



The (potential Borrower)

Accesses the Cash Advance USSD menu on his/her phone

- He/she sees the maximum amount he qualifies for/
- He/she applies for a cash advance of KES xx amount via the USSD menu.
- He/she indicates how (bank or MPESA) he/she wants to receive his/her cash advance and through which bank/MPESA number.
- The Borrower receives a notification message that his/her application will be processed within 48 hours.
- The Borrower gets a Cash Advance Offer which indicates the offer Cash Advance Amount, the upfront processing fee and the interest rate per day.
- Then the Borrower is requested to read and agree upon the following terms and conditions (which appear in the USSD menu of his/her phone) to the Cash Advance. Once he/she (electronically) agrees, Cash Advance Disbursement is set in motion.

Cash Advance Terms and Conditions

The **Parties involved** with this Cash Advance are:

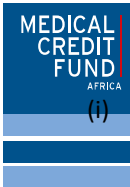
- STICHTING MEDICAL CREDIT FUND (hereinafter “Lender”), a foundation incorporated under the law of the Netherlands, having its registered seat in xxxxxxx
- The Borrower, a Healthcare facility or the Individual representing the Healthcare facility, who agrees with the offered Cash Advance amount and the processing fee and interest rate as stipulated in the Cash Advance Offer.

Regarding the **Cash Advance design**, the Borrower understands and consents that:

- Instalments on this Cash Advance will be in the form of deductions from Till revenues (Lipa Na MPESA and MTIBA revenues).
- He/she can if 33%, 50% or 66% of his/her Till revenues will be used for instalments and that he/she can adjust this percentage during the repayment period at his/her own discretion.
- He/she can do prepayments (additional instalments) at no costs in order to accelerate Cash Advance repayment.
- Borrower can request for New Cash Advance subject to repaying 1/3 (a third) of the existing, and that the new cash advance will setoff the existing/outstanding Cash advance fully
- he/she gives the Lender the right to have instalments deducted from his/her Till revenues. Therefore, the Borrower consents with a transfer of his/her Till to *253# and understands that his/her Till transactions are registered under *253#.
- An upfront processing fee will be charged. This fee will be added to the requested Cash Advance Amount and will make part of the total repayable Cash Advance Amount.
- A daily interest is charged to the outstanding Cash Advance Amount. Interest is calculated on a reducing outstanding balance basis.
- The proceeds of the Cash Advance shall be applied by the Borrower solely for the purpose of the Borrower’s general working capital and expenses related to the healthcare preparations of the Borrower.

The **security** for this Cash Advance shall be:

- Set-off against Till Revenues; where the Borrower has incurred any liability to the Lender, whether arising from or under this Agreement or otherwise, the Lender may, without notice to the Borrower, set-off the amount of such liability against any liability of the Lender to the Borrower arising from or under this Agreement, whether either such liability is liquidated or unliquidated, present or future, accrued or contingent.
- In the form of a Personal Guarantee; whereby the borrower is liable for the repayment of the Cash Advance plus Interest.



- (i) The Borrower personally guarantees the payment of all obligations of the Borrower to the Lender and agrees to bind him/herself to pay on demand any sum which may become due to the Lender by the Borrower whenever the Borrower shall fail to pay the same. This guaranty shall be a continuing and irrevocable guaranty and action may be taken against the Borrower for any non-payment without notice thereof.
- (ii) By signing this Agreement, the Borrower agrees to be personally liable for all charges incurred on the Borrower's account and further waives his/her rights to notice and hearing in any collection action seeking prejudgment remedy. In the event of a collection lawsuit Borrower agrees that post judgment interest will accrue on any judgment obtained.

It shall be an **event of default** if:

- The borrower fails to pay off the total repayable amount within 6 months from the date of disbursement.
- Deductions from the Till revenues plus any extra prepayment/instalment are below 16.7% (one sixth) of the initial total Cash Advance Amount during two consecutive months.
- The borrower fails to have a valid operating licence from the Ministry of Health.

In the **event of default**:

- the Lender has the right to increase the instalment percentage on Till revenues to 100%.
- Will all Cash Advance outstanding become due and payable immediately.
- An additional default interest rate per day will apply., counted from the day the Event of Default occurs.
- The Lender has the right to have the Borrower listed at a Credit Reference Bureau.
- The Lender has the right to request CarePay Ltd Kenya to exclude the Borrower from any of CarePay's benefit packages and services.

Withholding tax

The interest payable on Cash Advances is subject to withholding tax. With the acceptance of these Terms and Conditions, the Borrower expresses that he/she is aware of this tax obligation and that he/she commits him/herself to payment of these withholding taxes.

If the Borrower makes a Withholding Tax payment and the Lender:

- i. determines that a Tax Credit is attributable to that Withholding Tax payment; and
- ii. has so obtained, utilized and retained that Tax Credit,

The Lender shall pay an amount to the Borrower which the Lender determines will leave it (after that payment) in the same after-tax position as would have been the case had the Withholding Tax payment not been made by the Borrower.

The Lender has the sole and absolute discretion as to how it organizes its respective tax affairs and none of them are under any obligation to utilize any amount of the Withholding Tax payment as a Tax Credit.

The Lender has no obligation to disclose any information whatsoever regarding their tax affairs to the Borrower or to any other Party or to any other person.

Other conditions

- The Borrower hereby expressly consents and authorizes the Lender to disclose, respond, advise, exchange, and communicate the details or information pertaining to the Borrower's Cash Advance to financial institutions, credit card companies, credit reference bureaus, and payment and settlement platforms, including authorized agents, representatives, lawyers, or debt collection agents for the purpose of any bona fide enquiry or collection of any data or towards recovery of any sums due and outstanding at Lender. The Borrower acknowledges that any information released by the Lender may be used by the recipient to assess applications for credit by the Borrower or any related parties for debt tracing and for fraud prevention purposes.
- In connection with this application and/or maintaining a credit facility with the Lender, I authorise the Lender to carry out credit checks or obtain my credit information from, a credit reference bureau. In the event of the account going into default, I consent to my name, transaction and default details being forwarded to a credit reference bureau for listing. I acknowledge that this information may be used by banking institutions and other credit grantors in assessing applications for credit by me, associated

companies, and supplementary account holders and for occasional debt tracing and fraud prevention purposes.

- The Lender and its investors shall have the right to inspect the books of accounts, premises, and assets to appoint a representative to do so on its behalf.
- The Borrower hereby agrees that any other cost that the Lender may be required to incur in respect of preserving its rights under this agreement or over securities or recovering the Cash Advance herein.
- The Borrower shall conduct its operations in accordance with customary commercial practice, with due diligence and efficiency and under the supervision of qualified and experienced management. The Borrower shall repair, replace, and protect each of its assets so that its business can be conducted properly at all times.
- The Borrower shall (i) comply with, and shall conduct its business and operations, and maintain its assets, equipment, property, leaseholds, and other facilities in compliance with, the provisions of all applicable laws regarding the environment, health and safety and social performance, and (ii) maintain all required Consents relating to: (A) air emissions; (B) discharges to surface water or ground water; (C) noise emissions; (D) solid or liquid waste disposal; (E) the use, generation, storage, transportation, or disposal of toxic or hazardous substances or wastes; and (F) other environmental, health, or safety matters.
- The Borrower shall: (i) not use the Cash Advance for a project or investment that employs persons under the age of fifteen (15) for any form of labour or under the age of eighteen (18) for work involving hazardous labour activity, and (ii) comply with all applicable labour laws and regulations, including those related to the right of association, organization and collective bargaining, forced labour, child labour, wages, hours of work, and occupational health and safety. The Borrower shall not be responsible for any Workers Rights Non-Compliance resulting from the actions of a government.
- The Borrower shall not use the Cash Advance to (i) carry on propaganda, or otherwise attempt to influence legislation in Kenya or elsewhere, or (ii) participate in, or intervene in (including publishing or distributing of any statements), any political campaign on behalf of any political candidate for public office or attempt to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive in Kenya or elsewhere.
- The Borrower shall not engage in the production or trade in any product or activity deemed illegal under the laws or regulations in Kenya, or international conventions and agreements or subject to international phase-outs or bans such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, polychlorinated biphenyls and other hazardous substances, wildlife or wildlife products regulated under the Convention on International Trade and Endangered Species of Wild Fauna and Flora and trans-boundary trade in waste or waste products.

The borrower shall not get involved in the following **prohibited actions**:

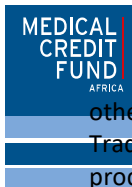
- Projects that involve conversion or degradation of **Critical Forest Areas**¹ or forest-related **Critical Natural Habitats**.²
- Projects involving the construction of dams that significantly and irreversibly: (a) disrupt natural ecosystems upstream or downstream of the dam; or (b) alter natural hydrology; or (c) inundate large land areas; or (d) impact biodiversity; or (e) displace large numbers of inhabitants (5,000 persons or more); or (f) impact local inhabitants' ability to earn a livelihood.
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements or subject to international phase-outs or bans such as pharmaceuticals,³ pesticides/herbicides⁴, ozone depleting substances⁵, polychlorinated biphenyls⁶ and

¹ A type of Natural Forest (defined as forest land and associated waterways where the ecosystem's biological communities are formed largely by native plant and animal species and where human activity has not essentially modified the area's primary ecological functions) that qualifies as Critical Natural Habitat. Critical Forest Areas include, but are not limited to, primary Forests (defined in footnote 17 below) and old growth Forests that may serve as critical carbon sinks.

² (1) Existing internationally recognized protected areas, areas initially recognized as protected by traditional local communities (e.g., sacred groves), and sites that maintain conditions vital to the viability of protected areas (as determined by the environmental assessment procedure); and (2) Sites identified on supplementary lists by authoritative sources identified by OPIC. Such sites may include areas recognized by traditional local communities (e.g., sacred groves), areas with known high suitability for biodiversity conservation and sites that are critical for vulnerable, migratory or endangered species. Listings are based on systematic evaluations of such factors as species richness, the degree of endemism, rarity, and vulnerability of component species, representativeness and the integrity of ecosystem processes.

³ A list of pharmaceutical products subject to phase-outs or bans is available at <http://www.who.int>

⁴ A list of pesticides and herbicides subject to phase-outs or bans is available at <http://www.pic.int>



other hazardous substances⁷, wildlife or wildlife products regulated under the Convention on International Trade and Endangered Species of Wild Fauna and Flora⁸ and trans-boundary trade in waste or waste products⁹.

- Projects that require resettlement of 5,000 or more persons.
- Projects in or impacting natural World Heritage Sites (http://www.unep-wcmc.org/protected_areas/world_heritage/index.htm) unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
- Projects in or impacting areas on the United Nations List of National Parks and Protected Areas (http://www.unep-wcmc.org/protected_areas/UN_list/index.htm) unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
- Extraction or infrastructure projects in or impacting: protected area Categories I, II, III, and IV (Strict Nature Reserve/Wilderness Areas and National Parks, Natural Monuments and Habitat/ Species Management Areas), as defined by the International Union for the Conservation of Nature (IUCN). Projects in IUCN Categories V (Protected Landscape/Seascape) and VI (Managed Resource Protected Area) must be consistent with IUCN management objectives http://www.unep-wcmc.org/protected_areas/categories/eng/index.htm unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
- Production of or trade in radioactive materials,¹⁰ including nuclear reactors and components thereof.
- Production of, trade in or use of un-bonded asbestos fibers.¹¹
- Marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine mesh net fishing, harmful to vulnerable and protected species in large numbers and damaging to biodiversity and habitats.
- Projects involving the use of forced labor¹² or harmful child labor.¹³

⁵ A list of the chemical compounds that react with and deplete stratospheric ozone together with target reduction and phase-out dates is available at <http://www.unep.org/ozone/montreal/>

⁶ Polychlorinated biphenyls are likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985.

⁷ A list of hazardous chemicals is available at <http://www.pic.int>

⁸ A list of CITES species is available at <http://www.cites.org>

⁹ As defined by the Basel Convention; see <http://www.basel.int>

¹⁰ This does not apply to the purchase of medical equipment, quality control (measurement) equipment, and any equipment for which OPIC considers the radioactive source to be trivial and adequately shielded.

¹¹ This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

¹² Forced labor means all work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, such as but not limited to indentured labor, bonded labor, or similar labor-contracting arrangements.

¹³ Child labor means the employment of children (persons below the age of 18) that is economically exploitative, or is likely to be hazardous to or interfere with the child's education, or be harmful to the child's health or physical, mental, spiritual, moral, or social development.