a result of or in connection with:*

- a. *the Borrower's failure to give proper or complete instructions or information relating to the Facility;*
 - b. *any negligent act, fraud, recklessness, carelessness, default, misconduct or breach of the law or breach of the terms of this Agreement by the Borrower;*
 - c. *any fraudulent or illegal use of his/her Equipment; or*
 - d. *the Borrower's failure to comply with the terms of this Agreement and information provided by us concerning the Facility,*
- ii) *during the upgrade or downgrade of the insurance cover financed;*
- iii) *as a result of a change of usage or policy of the motor vehicle by the Borrower without prior written consent of PCUL;*
- iv) *as a result of the Borrower rescinding instructions that have already been transmitted to the Insurer by PCUL;*
- v) *as a result of suspension of the policy by PCUL and/or Insurer where the Borrower requests PCUL and/or the Insurer to suspend the policy, including any claim that arises immediately following the receipt of the request to suspend by PCUL and/or the Insurer;*
- vi) *as a consequence of prolonged investigations into the authenticity and validity of a claim or prolonged processing of a claim by the Insurer or the denial of a claim by the Insurer for whatever reason; and*
- vii) *as a result of the termination of the insurance policy either by the Insurer for whatever reason, the regulator or an order of the court.*

11.2 Under no circumstances shall PCUL be liable to the Borrower for any loss of profit or anticipated savings or for any indirect or consequential loss or damage of whatever kind, howsoever caused, arising out of or in connection with the Facility even where the possibility of such loss or damage is notified to PCUL.

11.3 All warranties and obligations implied by law are hereby excluded to the fullest extent permitted by law.

12. Indemnity

12.1 In consideration of PCUL complying with the Borrower's instructions or requests or offers in relation the Facility, the Borrower undertakes to indemnify PCUL and hold it harmless against any loss, charge, damage, expense, fee or claim which PCUL suffers or incurs or sustains thereby and the Borrower absolves PCUL from all liability for loss or damage which he/she may sustain from PCUL acting on the Borrower's instructions or requests or offers or information provided by him/her or in accordance with the terms of this Agreement.

12.2 The indemnity in clause 12.1 shall also cover the following:

- i) all demands, claims, actions, losses and damages of whatever nature which may be brought against PCUL or which it may suffer or incur arising from its acting or not acting on the information provided by the Borrower or arising from the malfunction or failure or unavailability of any hardware, software, or equipment, the

loss or destruction of any data, power failures, corruption of storage media, natural phenomena, riots, acts of vandalism, sabotage, terrorism, any other event beyond PCUL's control, interruption or distortion of communication links or arising from reliance on any person or any incorrect, illegible, incomplete or inaccurate information or data contained in the application received by PCUL;

ii) any loss or damage that may arise from the Borrower's use, misuse, abuse or possession of any third-party software, including without limitation, any operating system, browser software or any other software packages or programs;

iii) any unauthorized access to the Borrower's Equipment or any breach of security or any destruction or accessing of his/her data or any destruction or theft of or damage to any of the Equipment;

iv) any loss or damage occasioned by the failure by the Borrower to adhere to the terms of this Agreement and/or by supplying of incorrect information or loss or damage occasioned by the failure or unavailability of third party facilities or systems or the inability of a third party to process a transaction or any loss which may be incurred by PCUL as a consequence of any breach by the terms of this Agreement; and

v) any damages and costs payable by PCUL in respect of any claims against PCUL for recompense for loss where the particular circumstance is within the Borrower's control.

13. Data Protection Policy

13.1 It is hereby understood and agreed that the data herein has been directly obtained from the Customer who has provided this data to PCUL to facilitate the processing of the Revolving Credit Facility sought by the Customer.

13.2 It is hereby understood and agreed that by signing this Agreement the Customer:

(a) Shall provide personal data which is required for facilitating the processing of the Revolving Credit Facility, the establishing and maintenance of business and for the fulfilment of PCUL's contractual and legal obligation;

(b) Consents to PCUL processing the data as per its internal company policy and the Data Protection and Privacy Act, No. 24 of 2019 of the laws of Uganda ("Data Protection and Privacy Act");

(c) has given consent to PCUL to continue holding and processing the data provided even after all obligations under the Revolving Credit Facility has been settled for a variety of purposes including but not limited to cross selling, research, product development, analysis of market trends, operation of PCUL's regulations and procedures;

(d) Is at liberty to exercise its rights as a data subject and as is provided by the Data Protection Act;

(e) Consents to the use of their personal data from time to time by PCUL to market PCUL's products. The Customer may opt out of receiving marketing communication at any time within the duration of the Revolving Credit Facility by officially communicating to PCUL through the prescribed channels of communication.

13.3 PCUL undertakes to ensure the personal data provided by the Customer is processed in accordance with the Data Protection and Privacy Act.

13.4 For queries and more information on PCUL's data protection policy, the Customer may contact PCUL's data protection personnel at ***dpo@platinumcredit.co.ug***.

14. Binding and Dispute Resolution

14.1 This Agreement shall be binding upon execution by all the parties herein.

14.2 The Borrower may contact the Call Centre through ***0200300500*** to report any disputes, claims or complaints;

14.3 Any dispute arising out of or in connection with this agreement that is not resolved by Call Centre should be reported in writing through our email on ***info@platinumcredit.co.ug***.

14.4 This agreement shall be governed and construed in accordance with the laws of the Republic of Uganda.



Acceptance:

I/we have read and understood the terms of the Agreement governing the Insurance Premium Financing Facility offered by PCUL. I/we agree that the Facility shall be granted solely at the discretion of PCUL and shall indemnify PCUL at my/our cost against any loss or claim arising in relation to this Facility. I/we confirm that the above information is correct and true. I/we hereby accept the terms and conditions herein and will abide by them. I/we further confirm that I/we have received all the information pertaining to the Facility. I/we have independently verified the terms of the Agreement noted above and where necessary I/we have consulted other persons independent from PCUL's officials. I/we understand that PCUL reserves the right to decline this application without giving reasons.