

# 1. DEFINITION OF TERMS

- a. **“Old Mutual”** refers to Old Mutual Investments Group Limited.
- b. **“Old Mutual Mobile Platform”** or **“i-INVEST”** refers to the investment transaction solution that enables a Customer to exercise and access Old Mutual Unit Trust Funds investment options over a digital interface and the term Service shall be interpreted accordingly.
- c. **“Customer”** means a client of Old Mutual who has invested or wishes to invest in the Old Mutual Unit Trust Funds through the Old Mutual Mobile Platform.
- d. **“Customer Instruction”** means any request or instruction received by Old Mutual from the Customer through the System and upon which Old Mutual is by virtue of paragraph 2.2 hereunder authorised to act.
- e. **“PIN”** means the 4 digits that require to be keyed in by a Customer for authentication in order to access the Old Mutual Mobile Platform.
- f. **“System”** means the mobile transaction and communications software architecture enabling the Customer to communicate with Old Mutual and vice versa for purposes of the Old Mutual Mobile Platform. The System will for the purposes of this agreement be accessed as indicated in Clause 2 herein.
- g. **“SMS”** is an acronym for Short Message Service. It is a text messaging service component of mobile phone, internet, or other mobile device communication systems, using standardised communication protocols that allow the exchange of short text messages between mobile devices or other digital devices and communication networks.
- h. **“Withdraw”** means redeeming units in the Customer's account equivalent to the value stipulated in the request. The redemption process shall be as provided in the Trust Deed and the Information Memorandum.
- i. **“FUM”** is an acronym for Funds Under Management. FUM represents the account balance in a particular Fund at that given time. It is calculated as total amounts invested plus switches into that particular Fund plus investment return less all charges less withdrawals and switches from that particular Fund.
- j. **“KYC”** is Know Your Customer, a procedure of obtaining adequate identification documentation to ensure authenticity of Old Mutual Customers. KYC documents that may be requested include, but not limited to, National ID card, Passport, Copy of PIN certificate, copy of bank statements, copy of utility bills, etc.
- k. **“Chatbot”** refers to an Old Mutual program that has been provided through an online messaging platform to simulate interactive human or transactional conversation by using key pre-calculated user phrases and auditory or text-based signals. The Chatbot shall be used by Old Mutual for basic customer service and through instant messaging (IM)

technology it shall provide real time responses and conversations to Customers twenty-four (24) hours a day.

## 2. USE OF THE OLD MUTUAL MOBILE PLATFORM

### 2.1. ACCESS

- a. Old Mutual Mobile Platform may be accessed by:
  - i. Dialing the USSD Code \*480# on a mobile phone using a telephone number registered on the Safaricom network ("**Safaricom number**")
  - ii. Sending a message to Old Mutual Group on the Facebook Messenger Application ("**Facebook Messenger**") which may be accessed via <https://m.me/OldMutualGroupKe>.
  - iii. Sending a message to Old Mutual Group on WhatsApp via +254 110945522 using a telephone number registered on the Safaricom network ("**Safaricom number**")
- b. Customers shall interact with the Chatbot each time they send a message to Old Mutual Group on Facebook Messenger and WhatsApp. To access Facebook Messenger or WhatsApp, a Customer may download the applications on a smartphone from either Google Play Store or Apple Store or directly access a smartphone or desktop web browsers. The Chatbot may however not function well on Facebook Messenger Lite on some phones and Customers are advised in such instances to refer to their mobile phone technical specifications.
- c. The first time, you dial \*480# or send a message to Old Mutual Group on Facebook Messenger or WhatsApp, as provided in Clause 2.1a, you will be prompted to register as follows:
  - i. Enter your ID/Passport number, postal address & code, physical address, email address, occupation and to accept i-INVEST terms and conditions. You will then receive an SMS with your one-time PIN within seconds of accepting the Terms & Conditions.
  - ii. Once you get an SMS with your PIN, you will need to dial \*480# again or go back to the conversation with the Old Mutual Group Chatbot on Facebook Messenger or WhatsApp and click on the 'Change PIN' icon.
  - iii. When you go back to the digital platform you will be prompted to enter the PIN sent via SMS, after which you will be prompted to change your PIN. If you opted to click the 'Change PIN' icon on the conversation with the Old Mutual Group on Facebook Messenger or WhatsApp, the Chatbot will prompt you to enter the PIN sent via SMS and thereafter, enter your new PIN.
  - iv. Once the One Time PIN has been successfully changed you will receive an SMS informing you that an account activation SMS will be sent within 24 hours unless the system is experiencing delays.
  - v. Once your mobile unit trust account is activated, you will be able to either change the ID information you provided in (1) above or access the full OLD MUTUAL MOBILE PLATFORM menu.

- vi. If you registered with a National Identification Document and the account activation fails, you will be required to submit a copy of your National Identification Document to Old Mutual.
  - vii. If you encounter the same challenges in 2c(vi) above and you registered with a Passport, you will be required to submit a copy of your Passport to Old Mutual.
  - viii. The mobile unit trust account works very much like the conventional unit trust account except that all instructions can be submitted and processed over the mobile phone with the registered mobile phone number. You can register, invest, withdraw, and switch between selected funds and change static information - all via mobile phone.
- d.** The information that Old Mutual collects from the Facebook user accounts are:
- i. Facebook name;
  - ii. Profile picture URL;
  - iii. Facebook ID related to the page used.
- e.** The information that Old Mutual collects from the WhatsApp user accounts are:
- i. WhatsApp username (contact name).
  - ii. Profile picture URL;
  - iii. Message ID related to the chat between customer and Old Mutual.
- f.** Old Mutual reserves the right to modify, replace or withdraw the Service for any reason whatsoever, provided that a 14-day prior notice is given to the Customer.
- g.** Should the Customer's total deposits reach KES 250,000 or any other amount as may be determined by Old Mutual from time to time, Old Mutual reserves the right to ask for additional KYC documentation from such Customer; including proof of occupation, sources of funds, physical address, postal addresses, a copy of KRA PIN certificate and/or such other information or documentation that Old Mutual may at its own discretion require. Old Mutual reserves the right to decline processing all withdrawal or switch requests until such documentation is submitted.

## **2.2. CUSTOMER'S RESPONSIBILITIES**

- a.** The Customer shall be responsible for ensuring proper performance of the mobile phone and/ or the computer and/or the application(s) and browser(s) that they use to access the Service (hereinafter "Customer's Device"). Old Mutual shall not be responsible for any errors or failures caused by any malfunction of the Customer's Device. Furthermore, Old Mutual shall not be responsible for any problems that may be associated with the use of the System or the Service, which are attributed to or within the reasonable control of the Customer.
- b.** The Customer shall be responsible for all charges due to any internet or telecommunication connection service provider providing the Customer with connection to the System and Old Mutual shall not be responsible for losses or delays caused by any such service provider.
- c.** The Customer shall prevent any security breach, unauthorised access to or use of the Customer's Devices, or the System and/or Service by keeping their PIN secret at all times.

The Customer shall ensure that the PIN does not become known or come into the possession of any unauthorised person.

- d. The Customer shall take all reasonable precautions to prevent and detect any security breach or unauthorised use of the Customer's Device, or the System and/or Service. To that end, the Customer shall ensure that all communications from Old Mutual are examined and checked by or on behalf of the Customer as soon as practicable after receipt by the Customer in such a way that any attempted security breach or unauthorised use of and access to the Customer's Device, or the System and/or Service may easily be detected.
- e. The Customer shall immediately inform Old Mutual in writing in the event that;
  - i. The Customer has reason to believe that the PIN used by the Customer to gain access to the Service and to communicate with Old Mutual is or may be known to any person not authorised to know the same and/or has been compromised; and/or
  - ii. The Customer has reason to believe that a breach of or unauthorised access of their account with the Service has, may have occurred or could occur and a transaction may have been fraudulently executed or intercepted or the account compromised; and/or
  - iii. The Customer's mobile handset with the registered line is lost or stolen, in which case the Customer may request Old Mutual to temporarily suspend their account. On retrieving or replacing the handset, the Customer shall notify Old Mutual and provide necessary documentation to activate the Customer's account.
- f. The Customer should always use their registered mobile number to make all payments. Should the Customer not use their registered mobile number to invest, Old Mutual shall refund the monies received (net of any processing fees) to the sender's mobile number.
- g. The Customer should always ensure that their payments are not below the minimum investment amount (see clause 3.2d). Payments less than the minimum amount will be refunded.

### **2.3. INSTRUCTIONS BY CUSTOMER**

- a. Old Mutual is irrevocably authorised by the Customer to act on all Customer Instructions received by Old Mutual from the Customer (or purportedly from the Customer) through the System and to hold the Customer liable thereof, notwithstanding that any such requests are not authorised by the Customer. Provided that the instruction or request originated from the Customer's mobile number registered for purposes of his/her account.
- b. If the Customer requests Old Mutual to cancel any transaction or instruction after an instruction has been received by Old Mutual from the Customer, Old Mutual may at its absolute discretion cancel such transaction or instruction but shall have no obligation to do so.

- c. Old Mutual shall be entitled to accept and to act upon any Customer Instruction, even if that Instruction is otherwise for any reason incomplete or ambiguous, if, in its absolute discretion, Old Mutual believes that it can correct the incomplete or ambiguous information in the Instruction without reference to the Customer being necessary.
- d. For the avoidance of doubt, the Customer agrees that in the absence of manifest error, Old Mutual's records including communications and responses to the Customer (whether in paper, electronic, data or other form) relating to each Instruction or other communication with the Customer shall be conclusive evidence of the fact of receipt or non-receipt of such Instruction or communication and of the contents of an instruction or communication.

#### **2.4. MOBILE SERVICE FEES**

- a. Mobile Service Fees are exclusive of the fees charged for all investment-related transactions as indicated in Clause 3.5 of these Terms and Conditions.
- b. Old Mutual currently charges nil Mobile Service Fees for the provision of the Service. However Old Mutual shall have the discretion to introduce and revise such fees in the future subject to approval by the Capital Markets Authority. In the event of such fee introduction and/or revision, the Customer shall be given a 30-day notice. The Customer shall pay such prescribed fees to Old Mutual for provision of the Service as advised by Old Mutual from time to time.
- c. Safaricom PLC, ("**Safaricom**") the mobile network operator who activated the USSD Code \*480#; currently charges KES 1.00 per USSD session to all Customers, whether they are on a pre-paid or a post-paid contract or service. These fees are payable directly to Safaricom from a Customer's airtime balance and may be changed by Safaricom in accordance with its USSD Tariff Terms and Conditions. Old Mutual shall not be obligated to give prior notice of such change to the Customer.
- d. In order to access Facebook Messenger and WhatsApp, the Customer will be required to connect to the internet in which case data connectivity charges may apply.

#### **2.5. REFUND POLICY**

- a. Old Mutual shall refund all monies received from unregistered mobile numbers or from Customers whose registrations have not been completed due to pending identification validation.
- b. Old Mutual shall also refund monies received from registered Customer mobile numbers upon the written request of a Customer.
- c. The refund amount will be processed on the next working day, and this should reflect on the sender's mobile money account later on the same day.

- d. The amounts will be refunded in full. In the event that Safaricom revises the reversal charges, Old Mutual will refund the amount net of the M-PESA processing fees that would have been incurred by Old Mutual in reversing the respective amount. Reversal Fee is informed by the M-PESA processing fees, which are at the discretion of Safaricom, and thus may be changed by Safaricom in accordance with its M-PESA Tariff Terms and Conditions. Old Mutual is not obligated to give notice concerning such a change to the Customer.
- e. All monies in the accounts suspended due to outstanding documentation to comply with Anti-Money Laundering Act shall not be refunded.

## **2.6. EXCLUSION OF LIABILITY**

- a. Old Mutual will not be responsible or liable for:
  - i. Any loss in connection with any unforeseeable acts or omissions or negligent acts on the part of its service providers, contractors, agents or employees, as well as any consequential, indirect or punitive damages, loss of income, loss of profit or business or business opportunity, irrespective of cause of action and howsoever arising unless the loss has been caused by their willful default, fraud or negligence;
  - ii. Any losses arising in connection with Old Mutual acting upon Instructions sent by the Customer or by reason of Old Mutual failing or refusing to so act if, acting in good faith, in Old Mutual's opinion there is or are reasonable ground(s) for such failure or refusal which are communicated to the relevant Customer (other than as caused by our gross negligence or willful default);
  - iii. Any loss suffered by the Customer should the Service be interfered with or be unavailable by reason of (a) any industrial action, (b) the failure of any of the Customer's Devices or facilities, or (c) any other circumstances whatsoever not reasonably within Old Mutual's control including, without limitation, force majeure or error, adverse weather or atmospheric conditions, and failure of any public or private telecommunications system;
  - iv. Any damages or losses arising from unauthorised access to the System by a third party using the Customer's PIN unless Old Mutual had received prior written notification from the Customer that no further access to the relevant System shall be granted to any person using such PIN with effect either from receipt of such notification or such later date as may be specified in such notification.
- b. Whilst Old Mutual will use all reasonable endeavors to ensure that all financial information available through the Services is accurate when initially made available, Old Mutual shall not be liable for any loss incurred or damage suffered by the Customer by reason or in consequence of his/her using financial information which is not up to date.
- c. Nothing in these Terms and Conditions shall exclude, limit or restrict the obligations and liabilities of Old Mutual to the Customer under the Capital Markets Act and Regulations thereunder which Old Mutual is bound to comply with.

## 2.7. INDEMNITY

- a. The Customer shall indemnify and keep indemnified Old Mutual against any demand, claim or action relating to or in connection with the Service, whether directly or indirectly, unless such demand, claim or action arose as a direct consequence of the breach of these Terms and Conditions, gross negligence or willful misconduct of Old Mutual or any of its employees.
- b. If for any reason other than a reason mentioned in clause no. 2.6 a) (iii), the Service is interfered with or unavailable, Old Mutual's sole liability under this Agreement in respect thereof shall be to re-establish the Service as soon as reasonably practicable.

## 2.8. AMENDMENTS

Old Mutual may amend or change the agreement at any time. However, Old Mutual will give the Customer a 30-day notice prior to the effective date of the amendment.

## 2.9. TERMINATION

- a. The agreement between a Customer and Old Mutual entered into upon acceptance of these Terms and Conditions, may be terminated at any time by either party. If such termination is intended by Old Mutual, Old Mutual shall issue a 30-day notice in writing to the Customer, whilst termination by a Customer may be without notice to Old Mutual.
- b. The termination of this Agreement shall not, in itself, terminate or affect the relationship between Old Mutual and the Customer except to the extent of the scope of services Old Mutual provides the Customer under the said Terms and Conditions.

## 2.10. GOVERNING LAW

- a. These Terms and Conditions shall be governed by and shall be construed in accordance with the laws of the Republic of Kenya.
- b. The Parties shall attempt to resolve any disputes arising out of this agreement or concerning the Terms and Conditions by negotiations. If the Parties are unable to resolve the dispute through negotiations within thirty (30) days, either Party may refer the dispute to a Court of competent jurisdiction within the Republic of Kenya for final determination.

# 3. INVESTMENT INTO THE OLD MUTUAL UNIT TRUST FUNDS

## 3.1. FUND DETAILS

- a. **Old Mutual Money Market Fund** - The objective of the Old Mutual Money Market Fund is to generate total return through investing mostly in a range of securities fixed deposit instruments and near cash investments in the Kenyan market while providing the most conservative risk exposure to investors.

- b. Old Mutual Equity Fund** - The objective of the Old Mutual Equity Fund is to generate long term capital growth through active management investing principally in a well-diversified portfolio of equities i.e. stocks (or shares) across several sectors of the Kenyan economy, in earnings of corporations and assets with a medium to high risk profile.
- c. Old Mutual Balanced Fund** - The objective of the Old Mutual Balanced Fund is to achieve steady regular income from the money market portion of the fund and capital growth in the medium to long term from the equity portion while carrying only a medium level of risk.
- d. Old Mutual Bond Fund** - The objective of the Old Mutual Bond Fund is to achieve a reasonable level of current income and steady growth of capital by investing primarily in a well-diversified portfolio of fixed income securities issued by the Kenyan government and corporations with some offshore element while carrying a low to medium level of risk.

### **3.2. INVESTMENTS (UNIT PURCHASES)**

- a.** The Customer shall be required to disclose his/her source of income during their i-INVEST registration. This information shall be provided via the System. Failure to comply with this requirement will result in the initial investment funds not being invested until that requirement is met.
- b.** All funds transfers to Old Mutual via M-PESA need to be made from the Customer's registered mobile number. Payments from an unregistered mobile number will not be accepted and will be returned to the sender.
- c.** All new investments made by the Customer following the successful registration process will automatically be invested in the Money Market Fund. The Customer may subsequently opt to switch into other Funds noted under clause no. 3.1 above. The automatic investment into the Money Market Fund encourages capital preservation.
- d.** A minimum investment amount shall apply on the initial investment from time to time, as well as on all subsequent investments. Investment amounts below the stipulated minimums will be refunded.

### **3.3. INCOME DISTRIBUTION**

Interest/Dividends will be reinvested monthly for the Old Mutual Money Market Fund, semi-annually for the Old Mutual Equity Fund and quarterly for the Old Mutual Balanced Fund and Old Mutual Bond Fund, unless the Customer instructs Old Mutual otherwise. The amount distributed will be automatically re-invested back into the Funds which have generated the returns. An instruction to pay out the returns cannot be segregated by Fund, instead it will apply to all Funds under the Customer, and the returns can be sent via M-PESA or bank account as the case may be.

### **3.4. STATEMENTS**



A monthly SMS or electronic mail will be sent to the Customer by Old Mutual to update the Customer of the interest/dividends earned by such Customer's investment and the Customer's total account balances.

### 3.5. INVESTMENT FEES

Fees payable differ by Funds selected, and also by transaction type made and modes of payment to receive money.

#### a. Initial Fees

The terms of the Initial Fees are as follows:

- i. Old Mutual shall apply an initial fee in respect of the Old Mutual Unit Trust Funds (not exceeding a maximum of 10% of the sum of new deposits made).
- ii. Though the initial fees payable are expressed as a percentage (%) of new deposits made, the determination of the percentage (%) level is made in reference to the Customer's FUM in that particular Fund.
- iii. The initial fees incur a 16% VAT charge.
- iv. Old Mutual has waived the initial fees until further notice.
- v. On switching between Funds, fees payable are equivalent to the prevailing initial fees, the level of which is based on the FUM level of the new Fund, namely the Fund the Customer is switching into.

#### b. On-going Fees

The terms of the Initial Fees are as follows:

- i. The Customer will be charged on-going management fees payable p.a. notwithstanding the Customer's account balance.
- ii. Management fees payable p.a. are expressed as percentage (%) of the Customer's account balance appearing in each applicable Fund the time the fee is due.
- iii. The applicable percentage (%) to be applied for each Fund shall be as follows:

#### ONGOING FEES

| ACCOUNT/ FUM BALANCE | EQUITY (VAT EXCLUSIVE) | BONDS (VAT EXCLUSIVE) | BALANCED FUND (VAT EXCLUSIVE) | MONEY MARKET (VAT EXCLUSIVE) |
|----------------------|------------------------|-----------------------|-------------------------------|------------------------------|
| Unlimited            | 3.37%                  | 3.00%                 | 3.37%                         | 1.00%                        |

- iv. The management fees incur a 16% VAT charge.

### **c. Other Fees**

We allow one free withdrawal per month per client. Subsequent withdrawals within the month via M-PESA will attract a charge of KES 22.40 per transaction.

### **3.6. WITHDRAWALS**

- a. Minimum withdrawal amount is KES 480.
- b. For *Old Mutual Equity Fund, Old Mutual Balanced Fund and Old Mutual Bond Fund*, the maximum allowable redemption amount for Mobile Money payments is KES 150,000 or 90% of the balance available in your account after applicable charges are deducted, whichever is lower.
- c. The withdrawal amount should fall within the charges structure under 3.5.c above.
- d. MPESA payments will be done once the request is successfully processed, as detailed below:
  - i. *Old Mutual Money Market Fund* withdrawal requests will be processed and paid on the same day.
  - ii. *Old Mutual Equity Fund, Old Mutual Balanced Fund and Old Mutual Bond Fund* withdrawal requests will be processed and paid on the next working day after submission of the request.

### **3.7. FUND SWITCHES**

- a. A minimum of KES 480 shall apply on switching from one Fund to the other.
- b. If the source fund is *Old Mutual Equity Fund/ Old Mutual Balanced Fund/ Old Mutual Bond Fund*, the maximum allowable amount is 90% of the balance available in the account.

### **3.8. GOVERNANCE**

Any additional information on Old Mutual Unit Trust Funds can be obtained from the Old Mutual Unit Trust Information Memorandum and the Trust Deed, copies of which can be sent to the Customer's email or postal address on request. Copies of the two documents will also be available at any Old Mutual branch on request.

### **3.9. DECLARATIONS AND WARRANTIES HEREBY MADE BY THE CUSTOMER**

- a. I apply for investments into Old Mutual Unit Trust Funds on my own behalf.
- b. I apply for investments into Old Mutual Unit Trust Funds on the terms, conditions and regulatory information set out in the Information Memorandum.

- c. I have read and understood the Information Memorandum, the charges communicated by Old Mutual Investment Group Ltd and the Terms and Conditions of this application.
- d. I confirm that the units are not being acquired directly or indirectly by or on behalf of any person restricted by the law of any jurisdiction from acquiring such units and that I will not sell, transfer or otherwise dispose of any such units directly or indirectly to or for the account of such person.
- e. I confirm that the money used for the investments in the Old Mutual Unit Trust Funds is not arising out of the proceeds of any money laundering, terrorism or other illicit or criminal activities.
- f. I warrant that all the information given in my application is accurate and complete.
- g. I confirm that I have read and understood this declaration and its implications.

#### **4. Acceptance**

I have read and fully understood the Terms and Conditions governing the use of Old Mutual Mobile and the investments offered by Old Mutual, and I hereby accept them and will abide by them.