

KHETSI USERS' TERMS AND CONDITIONS

1. OUR AGREEMENT

These are the terms and conditions ("Conditions of Use") upon which You may use our Mobile Money Services (hereinafter, "the Services"). You must read them carefully before deciding to register for the Services. By registering for the Services that You confirm to have read, fully understood, and accept these Conditions of Use. Please note that these Conditions of Use become effective immediately upon Your registration for use of the Services. If You do not accept these Conditions of Use, You must not proceed to register for and/or use the Services.

2. DEFINITIONS

- 2.1 "Account" – means Your Mobile Money account, which is the record of Your E-Money maintained and administered by Us.
- 2.2 "Agent(s)" – means person(s) registered or authorised by LPB to provide the Services. The details of Agents may be obtained from the Customer Call Centre and LPB Branches.
- 2.3 "Agreement" – means these Conditions of Use and/or the Registration Form.
- 2.4 "Cash" – means Lesotho Loti and South African rand, being the lawful currencies in Lesotho.
- 2.5 "Cellphone" – means the mobile device used by You to access the Services.
- 2.6 "Credit Balance" – means the amount of E-Money in Your account.
- 2.7 "Debit" – means the transfer of E-Money out of Your Account.
- 2.8 "Debit Transaction" – means any transaction which results in a Debit of E-Money from Your Account as verified by Our Mobile Money system.
- 2.9 "Designated Payee" – means any person (including Yourself, another user, or an agent) who is designated by You, to be the recipient of E-Money from Your account.
- 2.10 "E-Money" – means the electronic money issued by LPB and representing a value equivalent to a user's cash entitlement held in trust by the Trustee Bank in the Trust Account.
- 2.11 "Identification (ID)" – means any document associated with the form of identification provided to Our satisfaction including Passport, National Identity Card, Driver's License etc.
- 2.12 "Mobile Money Services" – means the "LPB Money Transfer Services" to be offered by LPB, which will enable You to perform the Transactions specified under clause 6.1.

- 2.15 "PIN" – means Your Personal Identification Number being the secret code You choose to access Your Account and authorize transactions.
- 2.18 "SMS" means a short message service consisting of a text message transmitted from a system and/or one cellphone to another.
- 2.19 "Subscriber" – means any person who has activated Mobile Money Services.
- 2.2.21 "Trustee" means Lesotho PostBank which holds or may hold the aggregate of all sums equivalent to E-Money in Khetsi Users' accounts.
- 2.22 "Trust Account" means the bank account maintained by the Trustee (LPB) into which all payments for E-Money are made and held by the Trustee on behalf of Users.
- 2.23 "User" means every person that uses the Mobile Money Services, whether registered or unregistered.
- 2.24 "USSD" means the Unstructured Supplementary Service Data menu on Your cellphone that lists all the Services. This can be accessed by dialling *120*222# from Your Cellphone.
- 2.25 "We" or "us" or "our" means LPB.
- 2.26 "LPB" – means Lesotho PostBank Limited registration #I2004/163.
- 2.27 "You" or "Your" means the Customer and/or the user Mobile Money Services.

3. ACCEPTANCE OF THE TERMS AND CONDITIONS

- 3.1 Before applying to register for the services and have an account with Us, You should carefully read and understand these Terms and Conditions which will govern the use and operation of Your Account.
- 3.2 If you have a problem understanding these Terms and Conditions, or do not agree thereto, please contact any of the avenues listed under clause 9 below before registering for the Service.
- 3.3. You will be deemed to have read, understood and accepted to be bound by these Terms and Conditions by using or continuing to use and operate the Services.
- 3.4 By registering for the Service, you agree to comply with and be bound by these terms and conditions for the time being and as may be varied, revised, amended or substituted from time to time and such other conditions governing the operation of your Account and you affirm that these Terms and Conditions herein are without prejudice to any right that We may have with respect to the Account in law or otherwise.
- 3.5 These Terms and Conditions may be amended, revised and substituted or varied by Us

from time to time at Our sole discretion and the continued use of the Services constitutes Your agreement to be bound by the terms of any such amendment, revision, substitution and variation.

4. HOW TO OPEN AND REGISTER FOR AN ACCOUNT

4.1 Any Customer with an active simcard may register for a Mobile Money account through the USSD or Smart Phone App Menu and Visit any LPB branch where full Identification details (Know Your Customer (KYC)) shall be requested for upgrade to full KYC.

We reserve the right to verify the authenticity of the details provided in support of Your registration.

4.2. Registration

4.2.1 Registration for Entry Level (Tier 1); Visit the USSD or Smart Phone App menu and follow the registration prompt, input the required details in the fields provided, and follow the SMS prompt requesting you to enter the current PIN provide where you will be required to create your own new PIN.

4.2.2 Registration for Standard level (Tier 2): Select "Upgrade limits" service through USSD or Smart Phone App menu and select "level 2" then provide your correct identity number and submit the request. On successful submission your upgraded to tier 2.

4.2.3 Registration for Full KYC level (Tier 3): Follow the same steps under 4.3.2 but select "level 3" instead of 2 then you will be required to provide valid proof of income, proof of residence and identity to the nearest branch before activation to upper limit. LPB

4.3 After You have been successfully registered and an account created for You, you will receive a confirmation SMS on Your cellphone with default PINs. You can then activate Your account by following the instructions on Your USSD or Smart Phone App menu.

4.4 Once Your account has been activated, you will be required to create a PIN in terms of 4.3.1 above, which will entitle You to use the Services with immediate effect.

4.5 We reserve the right to request further information from you pertaining to your application for the Services at any time. Failure to provide such information within the time required by Us may result in Us declining to offer you the Services.

4. TRANSACTION FEES

4.1 You hereby agree to pay all fees payable in connection with your Use of the Services, which

you shall pay to Us, and We are entitled to deduct from your Account.

4.2 You will pay fees when You perform transactions. applicable fees can be obtained from authorised Agents, by calling the Customer Call Centre, visiting Your nearest LPB Branch or from our website at www.lpb.co.ls under the Mobile Money section which can be accessed from the home page.

4.3 Fees payable on each transaction will be deducted from Your Mobile Money Account on conclusion of each transaction and Your new balance on conclusion of the transaction shall be notified to You by SMS.

4.4 Fees include applicable taxes.

4.5 LPB may revise applicable fees from time to time. We will notify You of such change through any communication medium as we may determine prior to introducing the revised fees.

5. USING YOUR ACCOUNT

5.1 Transactions

5.1.1 You may use Your account to perform the following transactions from Your cellphone:

5.1.1.1 Purchase E-Money by making a payment in cash (cash-in) directly to an Agent in exchange for an equivalent amount of E-Money to be credited into Your account.

5.1.1.2 Exchange E-Money for cash (cash-out) from an Agent by sending a transfer instruction to our Mobile Money platform pursuant to which the agent will pay the equivalent amount of cash to You.

5.1.1.3 Send E-Money to a registered user;

5.1.1.4 Send E-Money to an unregistered user.

5.1.1.5 Buy prepaid airtime from Vodacom or Econet with E-Money.

5.1.1.6 Buy prepaid electricity with e-Money

5.1.1.7 Utility and Bill payments with E-Money

5.1.1.8 Pay School fees with E-Money

5.1.1.9 Open Micro-savings account with E-Money

5.1.1.10 Open Group savings account with E-Money on submission of mandated documents

5.1.1.11 Apply for Nano loan in a form of E-Money payable within the maximum period of one Month

5.1.2 We reserve the right to add or substitute other transactions and functionalities to the Services from time to time and We will notify You of such additions or substitution from time to time through such communication medium as We may determine.

5.1.3 All Debit Transactions from Your account will be effected by transfer instructions authorised with Your PIN or such other method we may

prescribe from time to time. You therefore acknowledge that, unless and until LPB receives notice from You that Your SIM card has been lost or stolen, LPB may rely on the use of the PIN as conclusive evidence that a Debit Transaction has been authorised by You, even if it is actually made without Your authority. LPB shall not require any written confirmation of any transaction instruction.

5.1.4 LPB may carry out identity and/or security checks when We receive Your transfer instructions, and We may refuse any transaction if we are not satisfied with the results of Our checks.

5.1.5 You will not be able to effect any transactions from Your account in the event that You do not have sufficient E-Money to meet the value of the transaction plus fees applicable thereto.

5.1.6 It is Your responsibility to ensure the correctness of the details of the designated payee and amounts which You intend to transfer before You effect a transaction. LPB shall not be liable for reimbursing You for E-Money sent to a wrong recipient by You nor will it be obliged to reverse any wrongful transaction.

5.1.7 We will confirm all Your successful transactions by sending You an SMS.

6.2 Transaction Limits:

6.2.1 You may not effect any transactions which, in aggregate, exceed the following prescribed limits:

a) Least KYC

Daily limit – M 2,500.00

Monthly limit – M 7,500.00

b) Practical KYC

Daily limit – M 5,000.00

Monthly – M 20,000.00

c) Full KYC

Daily limit – M 7,500.00

Monthly limit – M 30,000.00

The above regulatory limits may change from time to time and LPB will notify You of such change through such communication medium as We may determine.

6.2.2 Any transactions which exceed the prescribed transaction limits will not be processed.

6.3 Statements on Your account

6.3.1 You may obtain a balance on Your account using the “balance enquiry” function on Your

USSD or Smart Phone App Menu at no cost to You.

6.3.2 Please note that printed statements will not be provided to You unless there are extraordinary circumstances where in Our opinion render it necessary to provide such or where a request has been made by law enforcement agencies.

6.3.3 Any request for a full statement shall be sent/given to You using such other electronic means and format as may be compatible for Your access.

6.3.4 Save for any manifest errors, a statement issued to You in respect of Your Account shall be conclusive evidence of the transactions carried out on your Account for the period covered in the statement.

7. SECURITY MEASURES

7.1 You are at all times responsible for the safekeeping and proper use of Your Cellphone and PIN in relation to the Mobile Money services. As a measure to ensure the security of Your account, You will be given only 3 attempts to enter the correct PIN. If You enter the wrong PIN on Your third attempt, Your account will be blocked. To reactivate Your account, You will be required to call the Customer Call Centre and follow the verification process directed by the Customer Call Centre agent/consultant or visit the nearest branch with your identity document.

7.2 Only You may use Your Cellphone and PIN to access Your account and You will be responsible for all transactions made from Your account.

7.3 Do not disclose Your PIN to anyone, including but not limited to Your family members, employees of LPB (including Customer Call Centre and LPB Centre employees), agents etc.

7.4 We shall take all possible measures to ensure that at a minimum your information or Account is protected from all related cyber threats, and where We may detect any threats, We shall not be liable for suspension of the Services in order maintain security of the Services.

8. SUSPENSION AND DISCONNECTION OF THE SERVICES/CLOSURE OF ACCOUNT

8.1 We may restrict access to Your Account or terminate provision of the Service and/or suspend Your account without informing You and without any liability whatsoever (although, We will, where possible, try to inform You that such action is or may be taken) if:

8.1.1 We are aware or have reason to believe that Your Cellphone, PIN or SIM card is or are being used in an unauthorised, unlawful, improper or

fraudulent manner or for criminal activities (or has been so used previously);

8.1.2 You do not comply with any of the conditions relating to the use of the Services which have been communicated to You by Us, including these Conditions of Use;

8.1.3 You notify Us that Your Cellphone or SIM card has been lost or stolen or Your PIN has been disclosed to any other party;

8.1.4 You do anything (or allow anything to be done) with Your Cellphone which We think may damage or affect the operation or security of the Network or the Services;

8.1.5 Your Cellphone number is disconnected from your network.

8.1.6 We will close Your account where You have not provided any or all kyc certified copy or copies or a reliable certified documents per clause 3.3.2 above within 30 days after being notified to provide the document.

8.2 We will close Your account on receiving a written request from You to do so or upon receiving written notification about Your death.

8.3 We will not be responsible to You for any direct, indirect, consequential or special damages arising from any act or omission by us or any third party for whom we are responsible, whether arising in contract, or statute, if we close or suspend Your account in terms of this clause 7.

9. GETTING ASSISTANCE

9.1 You may call the Customer Call Centre on 80099920 or visit LPB/LPB Branches or Agents or visit Our website if You want to amongst others do any of the following:

9.1.1 receive information about Agents;

9.2 Mobile Money Services in Lesotho are regulated by the Central Bank of Lesotho. If You are not satisfied with the outcome of a complaint, You are welcome to approach the Central Bank with a request to intervene.

9.3 The contact details of the Central Bank are:

9.3.1 Telephone number: 2223 2000

9.3.2 Website: www.centralbank.org.ls

10. YOUR RESPONSIBILITIES

10.1 It is Your responsibility to ensure that the information You provide to LPB about Yourself is accurate. To this end, You undertake to LPB that any information You have provided to us is true and correct and that You will provide any additional information that we may require from time to time, failing which We will suspend Your account.

10.2 You will be responsible for payment of all applicable fees for any transaction effected using

Your Cellphone and SIM card whether these were made by You or someone else with or without Your authority or knowledge.

10.3 You must not use the Services to commit any offence(s).

10.4 In the event of damage to, loss or theft of phone & SIM, You are obliged to inform us immediately of such damage, loss or theft. We will then disable your account so as to prevent possible use of the Services until the matter has been sorted out or phone & SIM card has been replaced. A replacement fee will be applicable. To report a damaged, lost or stolen SIM card You can call the Customer Call Centre on the number 80099920 or visit the nearest LPB Branch.

10.5 You will be responsible for all fees and transactions effected up to the time of receipt by LPB of Your report of the damage to, loss or theft of Your SIM card.

10.6 You must comply with any instructions that LPB may issue from time to time about the use of the Mobile Money Services.

11. REFUNDS

11.1 We will refund Your transaction amount and fee or Your credit balance if:

11.1.1 You send E-Money to an unregistered user who does not redeem the E-Money within 7 days of completing the transaction and following Your request to cancel the transaction before the expiry of the 7 days.

11.1.2 You close Your account while You still have E-Money in it. A refund resulting from closing an account will be treated as a cash-out transaction and will attract fees applicable to cash-out transactions. Refunds resulting from closing an account will be paid in cash and can be made by any registered agent following receipt of a request from You to close the account.

11.1.3 You have been wrongly charged by LPB or where it is established that Your account was debited without proper transfer instructions authorised by means of Your PIN.

11.2 To cancel a transaction or query your account (for unauthorised transactions and erroneous charges) and request a refund of the transaction amount and fee or unauthorised transaction amount or erroneous charge as the case may be, You need to contact the Customer Call Centre or visit the nearest LPB Branch. We will process such request and will credit the refund to Your account once investigated.

11.3 In the event that Your account is closed as a result of Your death, the credit balance in Your account shall be paid over to a beneficiary stated in a beneficiary nomination letter or administrator

nominated in the letters of administration issued by the Master of the High Court.

11.4 We will endeavour to effect refunds as soon as possible from the date on which a claim for refund was made by You.

11.5 LPB does not have any obligation to cancel any transfer instructions and refund You in the event of any dispute with any designated payee. You are responsible for resolving any disputes arising with the designated payee without involving Us.

11.6 If You have E-money left in Your account which has not been accessed for more than 5 years, we will transfer the cash equivalent of that E-Money to the relevant authorities in Lesotho.

12. CHANGES

We reserve the right to change these conditions of use from time to time. We shall give You 21 days' notice of any proposed changes through such communication medium as We may determine, and You shall be deemed to have been notified of any such variations regardless that the same may not have actually come to your attention. After 21 days, the changes will be deemed to be fully effective. If You do not agree with the changes, You must terminate the Services, otherwise You shall be deemed to have accepted the changes.

13. EVENTS BEYOND OUR CONTROL

We may not be able to provide the services or perform our obligations as a result of events which are beyond our reasonable control including failure, malfunction or delay in banking channels and networks, Our networks, Your Cellphone or SIM card. LPB will not be responsible for any loss arising as a result of the occurrence of such events

14. YOUR PERSONAL INFORMATION

14.1 You hereby expressly consent and authorise that We may disclose and/or collect personal information or data relating to Your Account, details of Your use of the services or documents about You:

14.1.1 to and/from national and international law enforcement or any competent regulatory or governmental agencies to assist in the prevention, detection or prosecution of criminal activities or fraud, and for general enforcement of the law and order.

14.1.2 to Our legal advisors, financial advisors, or auditors, or to a court of law in connection with any legal or other proceedings.

14.1.3 to Our affiliates or suppliers who will further process Your personal information and sell products and services to You within the confines of the governing privacy laws.

14.1.4 for reasonable commercial purposes connected to Your use of the Service including Our legitimate interest such as marketing and analysing data (research) for purposes of tailoring the Services to Your needs.

14.1.5 to a Credit Bureau subject to the respective laws

14.2 You agree that all of Your information, including personal information and Your transactions will be recorded and centred for record keeping purposes for 10 years from the date on which Your Account is closed.

14.3 You consent that all communication and transactions may be monitored or recorded by Us in accordance with the laws of Lesotho, for use in business practices, prevention of unauthorised use of Our telecommunications systems, the Mobile Money System, and in respect of the detection and prevention of crime.

15. LIABILITY AND EXCLUSIONS

15.1 In the event that we are compelled to change or reassign Your telecommunications numbering to meet regulatory requirements or for any other reason.

15.2 We make no representations and give no warranties of whatsoever nature to and in favour of You, whether express or implied in respect of the Services.

15.3 All Agents are no more than independent third parties authorised by LPB or an approved Mobile Money Super-Agent to provide the Services and no partnership exists between LPB and the Agents. We accordingly bear no responsibility or liability for any default or negligence on the part of the Agents in providing the Services.

15.4 We will use commercially reasonable efforts to ensure that the Service is secure and cannot be accessed by unauthorised third parties. We shall not be liable for any loss which You suffer unless it is directly caused by our being grossly negligent. Our liability for such acts will be limited to the amount of the loss that an ordinary person in Your position would have suffered. For the avoidance of doubt, any such liability shall exclude liability for indirect, punitive, special and/or consequential losses and/or damages.

16. NOTICES

16.1 We are entitled to send information to You via SMS to the contact Mobile number which you have used to register for the Services.

16.2 Where We have utilised an SMS to notify you of any Services related issue, You will be deemed to have received it within such time that You will be expected to have noticed it.

16.2 You should send any legal notice to us at our chosen address: Lesotho PostBank, Mafike House, Kingsway Road, Private Bag A121, LPB, Maseru 100

17. GENERAL

17.1 You are liable to pay all our expenses for recovering any amounts You owe us including legal fees, collection fees and tracing fees.

17.2 You must notify us immediately of any change of Your personal details that You registered with as soon as You have made such changes to Your personal details.

17.3 All copyright, trademarks and other intellectual property rights used as part of the Services or contained in our documents are owned by LPB or its licensors. You agree that You acquire no rights thereto.

17.4 This Agreement may not be assigned to any other person.

17.5 No failure or delay by either of us in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.

17.6 The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

17.7 If any provision of these Conditions of Use shall be found by a court of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions and all provisions not so

affected by such invalidity or unenforceability shall remain in full force and effect.

17.8 Although LPB will try to ensure that You are able to make full use of the Network to access Mobile Money Services within Our coverage areas, We do not guarantee that the Mobile Money Services will be available at all times. LPB will not be responsible or liable for any loss whatsoever or howsoever arising as a consequence of any non-availability of the Mobile Money Services.

17.9 We will not pay interest on E-Money held in Your account unless determined otherwise by the Central Bank pursuant to the governing laws

17.10 You will be responsible for all roaming charges should you access the Services while you roam.

17.11 We may vary or amend at any time and without notice to You these Terms and Conditions and the Transaction Fees. Any such Variations or amendments may be published in posters, brochures, or pamphlets available at the LPB Branches, Agents or on Our Website or by any other means determined by Us and any such variations and amendments shall take effect immediately upon publication provided the 21 days' notice timelines for publication of the variations and Terms and Conditions will have been adhered to by Us.

18. DISPUTE SETTLEMENT AND GOVERNING LAW

18.1 This agreement is governed by the laws of Lesotho.

18.1.1 Any dispute arising out of provision of the Services shall be resolved amicably by You and Us subject to the Customer Complaints and Queries Process.

18.1.2 Any disputes arising out of this agreement, and which cannot be settled amicably by You and Us will be submitted to litigation in any court of competent jurisdiction.