

TERMS AND CONDITIONS FOR THE USE OF THE KANAKO CARD AND ACCOUNT

1. DEFINITIONS

- 1.1. "ATM" means an automated teller machine;
- 1.2. "Bank" means Finbond Mutual Bank, regulated by and registered with the South African Reserve Bank (SARB Reg. No.: 01102), and an authorised financial services provider (FSP 44907);
- 1.3. "Biometrics" means a Cardholder's fingerprint(s) captured during registration which is used as a security and authentication measure in respect of Card Transactions requiring biometric authentication or verification;
- 1.4. "Cardholder" / "you" / "your" means a person in whose name a Kanako Account has been opened and to whom a Kanako Card has been issued;
- 1.5. "Card Transaction" includes, but is not limited to, any Kanako Account-based transaction made using a Kanako Card and PIN or Biometrics for the purposes of paying for any goods or services at a POS Device, withdrawing cash, doing an electronic funds transfer or transacting using any other channel;
- 1.6. "Call Centre" means the call centre operated by Kanako. **The number of the Call Centre is 0860 767 012;**
- 1.7. "Claimant" means the person that is legally entitled to claim the benefit of the free insurance cover payable upon your death, in accordance with clause 12;
- 1.8. "Complaint" means a Cardholder complaint denying that he/she entered into a particular Card Transaction, or otherwise disputing the validity of a Card Transaction;
- 1.9. "Disclosures" means the disclosures required in terms of the Financial Advisory and Intermediary Services Act, 2002, attached as Annexure A;
- 1.10. "Kanako" means the Kanako Card programme, with banking services rendered by the Bank;
- 1.11. "Kanako Account" means the savings account opened by the Bank and held in the name of the Cardholder, for the purposes set out in these Terms and Conditions;
- 1.12. "Kanako Card" means a MasterCard-branded debit card issued by the Bank to a Cardholder, with the Kanako logo and which is linked to the Cardholder's Kanako Account;
- 1.13. "Kanako Card Transaction Fees" means the fees charged for every Card Transaction performed, and all other fees and charges relating to your Kanako Account listed in the Pricing Guide as set out in clause 15.9;
- 1.14. "FICA" means the Financial Intelligence Centre Act, 2001;
- 1.15. "Limits" means both local ATM and POS Card Transaction limits;
- 1.16. "Merchant" means a supplier of goods and services, and includes an ATM owner;
- 1.17. "Moneyline" means Moneyline Financial Services (Pty) Ltd, a private company duly incorporated in South Africa (registration number: 1998/020799/07) and a registered credit provider (NCR number: NCRCP 633);
- 1.18. "PIN" means the personal identification number chosen by a Cardholder and which is used as a security and authentication measure in respect of Card Transactions requiring a PIN;
- 1.19. "POS Device" means a device enabled to accept Kanako Cards for the purposes of payment for goods and/or services;
- 1.20. "Terms and Conditions" means this document and all annexures to it, including the Disclosures and the Kanako Card Transaction Fees as may be amended from time to time;
- 1.21. "we" / "us" / "our" means the Bank and Moneyline and their authorised agents.

2. INTRODUCTION

- 2.1. Your use of the Kanako Account and the Kanako Card is subject to these Terms and Conditions.
- 2.2. These Terms and Conditions, together with the information you provided and confirmed using Biometrics during registration, constitute a binding agreement between you and us.
- 2.3. **There are clauses in these Terms and Conditions that require your careful consideration. To assist you, those terms where you are required to assume a risk, limit any of your rights, acknowledge any facts or which indemnify or limit/exclude our liability, appear in bold font below. You acknowledge that you have read and understand the importance of all of the provisions in these Terms and Conditions, including without limitation, the clauses in bold font. Nothing in these Terms and Conditions is intended to unlawfully restrict, limit or avoid any rights or obligations created in terms of the Consumer Protection Act, 2008.**
- 2.4. **By using your Kanako Card you shall be deemed to have accepted these Terms and Conditions.**

3. KANAKO CARD

- 3.1. **The Kanako Card will remain the property of the Bank. We will be entitled, at any time and in our sole and absolute discretion, to:**
 - 3.1.1. **require you to return the Kanako Card; or**
 - 3.1.2. **cancel or suspend your use of the Kanako Card, and we will not be liable for any damages or loss suffered by you as a result.**
- 3.2. The Kanako Card is valid from the date of issue until the expiry date reflected on the Kanako Card. On the expiry date, you will be issued with a new Kanako Card, subject to the Terms and Conditions of this Agreement. You will be required to collect your new Card from a Net1 Financial Services branch.
- 3.3. When you receive the Kanako Card you must immediately sign the signature panel on the back with a pen.
- 3.4. You are the only person who may use the Kanako Card. You may not transfer the Kanako Card or authorise any other person to use the Kanako Card.
- 3.5. The Kanako card will not support debit orders and or Electronic Fund Transfers of any nature and entering into debit order consent forms will not enable these functions.

4. LIABILITY AND INDEMNITY

- 4.1. You must inform us if your Kanako Card has been lost or stolen or if someone else knows your PIN. As soon as you do, we will take immediate steps to prevent it from being used to access your Kanako Account.
 - 4.1.1. **You agree that you are liable for all amounts debited to your Kanako Account including amounts debited as a result of any unauthorised and/or illegal access to your Kanako Account by third parties, made before you informed us of such unauthorised and/or illegal access.**
 - 4.1.2. **You may also be liable for any losses if you act negligently, without reasonable care or in breach of these Terms and Conditions and this has caused or contributed to losses, whether you informed us or not.**
 - 4.1.3. If you act fraudulently you will be liable for all losses.
- 4.2. You undertake –
 - 4.2.1. to use your Kanako Account and Kanako Card in accordance with the provisions of these Terms and Conditions;

- 4.2.2. not to perform Card Transactions that, together with the Card Transaction fees, will exceed the available credit balance in your Kanako Account;
 - 4.2.3. not to perform Card Transactions that exceed the Card Transaction Limits that are applicable to your Kanako Account;
 - 4.2.4. to comply, at all times, with all applicable law, including but not limited to FICA, when using the Kanako Card; and
 - 4.2.5. not to use your Kanako Account or Kanako Card for any unlawful purpose whatsoever.
- 4.3. **Other than as a result of our reckless conduct, under no circumstances will we be liable to you for any loss or damages however they may be caused, including as a result of the Bank refusing to authorise or blocking any Card Transaction on your Kanako Account, or blocking your Kanako Account and/or Kanako Card, or the failure, malfunction or delay of any computer systems (hardware and software), electronic devices including POS Devices, mobile devices or networks required to access your Kanako Account and/or use your Kanako Card.**
 - 4.4. **We will not be liable to you under any circumstances for consequential, indirect, special, punitive or incidental damages.**
 - 4.5. It will, at all times, be your responsibility to check that when using your Kanako Account and/or Kanako Card all your Card Transactions are accurate and complete.
 - 4.6. **You indemnify us (i.e. hold us harmless) against all claims, damages and losses we may suffer as a result of your use of the Kanako Account and/or Kanako Card.**
 - 4.7. **If you dispute or disagree with any Card Transaction, you must make a Complaint within 3 (three) months of the Card Transaction. If you do not do so, you will be deemed to have waived any right, for repayment or otherwise, which you may have against us in respect of such Card Transaction, despite the circumstances of the Card Transaction.**
 - 4.8. You will be liable for all amounts owing in terms of these Terms and Conditions, including without limitation, in respect of the Kanako Card Transaction Fees.
 - 4.9. **As security for your obligations set out in paragraph 4.8 above, the money in your Kanako Account and all rights that you may have against us to claim payment of those monies will be subject to a first, perfected, and prior lien, security interest, and right of set-off in our favour and your rights are ceded in security in our favour as continuing, covering security for the payment in full of any amounts you may owe us whether in terms of these Terms and Conditions or otherwise.**
 - 4.10. We may without notice to you, set-off any of your obligations to make payment to us under these Terms and Conditions against our liability to you in respect of any credit balance in your Kanako Account. All amounts owing (or any part thereof) will be debited from the credit balance in your Kanako Account and paid to Moneyline. If you have insufficient funds standing to the credit of your Kanako Account, you will remain liable to us for any unpaid balance of the amounts owing which were not recovered from your Kanako Account.

5. COMPLAINTS

- 5.1. You should report Complaints to the Call Centre. All Complaints will be dealt with in accordance with applicable law.
- 5.2. If we do not resolve your Complaint or if you are not satisfied with the outcome, you may contact the Ombudsman for Banking Services:
Physical address: 34 & 36 Fricker Road, Ground Floor, 34 Fricker Road, Illovo, Johannesburg, South Africa. Telephone number: 011 712 1800 / 0860 800 900. WhatsApp number: 066 473 0157. E-mail address: info@obssa.co.za.
- 5.3. Any dispute between you and a Merchant will not affect our rights and obligations including, without limitation:
 - 5.3.1. our right to receive payment from you for Kanako Card Transaction Fees; and
 - 5.3.2. the Bank's obligation to effect payments to Merchants and debit your Kanako Account for such payments.

6. CONSENTS AND DISCLOSURES

- 6.1. You consent to us –
 - 6.1.1. carrying out identity and fraud prevention checks on you, and, in this regard, to collect information about you from third parties;
 - 6.1.2. collecting, processing, retaining, storing, distributing and using your personal information, including your special personal information as defined in the Protection of Personal Information Act, 2014 ("POPI"), to render the banking services set out in these Terms and Conditions, to further our legitimate business purposes, and to send marketing material from us and our affiliates to you, if you elected to receive marketing materials during registration;
 - 6.1.3. providing your personal information to our successors in title, third party service providers, subsidiaries and affiliates or their successors in title for the express purpose of providing you with the banking services referred to in these Terms and Conditions, to further our legitimate business purposes, and to send marketing material and in this regard you also consent to us as well as the aforementioned parties storing and processing your personal information.
- 6.2. You should familiarise yourself with what the terms "process", "personal information" and "special personal information" mean, as these terms are set out in POPI.
- 6.3. We shall be entitled to disclose your personal information where we are legally compelled to do so, or otherwise permitted to do so under applicable law.

7. FOREIGN TRANSACTIONS

Your Kanako Card may only be used for transactions within the borders of South Africa.

8. FICA DOCUMENTATION

- 8.1. If we inform you telephonically that we require proper and legible FICA documentation, i.e. a valid South African identity document and/or valid proof of residence, you need to go to your nearest Net1 Financial Services branch with the required documentation within 3 (three) working days of the request.
- 8.2. We have the right to suspend your Kanako Account if you fail to provide us with the requested FICA documentation within 3 (three) working days of the request.

9. MONTHLY ACCOUNT STATEMENTS

- 9.1. You can view your Kanako Account balance by dialing *120*2274# on your mobile phone.
- 9.2. You can request the Kanako Call Centre to email or fax your Kanako Account statement to you by contacting the Kanako Call Centre.
- 9.3. You can request that your Kanako Account statement be printed at any Net1 Financial Services branch.

10. ADDRESS AND PARTICULARS

- 10.1. Your physical address provided to us, is the address which you choose where any documentation, notice or process of court may be delivered or served on you.
- 10.2. You must promptly advise us in writing of any change to your personal information. If you change your residential address or other information, you may be required to provide us with documentary proof before we will accept the changes.

11. SUSPENSION, CLOSURE AND TERMINATION OF KANAKO ACCOUNT

- 11.1. If you do not transact on your Kanako Account for 3 (three) months in a row, your account will be regarded as **inactive**, and we will be entitled, but not obliged, to suspend your Kanako Account and Kanako Card. We will be entitled, but not obliged, to close your Kanako Account 1 (one) month after such suspension.
- 11.2. If you suspect that your Kanako Account, Kanako Card or PIN has been compromised in any way, you must contact the Kanako Call Centre. Your Kanako Account and Kanako Card will be suspended immediately. You can go to any Net1 Financial Services branch to re-activate your Kanako Account and Kanako Card.
- 11.3. If we suspect that your Kanako Account, Kanako Card or PIN has been compromised in any way, we may suspend your Kanako Account and Kanako Card and inform you telephonically within a reasonable time of the suspension. You can go to any Net1 Financial Services branch to re-activate your Kanako Account and Kanako Card.
- 11.4. You may close your Kanako Account at any time at any Net1 Financial Services branch. Any money in your Kanako Account at the time of closure will be transferred into a bank account nominated by you. We cannot perform cash pay-outs at the branches.
- 11.5. **We may, in our sole discretion and at any time, suspend or terminate your use of your Kanako Account and Kanako Card without any liability to you whatsoever. If we terminate your right to use the Kanako Card it must be returned to us immediately or destroyed.**
- 11.6. The termination of a Kanako Account by you or us will not affect:
 - 11.6.1. any Card Transaction undertaken before the effective date of termination; or
 - 11.6.2. the liability of any party in respect of things done or not done before the effective date of termination, and the provisions of these Terms and Conditions will continue in full force and effect.
- 11.7. **When your Kanako Account is closed in terms of these Terms and Conditions, we will charge you the Account Closure Fee set out in the Pricing Guide.**

12. COMMUTER INSURANCE

- 12.1. Provided that you are up to date with the latest payment of your Monthly Account Fees as set out in the Pricing Guide you will be entitled to free commuter cover. **If you have not paid your Monthly Account Fee in any given month you will not be entitled to any commuter cover.**
- 12.2. In the event of your death due to a road accident (a sudden unexpected accident or series of accidents resulting from the same cause, occurring at a specific place and time within the borders of the Republic of South Africa, involving you as driver or passenger in a vehicle or as a rider of a bicycle or as a pedestrian being struck by a vehicle of any type), provided you have not breached these Terms and Conditions, and are up to date with the latest payment of your Monthly Account Fees an amount of R2,500 (**"the Benefit"**) will be paid to your nominated beneficiary (**"the Claimant"**).
- 12.3. Payment of the Benefit will be further subject to the Claimant notifying The Smart Life Insurance Company Ltd (**"Smart Life"**) of your death and claiming the Benefit within 3 (three) months of your death. It will be your responsibility to ensure that any potential Claimant is aware of the insurance cover and the requirement to notify Smart Life of your death and to make a claim.

- 12.4. The Claimant will be regarded as having made a claim once the Claimant has provided Smart Life with all the documents Smart Life requires to verify the right of the Claimant to make the claim (including without limitation, a death certificate) and payment verification details, such as the Claimant's identity document and confirmation of banking details.

13. MINORS

- 13.1. Should you be younger than 18 years of age you represent and warrant that you –
 - 13.1.1. have obtained your guardian's consent to enter into these Terms and Conditions and open a Kanako Account; or
 - 13.1.2. are an emancipated minor; and
 - 13.1.3. that you are older than 16 years of age.
- 13.2. To the extent that you have entered into these Terms and Conditions in your capacity as a guardian for a minor child you:
 - 13.2.1. represent and warrant that you have consented to the minor child entering into these Terms and Conditions; and
 - 13.2.2. bind yourself jointly and severally as a surety for, and co-principal debtor *in solidum* with the Cardholder (being the minor child) in respect of all and any amounts which are now, or may become owing by the Cardholder(s) to us.

14. WAIVERS

Any indulgence, leniency or extension of time which we may grant to you will not, in any way, prejudice us or preclude us from exercising any of our rights in the future.

15. GENERAL

- 15.1. If there is a difference between your records and ours, our records will be regarded as being correct, unless you are able to prove otherwise.
- 15.2. We will store, process and transmit cardholder data securely and in accordance with MasterCard and Payment Card Industry Standards.
- 15.3. We may amend these Terms and Conditions at any time. Publication of such amendments by any means we choose will constitute valid notice of the amendment to you and such amendments will be effective immediately, or as otherwise stated in the notice. **However, if you do not agree with the amendments then you must notify us that you wish to close your Kanako Account. If you do not notify us that you wish to close your Kanako Account, then you will be deemed to have accepted the amendments to the Terms and Conditions.**
- 15.4. You may not amend or vary these Terms and Conditions at all.
- 15.5. Should any clause in these Terms and Conditions become illegal, invalid or unenforceable in any respect, the remaining clauses will not be affected and will continue to be valid.
- 15.6. These Terms and Conditions are governed by, and interpreted according to, the laws of the Republic of South Africa and all disputes, actions and other related matters will be determined in accordance with South African law.
- 15.7. **You consent to the jurisdiction of the Magistrates Court despite the amount in dispute. In the event that we take legal action against you, you agree to pay our legal costs on an attorney and own-client scale as well as tracing agent charges and collection fees.**
- 15.8. You may not cede or assign or otherwise make over or dispose of any of your rights or obligations in terms of these Terms and Conditions.
- 15.9. **All fees and charges relating to your Kanako Account are set out in the Pricing Guide, which you will find in the Kanako brochure, and on the Kanako website at <https://www.kanakocard.co.za/index/fees>. The fees and charges are subject to change.**

ANNEXURE A

DISCLOSURES IN TERMS OF THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 ("FAIS ACT")

PARTICULARS OF FINANCIAL SERVICES PROVIDER

Moneyline Financial Services (Pty) Ltd ("**Moneyline**") is an authorised financial services provider ("**FSP**") in terms of the FAIS Act. Moneyline receives variable commissions and other fees in respect of the intermediary services that it renders.

Registered Name: Moneyline Financial Services (Pty) Ltd
Trading Name: Moneyline Financial Services
Legal Status: Private Company
FSP Number: 46068
Registration Number: 1998/020799/07
Physical Address: 3rd Floor, President Place, Corner Jan Smuts Avenue & Bolton Road, Rosebank, 2196
Postal Address: P.O. Box 2424, Parklands, 2121
Telephone Number: 086 099 4162
Fax: 086 606 2132
Website: www.net1.com
Compliance Department
Telephone Number: 011 343 2000
E-mail Address: faiscompliance@net1.com

Moneyline carries professional indemnity insurance cover and accepts responsibility for the actions of its authorised representatives.

Moneyline is authorised to render the following intermediary services:

- 1) Long-term deposits (exceeding 12 months)
- 2) Short-term deposits (12 months or less)

PARTICULARS OF PRODUCT SUPPLIER

The Kanako card programme is brought to you by Moneyline Financial Services (Pty) Ltd, a subsidiary of Net1 Applied Technologies South Africa (Pty) Ltd, with banking services provided by Finbond Mutual Bank, registered in terms of the Banks Act, 1990 and an authorised FSP.

Registered Name: Finbond Mutual Bank
Trading Name: Finbond Mutual Bank
Physical Address: Rigel Office Park, 446 Rigel Ave (South), Erasmusrand, Pretoria, 0181
Postal Address: P.O. Box 2127, Brooklyn Square, 0075
Telephone Number: 012 460 7288
Fax: 012 460 7285
Website: www.finbondmutualbank.co.za
Compliance Department: compliance@finbond.co.za

Please note that the provider has established a Conflict of Interest Management policy which requires your financial advisor to disclose any actual or potential conflict of interest to you. A copy of the Conflict of Interest Management Policy is available to the client at this office during office hours each day. The holding company of Moneyline directly holds 31.47% of the product supplier's shares.

COMPLAINTS RESOLUTION PROCESS

Should you have any FAIS-related complaint, lodge your complaint in writing via post or fax to Moneyline (see details above).

Should you be dissatisfied with Moneyline's response to your complaint, you can contact the FAIS Ombudsman or the Ombudsman for Banking Services within 6 (six) months from receiving the response:

FAIS Ombudsman:
Postal Address: P.O. Box 74571, Lynnwood Ridge, Pretoria, 0040
Telephone: 012 762 5000
E-mail Address: info@faisombud.co.za
Website: www.faisombud.co.za

Ombudsman for Banking Services:

Physical Address: 34 & 36 Fricker Road, Ground Floor, 34 Fricker Road, Illovo, 2041
Telephone: 0860 800 900 / 011 712 1800