

# Retail Products Terms & Conditions

# **Current Account Terms**

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## Important notice

### You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with *current account*, and *products*. **You must read it in conjunction with our Client Terms, *the tariff sheet*, the product brochure and any other documents forming our banking agreement included in your Welcome Pack.** To the extent of any inconsistency between these terms and our Client Terms, these terms prevail. These terms do not apply to any existing current/cheque account, you have with us to the extent that they are subject to separate terms and conditions.

### Key words

The meaning of key words printed *like* this and other words used in our banking agreement is explained in our Client Terms. Some additional key words which apply to the *products* referred to in these terms are explained at the end of these terms.

### How to contact us

To find out information (such as current fees or if you need us to explain features or terms) in connection with our *products*, you should contact us at one of our branches, by using phone banking +254-(0)20-3293900 or by visiting our website [www.sc.com/ke](http://www.sc.com/ke).

## **1. Choosing the account that is right for you**

We offer a variety of *current/cheque accounts*, designed to suit your personal banking needs. The particular types of *current/cheque accounts*, we offer are set out in the *product brochure*. If you need us to explain any of the features of, or the terms applying to, any *current/cheque account*, please contact us (see “How to contact us” at the front of these terms).

## **2. Current accounts**

*Current accounts* are accounts which may have a cheque facility and are based on the concept of “Qard and loan”.

### **Minimum age**

- 2.1 You must be at least 18 years old to apply for a *current account*.

### **Profit**

- 2.2 Profit is not payable on a *current account* unless specified in the *product brochure* for the particular type of *current account*.

### **Cheque books**

- 2.3 When you open a *current account* we may issue you with a cheque book. If we ask you to collect a cheque book from us and it is not collected within 90 days of request, we destroy it. You must keep cheque books secure (including keeping them in a safe place - please refer to the security procedures set out in the Client Terms).
- 2.4 If you need a new cheque book it can be ordered by either filling out the application form in the cheque book or by any other process we offer. We may refuse to issue a new cheque book.
- 2.5 When you receive your cheque book you should check that the account number and name are correct.
- 2.6 Fees and charges may apply to cheques including stop fees, dishonour fees and fees if a cheque is returned to us (see the *tariff* guide for more details of applicable fees and charges)

### **Writing cheques**

- 2.7 You or an *authorised person* must be careful when writing cheques to ensure the cheque cannot be altered without authorisation and to prevent fraud by forgery. For example, when writing cheques, you or an *authorised person* must:

- only use cheques in the form we have issued;
- write in non-erasable ink or ballpoint pen;
- write the words and figure of the amount as close as possible to each other and to the left-hand margin in order to prevent space for insertions;
- never pre-sign a blank cheque;
- if sending cheques by post, delete the words ‘or bearer’ (to make the cheque an ‘order’ cheque) and cross the cheque with two parallel lines;
- not alter the cheque (including deleting the words ‘or bearer’) unless confirmed by their full signature;
- not use correction fluid.

We may dishonour and return any cheque that is not completed in accordance with these procedures, postdated or out of date or otherwise not in a form acceptable to us.

If the words ‘or bearer’ are not deleted the cheque is a ‘bearer cheque’ and may be deposited by anyone holding the cheque.

You can protect yourself by crossing a cheque with two parallel lines as the cheque must then be paid into the payee’s account rather than ‘on demand’.

### **Fees & charges**

- 2.8 Fees and charges apply depending on the product and the nature of transaction (see the *tariff* guide for more details of applicable fees and charges).

### 3. Foreign currency

Deposits of foreign currency are generally made into a foreign currency *current/cheque* accounts.  
For more information, contact us at one of our branches or by using phone banking.

#### Minimum age

- 3.1 You must be at least 18 years old to apply to make a *foreign currency deposit*.

#### Deposit methods

- 3.2 We may accept and deposit (as agent for collection) foreign currency drafts or cheques for good value after clearance. We deduct from the proceeds our fees and charges (the details of which are available by contacting us at one of our branches or by using phone banking) and any fees and charges that may be imposed by third parties.

However, we may:

- refuse to accept for collection drafts or cheques drawn in favour of third parties or if the payee's name is not identical to your name in our records;

We return dishonoured cheques or drafts to your last notified address at your risk and *cost*.

#### Withdrawal methods

- 3.3 If you make a withdrawal of a *foreign currency* deposit and the withdrawal is denominated in:
- British Pounds or US Dollars, we may (but need not) make available to you the proceeds of your withdrawal on the same day as your withdrawal;
  - any other foreign currency, you must notify us of your intention to make the withdrawal at least two banking days before you make the withdrawal.
  - If you give us notice, proceeds of withdrawal may be available in foreign currency notes. You must pay any applicable fees. Details of fees are available by contacting us.

### Service Fee

- 3.4 We may charge Service Fee on a deposit or withdrawal made in cash, cheques, drafts, payment orders or other monetary instruments in the currency of the *account* for the *foreign currency deposit*. Please refer to the *tariff* sheet or elsewhere in our banking agreement for details or contact us if you require further information.

#### Foreign exchange controls

- 3.5 *Foreign currency deposits*, and all transactions in connection with them, are subject to any applicable exchange control laws.

#### Operation without verification of signature

- 3.6 For *foreign currency deposits* we may waive any requirement to verify your signature or the signature of an *authorised person*. If we do so, the account is called a "discretionary account".
- 3.7 For discretionary accounts, the following applies:
- a discretionary account can only be operated using your signature and a joint *account* may only be operated by the signatures of all account holders;
  - cheques and other instruments to be deposited into a joint *account* which is a discretionary account must be made in the name of all account holders;
  - withdrawals from a discretionary account can only be made by drafts crossed with "Account Payee only" or by telegraphic drafts in your name or the names of all joint account holders for a joint *account*.

#### Exchange risk

- 3.8 You acknowledge that:
- you are aware of the risk of exchange rate fluctuations and the effect that such fluctuations may have on the credit balances in an account;
  - adverse exchange rate movements could result in the credit balance being less than the amount you deposit.

## **4. Minimum balances**

- 4.1 Some *accounts* require you to maintain a minimum balance. For details on required minimum balances, see the *product brochure* and/or *tariff sheet* or contact us.
- 4.2 We may require you to maintain a minimum aggregate balance on your *current/cheque accounts*, *foreign currency deposits* and other accounts we specify where you are the primary accountholder (either solely or jointly). For details on required minimum aggregate balances, see the *tariff* guide or elsewhere in our banking agreement. Please contact us for further details.
- 4.3 If a minimum balance or a minimum aggregate balance applies to an *account* and the balance falls below the required minimum we:
- need not accept any instruction or allow any transaction on an *account* which would cause the balance to fall below the minimum balance;
  - need not pay profit on the relevant accounts;
  - may close the relevant *accounts*.

You must also pay any applicable fees (the details of which are available in our *tariff* guide by contacting us at one of our branches or by using phone banking).

## **5. Payments into accounts**

### **We may accept or refuse payment**

- 5.1 We may accept or refuse to accept any deposit whether in cash or by cheque or other instrument or set minimum or maximum amounts on deposits. We need not give any reason for doing so.
- 5.2 Any cheque or other instrument is received by us as agent for collection on your behalf.

### **Your responsibility**

- 5.3 You accept that any deposit through an *ATM* with the use of a *card* is at your risk and is subject to us verifying and processing. You must check that your instructions have been processed accurately. If you do not notify us within 3 working days of the time the transaction is processed, our records of the transaction are taken to be correct.
- 5.4 We are not responsible for funds given to any of

our employees or officers outside banking hours or outside our premises.

## **Foreign cheques or instruments**

- 5.5 If we agree to accept cheques or other instruments drawn on financial institutions located outside Kenya, you acknowledge that:
- clearance depends on the law and practice of the location of the financial institution;
  - we are not responsible for the value given by the financial instrument or any other loss incurred in connection with the cheque or instrument.

## **Receipts**

- 5.6 Receipt of a deposit is evidenced by our usual practice, depending on how you make the deposit. A person making a deposit should keep their copy of the receipt.
- 5.7 A deposit slip is only valid if endorsed by our machine print (if deposited at a self service machine) or by our stamp and signature of a bank officer (if deposited at a branch).
- 5.8 Any receipt we issue cannot be used as evidence of your title to a deposit.

## **Third party cheques**

- 5.9 If a cheque or other instrument is presented which is payable to a third party or it appears to belong or to have belonged to someone else (called a "third party cheque"), we may refuse to accept it for deposit or refuse to cash it. If we agree to accept or cash a third party cheque we may require you or an *authorised person* to comply with additional conditions.

## **Cheque collection box deposits**

- 5.10 You must not deposit cash or bearer cheques into the cheque collection boxes. If you make a deposit in this way, you do so at your own risk and we are not liable for any *loss* incurred as a result of your action.

## **Clearance of payments**

- 5.11 We do our best to process all cheques and other instruments within a reasonable period of time. However, if they are deposited after any cut off time we specify, they may not be processed until the following banking day. If they are deposited through an *ATM*, cheques may take up to two clear banking days to process. Clearance times may vary.

- 5.12 The proceeds of cheques and other payment instruments deposited, or funds transferred electronically cannot normally be withdrawn until cleared. If we allow withdrawal of the proceeds before clearance occurs, you must repay or we may debit that amount if the cheque, payment instrument or transfer is dishonoured.

### **Regular payments to an account**

- 5.13 If you ask, we may establish a regular payment arrangement to an *account*. We may cancel or stop the regular payment arrangement if:
- you instruct us to do so in writing; or
  - the *account* does not have sufficient funds to satisfy any regular payment; or
  - the payment arrangement no longer complies with the terms of the payment authority signed by you; or
  - required by law.

### **Dishonoured cheques**

- 5.14 We give you details of any cheque deposited into an account which is dishonoured as soon as practicable by bearer or post to your last known address.

## **6. Payments out of accounts**

### **Withdrawals**

- 6.1 You may withdraw your deposits only at the country where the deposits are located. However, we may from time to time allow withdrawals of deposits from your account to be made in other countries subject to conditions we may impose, and you agree that we may withdraw any such permission at any time without notice. You agree that such withdrawals are subject to market conditions and the laws and regulations governing the location of the product, and the location of the withdrawal.

### **Authority to debit and payment**

- 6.2 You authorise us to debit all cheques and other instruments drawn by you to a *current/cheque account*.
- 6.3 We may determine the order of priority for payment of cheques.

### **Third party withdrawals**

- 6.4 We may, but need not, accept instructions allowing third parties to withdraw from an *account*.

### **Stopping payment of cheques**

- 6.5 You or an *authorised person* may request us in writing to stop payment of a cheque drawn on a *current/cheque account* before it has been paid. However, the instruction is only effective if it:
- gives full details of the cheque; and
  - is received by the branch where the *current account* is maintained before the cheque is deposited for clearing. (See our Client Terms for how we deal with stopped payments.)

### **Direct debits or periodical payments from accounts**

- 6.6 If you ask, we can organise a direct debit or periodical payment arrangement from an account. You need to sign additional documents to authorise it.
- 6.7 We may cancel or stop any direct debit or periodical payment arrangement if:
- you instruct us to do so in writing; or
  - the payment arrangement no longer complies with the terms of the direct debit authority signed by you.

We may ask that you also notify the person to whom you have given the direct debit authority.

### **Telegraphic transfers**

- 6.8 You may ask us to effect telegraphic transfers for you. We need not agree to your request.
- 6.9 We may set a minimum amount or maximum amount for telegraphic transfers. For details of these amounts and the applicable fees and charges, please contact us or see our *tariff guide*.
- 6.10 If a telegraphic transfer is made in a currency other than the currency of the destination country, you may be required to pay multiple charges for the telegraphic transfer. For details of these charges, please contact us.
- 6.11 You consent to us disclosing any information in connection with the telegraphic transfer to the correspondent or intermediary bank.
- 6.12 If a telegraphic transfer cannot be completed, we are not required to refund the charges paid by you for the telegraphic transfer unless the failure to complete was solely and directly due to anything we do or do not do.

## **7. Dormant accounts**

### **What is a dormant account?**

- 7.1 If no withdrawal, deposit, fund transfer or use of *electronic banking services* other than direct debit or periodic payment arrangements is made for 12 months on a *current account* or such other period that we notify to you, we classify the *account* as dormant. We need not pay profit on a dormant account.

### **Fees for dormant accounts**

- 7.2 If the balance of a dormant *account*:
- falls below a minimum limit set out in the *tariff guide*, we may close the account and use any credit balance to pay the monthly service fee set out in the *tariff guide* or as notified by us; or
  - is above the minimum limit set out in the *tariff guide*, we may debit the monthly service fee set out in the *tariff guide* or as notified by us until the *account* is closed, unless prohibited by law.

## **8. Unclaimed Assets**

Any account that is not operated for a period of five years or more will be classified as an unclaimed asset and any funds in that account will be submitted to the authority in charge of unclaimed assets. The Bank will not be held liable for the account or be required to follow up with the authority for the remittance of the said funds back to you.

## **9. Closing accounts**

### **When we may close accounts**

- 9.1 We may close a *current account* at any time upon giving you at least seven (7) days notice. We need not give a reason for doing so. If we do so, we will pay you any credit balance in the *account* in the manner we determine.
- 9.2 We may at any time close an account that remains overdrawn without authorisation or with a nil account balance for 3 consecutive months (90 days) or any other valid reason without any notice. Any such overdrawn sums shall remain owing and recoverable from you.

## **Return of cheque books**

- 9.3 If a *current account* is closed, you must ensure that any unused cheque books are returned to us.

## **10. Meaning of words**

You also need to refer to our Client Terms which also define key words used in these terms. If a word defined in these terms is also defined in our Client Terms, the definition in these terms applies for the purposes of *current/cheque accounts*, *term deposits*, *foreign currency deposits* and *savings accounts*.

***current account*** means any account of the type referred to in clause 2.

***foreign currency deposit*** means any deposit of foreign currency described in clause 3.