



# CARDHOLDER TERMS AND CONDITIONS OF USE

Date last amended: 13-02-2020

## 1. ACCEPTANCE

- The FNBZ Bank Card is issued by First National Bank Zambia Limited ("us", "we", "FNBZ"), a company with limited liability duly incorporated in accordance with the Companies Act of the laws of the Republic of Zambia, duly licenced and carrying on business as a commercial bank, and its successors in title.
- These Terms and Conditions constitute an agreement between you and us ("The Parties") and govern both Parties' rights and obligations once in relation to your Bank card
- By using your Bank Card, you acknowledge that you have read, understood and agree to be bound by these Terms and Conditions and further consent to us sharing certain of your personal information with our Affiliates, in the ordinary course of our business.

## 2. DEFINITIONS

- **"Agreement"** means this agreement as amended and published by the Bank from time to time.
- **"Card"** means any appropriate VISA Card and any renewals or replacements issued by the Bank and usually embossed in the name of cardholder.
- **"Cardholder"** means the primary cardholder and each person, as the case may be, nominated by the primary cardholder as an authorised user ("authorised user");
- **"Indebtedness"** means the purchase price of goods, services and/or other facilities, the total value of cash advances, service or transaction fees and on other amounts in respect of which the card is used together with interest.
- **"Primarily Cardholder"** means the person in whose names First National Bank Zambia Limited ("the Bank") has opened an appropriate card account ("account") The Cardholder's use of the card will be governed by the terms and conditions of this Agreement as amended and published by the Bank from time to time. The Cardholder agrees with the Bank as set out below.



### **3. USE OF CARDS**

Until the expiry date on a card, only the cardholder in whose names the card is issued and whose names are embossed thereon, if at all, may use the card to obtain advances of money from the Bank, through the purchase of goods, services and/or other facilities or cash advances and for any other purpose which the Bank may permit from time to time. No authority given in terms of a Power of Attorney will entitle anyone other than the cardholder to use the card. The Cardholder must immediately on receipt of the card sign such with a ballpoint pen in the space provided.

### **4. CONTACTLESS CARD**

A Contactless card is a bank card which allows for a transaction via taping the card on a payment device. When you are issued with a contactless bank card you will be able to make payments via tapping your card within the contactless range of the payment device where contactless is supported. Some merchants may require you to sign a slip in fulfilment of the transaction. Additionally, you will be required to enter your pin for the transaction to be executed fully. Certain transactions may require you to tap/swipe your card at the point of sale device. If you have more than one contactless card, then please ensure you tap only one card at a time. This will prevent cards from interfering with each other preventing payment, ensuring you are paying with the card you wish to pay with and will ensure in very rare circumstances that a payment is not processed through both cards.

### **5. AUTOMATED TELLER MACHINE**

The Cardholder may use the card together with such cardholder's personal identification number ("PIN") to execute a transaction at any of the Bank's automated teller machines or any other banking machines or terminals designated by the Bank from time to time, provided such Cardholder:

has selected such PIN subject to the security procedures regarding the issuing of such,  
has selected such PIN and has agreed to the procedures relative to such PIN, those procedures in addition to the terms hereof, apply to each transaction executed by such cardholder's card together with such cardholder's PIN. The cardholder must exercise a high degree of caution to guard against loss, theft of the card or disclosure of the PIN and must ensure that any record of the PIN is kept separate from the card



## **6. PURCHASES AND CASH ADVANCES MADE WITHOUT A CARD**

Where the Cardholder or any authorised user provides a mandate, whether such comprises of a signed coupon, subscription voucher or telephone instruction or requests a cash advance, or gives the account number, to make a purchase or obtain a cash advance without presenting the card such as (or a mail order or telephone order purchase) the legal effect shall be the same as if the card was used by the Cardholder and a sales voucher or other document or cash advance voucher was signed by the Cardholder. The Bank shall debit the account with the amount of all card transactions and the cardholder will be liable to pay to the Bank all the amounts so debited whether or not such a voucher or other document is signed by the cardholder and irrespective of any rights or obligations as between the merchant and the cardholder.

## **7. OWNERSHIP OR CANCELLATION OF THE CARD**

The card is not transferable and remains the Bank's property at all times. Any card may be cancelled, and its privileges revoked at any time by the Bank or its agent without prior notice to the Cardholder. The Cardholder shall not use a card which has been cancelled and the card shall be surrendered upon demand to the Bank or its agent. The Cardholder shall be liable for any expense incurred by the Bank in reclaiming a cancelled card.

## **8. RESPONSIBILITY FOR SERVICE**

The Bank incurs no liability to the cardholder if any merchant denies or fails to honour the card or if there is a dispute as to the nature, quality or quantity of any goods or services acquired from the merchant it being acknowledged that no merchant is an agent of the Bank. All claims, including any right of set off by a cardholder, and any dispute regarding any sales voucher or credit voucher, or any transaction involving a card or other use of the account, shall be settled directly between the merchant and cardholder and shall have no effect on the Indebtedness. Any refund made by means of a credit voucher or other document issued by a merchant will be credited to the account upon its receipt by the Bank from the merchant. Until the credit voucher or other document or the value thereof is received by the Bank, the indebtedness is payable to the Bank in accordance with the provisions of this Agreement.



## **9. FOREIGN CURRENCY**

Any transaction or payment made in a currency other than the Zambian Kwacha (K) will be converted to Zambian Kwacha at the Visa or MasterCard (as applicable) rate of exchange that applies on the date of processing the transaction to your account. The transaction will be shown on the accountholder's monthly account statement in Zambian Kwacha. A currency conversion commission will be charged for this service and will be added to the transaction amount. Be aware that merchants may not process the transaction on the date of the transaction. This can result in exchange rate differences, which will be the responsibility of the cardholder.

## **10. ERRORS IN STATEMENTS: COPIES OF DOCUMENTS**

If the cardholder does not notify the Bank in writing within 30 days after the date of the statement of any error or omission the statement will be conclusively settled to be complete and correct except for any amount improperly credited to the account. A microfilm or other copy whether signed or not of the sales voucher, cash advance voucher, or other document, in electronic or other form, relating to a transaction involving a card or other form, relating to a transaction involving a card or other use of the account will be sufficient to establish liability.

## **11. OTHER USERS**

Notwithstanding any other provisions contained in this Agreement, the Cardholder shall be liable for all Indebtedness/transactions resulting from the use of the card by any other person using the card with the express or implied consent of the Cardholder.



## **12. CARD LOSS OR THEFT**

12.1 The Cardholder agrees to immediately notify the Bank to block the usage of the card if it is lost, stolen or used without the Cardholder's authority. Such notification may be made telephonically through the Bank's Contact Centre or in person but must be confirmed in writing within seven days. Such written confirmation must be in the form of a sworn affidavit (statement) duly commissioned by a commissioner of oaths and must detail fully the circumstances under which the card was lost, stolen or used without the Cardholder's prior authorization. Delay in notification will be construed as negligence on the part of the Cardholder.

12.2 Until notification of the loss, theft or unauthorised use of such card has been received by the Bank to enable it to block the card, the Cardholder shall be liable for:

12.2.1 All Indebtedness/transactions resulting from the loss, theft or unauthorised use of such card where such cardholder's card and PIN have been used together to execute such transaction(s).

12.2.2 Where the cardholder has been grossly negligent or used the card dishonestly or the card has been used or compromised by a person who acquired possession of it from the cardholder.

12.2.3 The Cardholder agrees that the Bank may provide the Police with any information the Police considers relevant. A Card reported as lost or stolen or used without authority must not subsequently be used by the Cardholder.

## **13. REFUNDS AND CLAIMS**

The Bank will only refund for a transaction if the Bank receives a refund voucher or other similar refund verification. No claim by the cardholder against third party may be the subject of claim against the bank. The cardholder shall be deemed to have accepted the correctness in respect of any debit if the cardholder has not denied his/her liability or raised a query regarding a debit within 30 days of the transaction or 15 days of the account statement.



#### **14. CREDIT REFERENCE BUREAU**

The Cardholder consents to the Bank obtaining, accessing, processing or sharing any information (including confidential information) with credit referencing bureaus to which the Bank is a member or financial institutions for credit tax, regulatory requirements or to prevent fraud. The Cardholder indemnifies the Bank against any loss or damage; it may suffer as a result of the clause above and shall not hold the Bank liable at all in this regard except in instances of gross negligence on the part of the Bank.

#### **15. ELECTRONIC COMMUNICATION**

15.1 Any communication to be made between the Bank and Cardholder under or in connection with the facility may be made by the medium of telephone (including the Short Message Service SMS), email (customer should have completed email indemnity with the bank) or other electronic means, and, unless and until the Bank is notified to the contrary, is to be deemed as an accepted form of communication by the parties.

15.2 Any electronic communication made between the parties will be effective only when actually received in readable form. Any electronic communication which becomes effective after 16h30 in the place of receipt will be deemed only to become effective on the following day.

15.3 It is hereby understood by the parties that electronic communication creates legally binding contractual obligations. The Cardholder further understands and knows of his right to opt out of the use of electronic communication. The Cardholder confirms that he will exercise his "opt out" right, in writing to the Bank by delivery of a written letter to their branch to the effect that they are desirous of not communicating electronically with the Bank.

15.4 The Cardholder hereby waives any claim which the Cardholder may have or acquire against the Bank and indemnifies and holds the Bank harmless for any loss, damage or claim which may be sustained as a result of the Bank, receiving and/or acting upon electronic instructions which have been sent as aforesaid to the Bank and which purport to have been issued or authorised by the Cardholder. It is understood that all liability for errors, omissions or delays in transmission, or for misinterpretations on receipt, or for any loss or damage from whatsoever cause arising, or any other loss whatsoever connected with such electronic instructions shall be borne by the Cardholder and the Cardholder shall hold the Bank harmless.



## **16. MONEY LAUNDERING**

The Cardholder warrants to the Bank that any funds utilised for the Indebtedness will not represent the proceeds of or have been derived from any activity which would be considered illegal or a crime under Zambian Anti Money Laundering and Terrorism Financing legislation to include the Financial Intelligence Agency Act.

## **17. CREDIT LIMIT**

The Cardholder shall not allow indebtedness to exceed the credit limit, if any, established by the Bank from time to time. The credit limit appears on the cardholder's monthly statement.

## **18. LIABILITY FOR INDEBTEDNESS**

The primary cardholder is liable to the Bank for all indebtedness, including indebtedness incurred by any person authorised by such Cardholder and Indebtedness which exceeds the credit limit, if any, from all transactions and applicable fees and charges.

## **19. EXTENDED CREDIT**

19.1 The exception to clause 4 is that the Cardholder may incur indebtedness in excess of the Cardholder's established credit limit as agreed from time to time only if –

19.1.1 The Bank's prior authorization is obtained;

19.1.2 The value of the transaction exceeds a minimum value as specified by the Bank from time to time.

19.1.3 The Bank will stipulate the way payment of such Indebtedness is to be made and should no payment be made by the payment due date appearing on the statement, the full outstanding balance will be due and payable by the Cardholder. In no way is this exception to be construed as a novation of this Agreement or preventing the cardholder from paying the extent of the outstanding balance in full or by way of a partial payment greater than that specified on the statement.



## **20. APPLICATION OF PAYMENTS**

All payments to the Bank must be made through mediums advised by the Bank from time to time. Payments shall be apportioned to the outstanding balance by the Bank in the following order: interest charges; transaction fees and other charges; billed cash advanced; unbilled cash advances, billed purchases and unbilled purchases.

## **21. STATEMENT**

The number of days covered by each statement will vary between 20 days and 30 days.

## **22. ENTIRE BALANCE DUE**

22.1 Notwithstanding any other provision, all indebtedness shall, at the Bank's option, and without notice or demand being given, immediately become due and payable, and this Agreement may be cancelled without notice by the Bank, in the event of -

23.1.1 death or insolvency of the Cardholder or failure by the Cardholder to pay any Indebtedness hereunder or any other obligation of the Cardholder to the Bank;

23.1.2 the institution of garnishee, attachment or execution proceedings involving the Cardholder, or Cardholder's property; or

23.1.3 A breach or default of any provision to this Agreement.

22.2 The Cardholder shall be liable for all legal fees and expenses on an attorney and own client scale, including collection commission and/or auctioneers fees incurred by or on behalf of the Bank resulting from actions to recover the Indebtedness. The Bank reserves the right to set off any indebtedness against any deposit to the credit (account) of the cardholder.





## **23. CANCELLATION OR AMENDMENT OF AGREEMENT**

23.1 The Bank may cancel this Agreement and require immediate payment of the indebtedness, and may vary, amend or substitute this Agreement by mailing a notice or sending it in any other way to the Cardholder by electronic means or to either the postal or physical address (which address for the purposes of service of judicial process shall be the Cardholder's domicilium citandi et executandi) appearing in the Bank's records, but the Cardholder shall remain liable for all Indebtedness.

23.2 An amendment may apply both to existing Indebtedness and to Indebtedness arising after the amendment is made. Continued use of the card by the cardholder or maintenance of any indebtedness following the effective date mentioned in the Bank's notice shall be deemed acceptance by the Cardholder of such new provisions as of such effective date and no amendment of this Agreement or the renewal or replacement of a card will constitute a novation of this Agreement.

## **24. CERTIFICATE OF BALANCE**

A certificate signed by any manager of the Bank whose appointment need not be proved, as to the Cardholder's Indebtedness to the Bank or vice versa in respect of capital and/or interest and/or any other amount and as to any details relating to that Indebtedness or as to any other matter regarding the account of the Cardholder, the account of the Cardholder will be prima facie proof of the correctness of the contents thereof.

## **25. CHANGE IN CIRCUMSTANCES**

25.1 The Cardholder shall pay the Bank the amount of any increased costs incurred by the Bank because of:

25.1.1 the introduction of, or any change in, or in the interpretation, administration or application of any law or regulation by any governmental or regulatory authority;

25.1.2 or compliance with any law or regulation made after the date of this agreement.

25.2 If the Bank intends to make a claim under this paragraph, it shall notify the Cardholder of the event which will cause that claim and shall provide a certificate confirming the amount of its increased costs.



## **26. INCREASE / REDUCTION OF YOUR CREDIT FACILITY**

You may apply to increase or reduce the credit limit of your Credit Facility at any time. Should you wish to do so, you must inform the Bank in writing of the credit limit sought. In the case of a request for a limit increase which is at the Bank's discretion, an affordability assessment will be done. The Bank will confirm your new limit in writing and advise you of the date on which it will take effect. We may, at our discretion and at any time, reduce the credit limit on your Credit facility. We will notify you at least five (5) business days before we reduce your credit limit in terms of this agreement. However, in certain circumstances, we will reduce your credit limit and provide notice of the reduction simultaneously.

## **27. AUTOMATIC CREDIT FACILITY INCREASE**

We may automatically increase your credit limit annually or on an ad hoc basis if you qualify for an increase. If you do not want the increase, please contact us to remove the increase. All limit increases will be subject to an affordability assessment.

## **28. SPOUSAL CONSENT**

If you are married in Community of Property your spouse must consent to your conclusion of this agreement. Your failure to obtain spousal consent could result in the nullity of the Credit Agreement.

## **29. CROSS FACILITY CONSOLIDATION**

In the event that the Cardholder is unable to settle his indebtedness on the credit card and subject to the Bank's credit requirements, the Bank reserves the right to consolidate any such outstanding balance with any other facility that the Cardholder may have with the Bank. Such credit card outstanding balance will then form part of the facility to which it is consolidated.

## **30. SET OFF**

The Bank may apply any credit balance to which the Cardholder is at any time beneficially entitled on any account with the Bank, or any other financial institution, in (or towards) satisfaction of any sum then due and payable (but unpaid) by the Cardholder to the Bank under these terms and conditions. If such balance is in a different currency, the Bank may convert the said balance at a market rate of exchange for the purpose of the set-off.



### **31. JURISDICTION**

31.1 The laws of the Republic of Zambia shall apply to this Agreement or any matter arising from it.

31.2 The parties hereby agree to submit any dispute which may arise here from to a court or tribunal of competent jurisdiction.

31.3 The Cardholder shall be liable for any and all legal costs incurred by the Bank in pursuing legal action against the Cardholder.

31.4 The Cardholder agrees that the Agreement concluded in the response to the application for the account is deemed to have been concluded in Zambia and any breach of the Agreement is deemed to have taken place in Zambia (i.e. within the Court's jurisdiction).