

GUIDELINE ON AGENT BANKING - CBK/PG/15

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PART I: PRELIMINARY

1.1 Title – Agent Banking Guideline.

1.2 Authorization - This Guideline is issued under Section 33(4) of the Banking Act, which empowers the Central Bank of Kenya to issue guidelines to be adhered to by institutions in order to maintain a stable and efficient banking and financial system.

1.3 Application - This Guideline applies to institutions and their duly appointed agents.

1.4 Definitions

1.4.1 “Agent” means an entity contracted by an institution to provide services of the institution on behalf of the institution, in such manner as may be prescribed by this guideline.

1.4.2 “Institution” means a bank, financial institution or mortgage finance company as defined under the Banking Act.

1.4.3 “Money Laundering Reporting Officer (MLRO)” means the MLRO role as defined under CBK’s *Prudential Guideline on Anti-Money Laundering, Combating the Financing of Terrorism and Countering Proliferation Financing (CBK/PG/08)*

1.4.4 “Outlet” means an agent’s place of business directly responsible to the Head Office, used for carrying out a commercial activity of the agent but does not include a mobile unit.

1.4.5 “Real time” means the electronic processing of transactional data instantaneously upon data entry or receipt of a command.

Other terms used in this Guideline are as defined in the Banking Act.

1.5 Purpose

The purpose of this Guideline is;

- i) To provide for agent banking as a delivery channel for offering banking services in a cost-effective manner.
- ii) To outline activities which can be carried out by an agent and to provide a framework for offering agent banking services.

- iii) To serve as a set of minimum standards of data & network security, customer protection and risk management to be adhered to in the conduct of agent banking.

1.6 Statement of Policy

- i) To enhance the financial services outreach and to promote financial inclusion to the un-banked and under-banked population without risking the safety and soundness of the banking system.
- ii) To encourage institutions to use, in the conduct of agent banking business, equipment which are interoperable to leverage on the available technology and in the long run reduce the cost of equipment purchase, installation and maintenance. The overarching objective of interoperability is to reduce the cost of financial services and foster financial inclusion, reach and depth.

1.7 Scope

This Guideline applies to the conduct of agent banking business by institutions licensed under the Banking Act (Cap 488).

1.8 Responsibility

The Board of Directors of each institution shall be responsible for formulating policies, procedures and guidelines which ensure that;

- i) Credible agents are identified.
- ii) Risks associated with agent banking are properly identified, documented and mitigated.
- iii) The activities of agents are constantly monitored to ensure compliance with the Banking Act, this Guideline and the agency contract.

It is the responsibility of the Board of Directors of each institution to ensure compliance with this Guideline.

PART II: REGULATION AND APPROVAL PROCESS

2.1 Approval of agent prior to commencement of agent banking business

2.1.1 Every institution seeking to conduct banking business through an agent shall apply and obtain the approval of the Central Bank prior to commencing agent banking business.

2.1.2 The approval for agent banking business is a two-stage process, namely;

- i) Agent network approval, and
- ii) Specific agent approval.

2.1.3 An application for agent network approval shall be made only once when an institution decides to engage in agent banking business.

2.1.4 An application for specific agent approval is on annual basis and is renewable.

2.1.5 An application for agent network approval may be submitted to the Central Bank simultaneously with an application for specific agent approval. The two applications are, however, distinct and should be made in the form and manner specified under this Guideline.

2.2 Application for agent network approval

2.2.1 The applicant will complete “Application for the approval of agent network” form together with the supporting documents in the First Schedule. The form(s) for completion have been prepared as part of this Guideline and hard copies may be obtained from the Bank Supervision Department, Central Bank of Kenya or may be accessed on the Central Bank of Kenya’s website www.centralbank.go.ke.

2.2.2 The application duly completed including the information specified in this Part should be submitted to the Director, Bank Supervision Department, Central Bank of Kenya, P.O. Box 60000-00200, Nairobi, with the appropriate application fees and a bankers cheque of Kshs. 5,000/= per application payable to the Central Bank of Kenya.

2.3 Information required for agent network approval

2.3.1 Every applicant seeking to engage in agent banking business shall, on a one-off basis, submit the following information to the Central Bank;

- i) The proposed number of agents per county over a three-year period.
- ii) Agent due Diligence Policy and Procedures.
- iii) The services to be provided through agents.
- iv) A copy of the draft standard agency contract detailing, amongst other things, the items specified in clause 6.4 of this guideline.

- v) The policies and procedures applicable to the provision of services through agents, as well as a description of the network infrastructure to be used.
- vi) A risk assessment report of the operations to be performed through the agents including the mitigating measures to be adopted in order to control the risks identified, in accordance with risk management policies currently in force and this Guideline.
- vii) Internal audit report regarding the adaptation of internal controls performed in readiness for agent banking business.
- viii) Anti-money Laundering/Countering of Financing of Terrorism/Combating Proliferation Financing (AML/CFT/CPF) policies and procedures.
- ix) Agent operational policies and procedures.

2.3.2 In addition to the above information, the applicant shall submit;

- i) The institution's delivery channel strategy and how agents fit in with this strategy.
- ii) A feasibility study of the global view of future operations and development of the agent business for a minimum period of three years from the date of the application including:
 - a) The geographical and economic service areas of the proposed agents.
 - b) Total population and economically active population of the areas where they will operate.
 - c) Analysis of the relevant market over the past two (2) years, along with an estimate of the proposed agents' volumes/transactions in the institution's delivery channel strategy.
 - d) Description of the agent management structure to be used by the institution.
 - e) Financial projections on the share of the proposed agents in the institution's business.
- iii) A business development strategy for agent banking.

2.4 Processing of Application for agent network approval

- 2.4.1. Upon receipt of the application form together with the required documents, the Central Bank of Kenya will appraise the application.
- 2.4.2. The institution may be requested to submit such additional information as the Central Bank may deem necessary.

2.5 Approval of agent network

- 2.5.1 Where the Central Bank is satisfied that all application requirements have been met by an institution, the Central Bank may approve the application with or without conditions. This approval shall be communicated to the institution in writing within thirty days from the date of submission of the complete application.
- 2.5.2 Where the Central Bank declines to approve the application or any part thereof, the Central Bank may within thirty days from the date of the application communicate its refusal to the institution in writing and shall state the reasons for its refusal.
- 2.5.3 The Central Bank may in the communication set out the conditions to be complied with by the institution before the application can be resubmitted to the Central Bank for approval.

2.6 Application for the approval of specific agents

- 2.6.1 Where an institution seeks to appoint specific entities as agents pursuant to the approval granted under Clause 3.1.1, the institution shall apply to the Central Bank for the approval of the specific agents.
- 2.6.2 The application shall be accompanied by the following information:
 - i) The names of the proposed agents.
 - ii) Physical locations, GPS co-ordinates, postal addresses and telephone numbers of the proposed agents.
 - iii) A description of the commercial activities the proposed agents have been carrying on for the last six months immediately preceding the date of the application.
 - iv) Any variation in the terms and conditions of the standard contract which is specific to a particular agent.

- v) The banking services to be provided by each agent and the limits to which they will be subject.
 - vi) A declaration by the Chief Executive Officer of the institution or a duly designated senior officer confirming that the institution has carried out the suitability assessment of the proposed agents, and they have been found to have met the minimum qualifications set out in this Guideline. The Declaration shall be made in accordance with the Second Schedule.
 - vii) A bankers cheque or other prescribed form of electronic remittance of Kshs. 1,000/= per agent or outlet payable to the Central Bank of Kenya, being the approval fees.
- 2.6.3 An institution may, in one application apply for the approval of several entities as its agents and may make one declaration for all the entities as regards their suitability assessment. Institutions are encouraged to make applications for the approval of agents in bulk.
- 2.6.4 An institution may, however, at any time in the course of the year apply for the approval of a specific agent.
- 2.6.5 The application and agent information shall be set out in Form (2a) and Form 2(b) of the First Schedule.

2.7 Central Bank approval of specific agents

- 2.7.1 Upon receipt of the complete application and all information required together with the approval fees, the Central Bank may within thirty days from the date of receipt of the complete application process either approve the specified agent with or without conditions or may decline to approve any agent for reasons to be stated and communicated to the applicant.
- 2.7.2 Where the Central Bank approves any agent the Central Bank shall issue an approval letter to the applicant institution permitting the entity to provide, on behalf of the institution, banking services specified in the letter.
- 2.7.3 Where the Central Bank rejects an application for the approval of any specific agent, the Central Bank shall communicate its rejection to the institution within thirty days from the date of the application and shall state the reasons for its rejection.
- 2.7.4 The Central Bank may impose conditions to be complied with by the institution before its application can be resubmitted for approval.

- 2.7.5 An application which has been rejected by the Central Bank may be resubmitted for approval once the institution complies with all conditions imposed by the Central Bank for the approval of the application.
- 2.7.6 The Central Bank may approve an application which has previously been rejected if the Central Bank is satisfied that the institution has complied with all conditions imposed by the Central Bank for the approval of the application.
- 2.7.7 An agent approval granted by the Central Bank shall be valid for one year but is renewable.

2.8 Annual renewal of specific agent approval

- 2.8.1 An institution may by an application to the Central Bank renew the approval of a specific agent.
- 2.8.2 An institution's application under Clause 2.8.1 above shall be in Forms 2(a) and (b) of the First Schedule and shall be accompanied by any changes to the information submitted to the Central Bank under Clause 2.6.2 of this Guideline together with annual renewal fees of Kshs. 1,000/= per agent, or outlet. The declaration required under Clause 2.6.2(vi) of this Guideline is not necessary for an application to renew a specific agent approval.
- 2.8.3 The annual renewal fees shall be paid within three months before the end of the current financial year. The financial year for agent banking business shall be the same as that of the institution.
- 2.8.4 Any institution that fails to pay the annual renewal fees within the prescribed period shall pay double the annual renewal fees, if payment is made within ninety days after the end of the financial year.
- 2.8.5 If an institution fails to pay the prescribed fees within ninety days after the end of the financial year, its agent renewal application shall be declined.

PART III: ASSESSMENT OF AGENTS

3.1 Suitability Assessment of an agent

- 3.1.1 An institution shall, before seeking the Central Bank's approval of an entity to be contracted as an agent vet and satisfy itself as to the suitability of the entity and shall establish that;

- i) The entity has a well established commercial activity which has been operational for at least twelve months immediately preceding the date of suitability assessment for the agent.
- ii) The entity has not been classified as a deficient, doubtful or non-performing borrower in the financial system under the rules in force at the time the agent contract is to be signed. That status must be maintained for the duration of the contract.
- iii) The entity possesses appropriate physical infrastructure and human resources to be able to provide the services with the necessary degree of security.
- iv) The prescribed form is set out in Form 3 of the First Schedule to this Guideline.

3.1.2 Any entity that seeks to be appointed as an agent by an institution shall furnish the institution with the following information as applicable;

- i) The name of the entity proposed to be an agent;
- ii) The certificate of incorporation or certificate of registration of the business name of the entity where applicable;
- iii) A description of the commercial activity the entity has been carrying on for the last twelve months immediately preceding the date of the application;
- iv) Valid business license or permit for any lawful commercial activity carried on by the entity for at least twelve months prior to the date of the application;
- v) Bank statements for the last two years where applicable;
- vi) Certified financial affairs in the case of partnerships;
- vii) A certificate of good conduct in the case of sole proprietors or partnerships;
- viii) Physical location, GPS co-ordinates, postal address, e-mail address and telephone numbers of the entity and its working hours,
- ix) Evidence of availability of funds to cover agent operations including deposits and withdrawals by customers.
- x) Any other information as the institution may request.

- 3.1.3 The institution shall keep confidential and in safe custody the information provided under this Part and shall produce it as and when the Central Bank directs its production.
- 3.1.4 The institution shall endeavour to obtain accurate information from the entity and its officers or employees and shall not represent to the Central Bank that it was misled by the entity or its officers.
- 3.1.5 Any entity which or whose proprietors, partners, officers or employees furnish an institution with false or inaccurate information under this Part shall be disqualified forthwith from conducting agent banking business.
- 3.1.6 Every institution shall sensitize its agents on the provisions of this Guideline and the obligation to comply with its requirements.

3.2 Moral and professional suitability of sole proprietors, partners and two officers of a corporate entity.

- 3.2.1 Prior to engaging an entity as an agent, an institution shall assess the moral, business and professional suitability of the sole proprietor or partners of an entity proposed to be appointed as an agent.
- 3.2.2 In the case of a corporate entity, the institution shall assess the moral, business and professional suitability of the Chief Executive Officer and the officer in charge of or responsible for agent banking operations of the entity.
- 3.2.3 The persons mentioned in Clauses 3.2.1 and 3.2.2 shall, for the purpose of suitability assessment, furnish the institution with a duly completed appraisal form. The prescribed form is set out in the Form 4 of the First Schedule to this Guideline.
- 3.2.4 An institution may at any time, in addition to the persons to be vetted under this Part, require a director, shareholder, partner, manager or any other officer or employee of an entity to be vetted in accordance with this Guideline, if in the opinion of the institution, his or her vetting is necessary for the purposes of agent banking business or operations. All suitability assessment requirements under this Part shall apply to such person with such modification as the circumstances may require.
- 3.2.5 In assessing the suitability of a corporate entity, sole proprietor, partners or two officers of a corporate entity, the institution shall have regard to inter alia:
 - i) Negative information in possession of credit reference bureaus or gathered from other sources. In the case of information being obtained from a credit

reference bureau, it shall be the responsibility of the corporate entity, sole proprietor, partner or officer of the corporate entity to obtain the information directly from the credit reference bureau in accordance with Regulation 15(a)(i) and (iii) of the Banking (Credit Reference Bureau) Regulations, 2020.

- ii) Any criminal record in matters relating to finance, fraud, honesty or integrity.
- iii) Reputation (based on references from at least two people of good social standing hailing from the same locality as the person and who has known the person for at least three years).
- iv) Business or work experience.
- v) Sources of funds.
- vi) The business track record of the entity in the last three years where applicable.
- vii) Any other matter which negatively or positively impacts on the person.

3.2.6 Any entity which or whose proprietors, partners or officers have been vetted by the Central Bank under any other written law is exempted from vetting under this Guideline.

3.2.7 Reference to “proprietor” or “partner” under this Guideline shall, in respect of other unincorporated entities include reference to persons and their titles as they are known or referred to under those unincorporated entities.

PART IV: AGENCY CONTRACT AND PERMISSIBLE ACTIVITIES

4.1 Establishment of agency relationship

4.1.1 An institution may conduct banking business through an agent.

4.1.2 An institution shall enter into a written contract with an entity for the provision on its behalf of any of the banking services specified in this Guideline.

4.1.3 Any contract entered into between an institution and an agent shall comply with this Guideline and any other law in force.

4.2 Who can be an Agent?

An agent can either be an entity running a commercial activity or non-commercial activity.

4.2.1 An agent running a commercial activity;

- i) Shall possess a business licence or permit for any lawful commercial activity;
- ii) The commercial activity must have been carried on under a valid business licence or permit for at least twelve months immediately preceding the date of the application to become an agent.
- iii) The commercial activity must be ongoing at the time of the application.

4.2.2 Agent banking business shall not contravene any written law, the parent statute, memorandum and articles of association or other constitutive document or objects of the entity.

4.2.3 The following entities are eligible to act as banking agents

- i) Limited liability companies.
- ii) Sole proprietorships.
- iii) Partnerships.
- iv) Societies.
- v) Cooperative societies.
- vi) State corporations.
- vii) Trusts.
- viii) Public entities.
- ix) Faith-based organisations.
- x) Not-for-profit organizations.
- xi) Non-governmental organizations.
- xii) Educational institutions.
- xiii) Any other entity which the Central Bank may prescribe.

4.2.4 Any entity which is subject to any regulatory authority under any written law or is a public entity, shall obtain the consent of the regulatory authority or the appropriate oversight body or authority prior to being appointed an agent

4.3 Treatment of an entity and its outlets

4.3.1 Any outlet of an entity whose operations or activities are managed, controlled, supervised or is subject to the direction of the Head Office of the entity and has no legal existence separate from that of the Head Office of the entity shall be deemed to be part of the entity for purposes of an application to be appointed as an agent. A branch of an entity shall be treated as its outlet.

4.3.2 Any act or omission of an outlet shall be deemed to be the act or omission of the entity.

4.3.3 An institution which seeks to contract an entity and its outlets as banking agents shall pay to the Central Bank an annual fee of Kshs. 1,000/= per outlet as agent

approval fees. Annual renewal fees shall also be paid per outlet as per the Schedule on Fees.

- 4.3.4 Where an agent with outlets opens a new outlet, the institution shall, prior to the commencement of agent banking business in the new outlet, apply for approval by the Central Bank and shall pay the prescribed agent approval fees of Kshs. 1,000/= per outlet.
- 4.3.5 The Central Bank, on receipt of the application may approve the outlet unconditionally or may call for such information as it may deem necessary before approving the outlet. Approval under this clause shall be communicated to the institution by the Central Bank within thirty days from the date of receipt of the complete application.

4.4 Permissible activities of an agent

- 4.4.1 An agent may provide any of the following banking services as may be specifically agreed between it and the institution.
- i) Cash deposits and cash withdrawals.
 - ii) Cash disbursement and cash repayment of loans.
 - iii) Cash payment of bills.
 - iv) Cash payment of retirement and social benefits.
 - v) Cash payment of salaries.
 - vi) Transfer of funds.
 - vii) Balance enquiry.
 - viii) Generation and issuance of mini bank statements.
 - ix) Collection of documents in relation to account opening, loan application, credit and debit card application.
 - x) Collection of debit and credit cards.
 - xi) Agent mobile phone banking services.
 - xii) Cheque book request applications and collection.
 - xiii) Cheque
 - xiv) Collection of bank mail/correspondence for customers.
 - xv) Any other activity as the Central Bank may prescribe.
- 4.4.2 It is the responsibility of the institution to determine, based on agent risk assessment which services a particular agent should provide.
- 4.4.3 All monetary transactions conducted through an agent shall be in the local currency.

4.5 Prohibited activities

4.5.1 An agent shall not;

- i) Operate or carry out an electronic transaction when there is communication failure in the system.
- ii) Carry out a transaction when a transactional receipt or acknowledgement cannot be generated.
- iii) Charge any fees directly to the customers.
- iv) Carry out agent banking business when, in the opinion of the institution the initial commercial activity has significantly diminished.
- v) Offer any type of guarantee in favour of any institution or customer.
- vi) Offer banking services on its own accord (provide on its own account banking services similar to those provided by it under an agency contract).
- vii) Continue with the agency business when it has a proven criminal record involving fraud, dishonesty, integrity or any other financial impropriety. Provide, render or hold itself out to be providing or rendering any banking service which is not specifically permitted in the contract.
- viii) Open accounts, grant loans or carry out any appraisal function for purposes of opening an account or granting of a loan or any other facility except as may be permitted by any other written law to which the agent is subject.
- ix) Undertake cheque deposit and encashment of cheques.
- x) Transact in foreign currency.
- xi) Provide cash advances.
- xii) Be run or managed by an institution's employee or its associate.

4.5.2 An institution may in the contract document specify other activities which the agent is prohibited from undertaking.

4.5.3 Anything done by an agent or sub-agent under the authority of any other written law shall not be deemed to have contravened the provisions of this Guideline merely because it is a prohibited activity or that it is inconsistent with a provision of this Guideline.

4.6 Mandatory provisions to be included in the contract

4.6.1 Every contract between an institution and an agent shall contain as a minimum, the following information;

- i) The institution is wholly responsible and liable for all actions or omissions of the agent. This responsibility extends to actions of the

agent even if not authorised in the contract so long as they relate to banking services or matters connected therewith.

- ii) Specific banking services to be rendered by the agent where applicable.
- iii) The rights, expectations, responsibilities and liabilities of both parties.
- iv) Measures to mitigate risks associated with agent banking services (limits, customer transactions, cash management, cash security, security of agent premises, insurance policies, etc).
- v) The Central Bank shall have free, full and timely access to the internal systems, documents, reports, records, staff and premises of the agent in so far as the agency banking business is concerned and shall exercise such powers as it may deem necessary.
- vi) AML/CFT/CPF requirements.
- vii) Duty by the agent to deliver transaction support documents.
- viii) A statement that all information or data that the agent collects in relation to agent banking services, whether from the customers, the institution or from other sources, is the property of the institution.
- ix) Adequate oversight safeguards for the institution to address instances of non-compliance by the agent with the stipulated obligations.
- x) Prohibition from charging the customer any fees.
- xi) Business hours of the agent.
- xii) Suitable limits on cash holding by the agent and also limits on individual customer payments and receipts.
- xiii) Confidentiality of customer and user information.
- xiv) Technical description of electronic devices.
- xv) Differentiation of services offered by one agent for different institutions.
- xvi) Remuneration for the agent.
- xvii) Specify that the agent shall at all times ensure safe-keeping of all relevant records, data, documents or files or alternately, such records,

data, documents or files are shifted to the institution at regular pre-specified intervals for the institution's safe-keeping.

- xviii) A statement to the effect that employees of a banking agent shall not be treated as employees of the institution and their rights and duties shall be agreed upon between them and the agent.
- xix) A framework for changing the terms of the contract and stipulations for default and termination of the contract and in particular the circumstances under which an agent can terminate a contract.
- xx) A statement that the Central Bank can terminate the contract in the exercise of its powers under the Banking Act, this Guideline or any other law.
- xxi) A transition clause on the rights and obligations of the institution and the agent upon termination or cessation of the agency contract.

4.6.2 The institution and the agent may provide for other terms as they may consider necessary for the better carrying out of the agent banking business.

4.7 Termination of agency contract

4.7.1 In addition to the provisions for termination of the agency contract as may be set out in the contract, an agency contract shall be terminated if an agent;

- i) Carries on agent banking business when the commercial activity has ceased.
- ii) Is guilty of a criminal offence involving fraud, dishonesty or other financial impropriety.
- iii) Sustains a financial loss or damage to such a degree which, in the opinion of the institution, makes it impossible for the agent to gain its financial soundness within three months from the date of the loss or damage.
- iv) Is being dissolved or wound up through court or otherwise.
- v) In case of a sole proprietor dies or becomes mentally incapacitated.
- vi) In case a partnership serving as an agent is dissolved.

- vii) Transfers, relocates or closes its place of agent banking business without prior written consent of the institution.
 - viii) Fails to hold or renew a valid business licence.
 - ix) Violates any such provision of this Guideline as may, in the opinion of the institution warrant termination of the agency relationship.
- 4.7.2 Termination under Clause 4.7.1 of this Guideline may be initiated by the institution or the Central Bank. The institution shall ensure that an agent does not continue with agent banking business when it is affected by any of the provisions of Clause 4.7 of this Guideline.
- 4.7.3 Where an agency contract is terminated, the institution shall cause a notice of the termination to be published within the locality of the premises where the agent was operating or in any other way or manner as to inform the general public of the cessation of the agency contract.

PART V: RESPONSIBILITIES

5.1 Key Roles & Responsibilities of the Institution

- 5.1.1 The ultimate responsibility for agent banking lies with the institution. The institution is wholly responsible and liable for all actions or omissions of the agent. This responsibility extends to actions of the agent even if not authorised in the contract so long as they relate to banking services or matters connected therewith.
- 5.1.2 The institution is expected to take an explicit, informed and documented strategic decision as to whether and how it is to provide agent banking services to its customers.
- 5.1.3 The institution shall maintain an effective system of internal control and overseeing agent's activities or functions.
- 5.1.4 The institution shall ensure that proper controls are incorporated into the system so that all relevant compliance issues are fully addressed, particularly the identification, assessment, monitoring and reporting on the institution's compliance risk.
- 5.1.5 The institution shall ensure that it has proper security control policies to safeguard the information, communication and technology systems and data from both internal and external threats.

- 5.1.6 The institution is also responsible for assessing the adequacy of controls of outsourced activities by taking appropriate direct or third party audits of the same as mandated under relevant outsourcing agreements
- 5.1.7 The institution needs to incorporate risk-based review of critical agent banking processes to ensure that the policies, rules, regulations and the operational guidelines are followed.
- 5.1.8 The institution shall provide agents with such operations manuals and risk management policy documents as are needed to ensure proper provision of services to customers.

5.2 Management of agent banking business

- 5.2.1 The institution is responsible for developing and implementing agent banking strategy and for establishing an effective management oversight over agent banking services.
- 5.2.2 Effective management oversight encompasses the review and approval of the key aspects of the institution's security control programs and processes, and to implement security control policies and infrastructure.
- 5.2.3 Effective management oversight also includes a comprehensive process for managing risks associated with reliance on third parties.
- 5.2.4 The institution must ensure that the scope and coverage of the internal audit function has been expanded to be commensurate with the increased complexity and risks inherent in agent banking activities and the audit department is staffed with personnel having sufficient technical expertise to perform the expanded role of auditing agent where applicable.
- 5.2.5 It is incumbent upon the institution to take steps to ensure that it has updated and modified where necessary, its existing risk management policies and processes to cover its current or planned agent banking services.
- 5.2.6 The integration of agent banking applications with the main banking systems implies an integrated risk management approach for all banking activities.
- 5.2.7 The institution shall provide agents and sub-agents with sufficient training for them to adequately perform the operations and provide the services agreed upon, including training relating to the proper identification of customers, customer service, confidentiality of the information, banking secrecy, cash security, record keeping and financial education.

5.3 Risk Management

- i) Institutions should pay special attention to credit risk, operational risk, legal risk, liquidity risk, reputation risk and compliance with rules for combating money laundering and financing of terrorism.
- ii) Proper assessment of agent's credit worthiness and proper limit structure for agent's various activities commensurate with this assessment should be in place.
- iii) All product programs, procedure manuals and customer limit structures should be devised keeping in mind the implications for operational risk and liquidity risk for agents.
- iv) Wireless or electronic banking-related risks should be recognized, addressed and managed by institutions in a prudent manner according to the fundamental characteristics and challenges of electronic banking services.
- v) Technology risks regarding information and data security in wireless networks should be properly identified and mitigated.
- vi) A business continuity management plan should be developed to mitigate any significant disruption, discontinuity or gap in agents' functions.
- vii) The institution shall be responsible for putting in place appropriate product and operations manuals, accounting procedures and systems and for designing necessary forms/stationary to be used by the agents.
- viii) The institution shall have in place systems and personnel to adequately monitor and control agent banking operations in an ongoing basis.

5.4 Customer due diligence

5.4.1 Institutions shall carry out customer due diligence to ensure that requirements of AML/CFT are not compromised.

5.4.2 The factors to consider include;

- i) KYC requirements.
- ii) Transactional limits per day, month and year (limits commensurate with customer's profile).
- iii) Maximum balance limits on debit and credit.
- iv) Minimum technological security requirements.
- v) Two factor authentication per customer per transaction.

5.4.3 Institutions shall comply with all applicable AML/CFT laws.

5.5 Agent due diligence

- i) Efficient and thorough Agent Due Diligence (ADD) procedures must exist to mitigate risks.
- ii) Institutions are responsible for having clear, well-documented Agent Due Diligence policy and procedures.
- iii) These procedures, at minimum, should contain methods of identifying potential agents, initial due diligence and regular due diligence checks to be performed at specified intervals and a list of early warning signals and corrective actions to ensure proactive agent management.
- iv) Agent Due Diligence should clearly specify roles and responsibilities of various functions in the institution with regard to agent management.
- v) Minimum agent selection criteria should be defined.
- vi) Institutions should ensure that agents are well established, enjoying good reputation and have the confidence of the populace in their areas of operation.
- vii) Institutions should ensure that proper AML/CFT monitoring processes exist for agent banking. The necessary actions to be taken by agents in this regard should be communicated to the agents. The agents' compliance should be monitored.

5.6 Operational/transactional limits.

- i) The institution shall establish limits for the provision of services agreed upon in conjunction with the agents.
- ii) The limits must be prudent and bear a relation to the volume of cash moved by the agent and the risks associated with the place of conducting agent banking business.
- iii) The said limits shall be set for each agent and where applicable, for each type of transaction.

PART VI: AGENT OPERATIONS

6.1 Non-exclusivity

- i) No contract between an institution and an agent shall be exclusive.
- ii) One agent may provide services to multiple institutions provided that the agent has separate agent banking contracts with each institution and provided further that the agent has the capacity to manage transactions for different institutions.
- iii) An institution seeking to contract an entity which has already been contracted by another institution to carry out agent banking shall assess the capacity of the entity to manage transactions for different institutions. Due regard shall be taken to the space, technological capacity and adequacy of funds or float of the multi-banking agent.

6.2 Supervision of agents

- i) The responsibility to monitor or supervise agent activities rests with the institution.
- ii) The institution must have information on the number and volume of transactions carried out for each type of service by each agent and monitor effective compliance with limits and other prudential measures established in each case.
- iii) The institution shall implement measures to control operating risk, including clause(s) in the contract establishing the liabilities of the agent vis-à-vis the institution.
- iv) Periodic physical visits by institution's staff or authorised persons are necessary to ensure that agents operate strictly within the requirements of the law, guidelines and the contract.
- v) Notwithstanding the responsibility imposed on institutions to monitor and supervise their agents, the Central Bank may at any time it deems fit exercise its regulatory and supervisory powers under section 27, 28 and 32 of the Banking Act , may request for such data or information and may carry out such inspection as it deems necessary.

6.3 Publication of list of agents and locations

- 6.3.1** The institution shall publish an updated list of all its agents in its website and such other publications as it may deem appropriate. The publication containing the list of its agents shall be disseminated to all its branches and may also be disseminated to its agents.

6.3.2 The institution shall designate particular branches to be responsible for agents operating in their respective branch localities. Alternatively, banks can develop and implement an effective system of monitoring agents.

6.4 Relocation, transfer and closure of agent premises

- i) No agent shall relocate, transfer or close its agent banking premises without the prior written consent of the institution.
- ii) Notice of intention to relocate, transfer or close agent banking premises shall be served on the institution at least thirty days or such shorter or longer period as may be agreed in the contract.
- iii) Within thirty (30) calendar days prior to relocation or closure of agent premises, the institution shall apply to the Central Bank for approval and shall forward to the Central Bank the name and other information of the agent seeking to relocate, transfer or close its premises. The application shall be in the prescribed form and in accordance with Form 5 of the First Schedule.

PART VII: SETTLEMENT OF TRANSACTIONS AND THE TECHNOLOGY

7.1 Real-time transactions.

7.1.1 All transactions involving deposit, withdrawal, payment or transfer of cash from or to an account shall be in real time.

7.1.2 Institutions shall ensure that agents are able to carry out real-time transactions.

7.2 Minimum Technical requirements for the operating systems of the agent.

- 7.2.1 To ensure that agent banking transactions are carried out with devices which are technically fit, institutions are required to ensure that the equipment is able to;
- i) Transmit transaction information in code.
 - ii) Carry out electronic transactions on real time basis.
 - iii) Allow handling under different user profiles for administration, maintenance and operation.
 - iv) Reverse incomplete transactions due to error, system failure, power outage or other defects.
 - v) Process or generate durable transactional documents or receipts. Electronic receipts or acknowledgements such as SMS acknowledgement are permissible.

- vi) Automatically log off an agent once the agent exhausts its daily cash limit or tries to perform an illegal or unauthorised transaction.
- vii) Generate an audit trail.

7.2.2 The institution shall at all times monitor the safety, security and efficiency of the equipment being used to prevent any tampering or manipulation by any person.

7.3 Data and Network security Concerns

Institutions shall put in place systems that specifically and as a minimum address;

- i) Physical and logical security of infrastructure.
- ii) Availability of services.
- iii) Data confidentiality and integrity.
- iv) Encryption of PIN and electronic transactions.
- v) Customer accountability and non-repudiation on transactions.
- vi) Error messaging and exception handling.

7.4 Third-Party Service Providers

- i) An institution may enter into a written contract with a third party service provider for the provision of the following services in respect of its agent banking business;
 - a) Technology platform.
 - b) Agent selection.
 - c) Agent network management.
 - d) Agent training.
 - e) Equipment provision.
 - f) Equipment maintenance.
- ii) The provision of any of the services specified in Clause 7.4 (i) does not constitute agent banking.
- iii) Any third party service provider who, apart from providing the services specified in Clause 7.4 (i) seeks to provide or render agent banking services as specified in this Guideline shall enter into an agency contract with the institution for that purpose.
- iv) The institution shall remain liable for the agent banking business even where a third party service provider is contracted to provide the services specified in Clause 7.4 (i) of this Guideline.

**PART VIII: ANTI-MONEY LAUNDERING AND COUNTERING OF FINANCING
OF TERRORISM / COMBATTING PROLIFERATION FINANCING
(AML/CFT/CPF)**

8.1 AML/CFT/CPF requirements;

- i) Institutions shall train Agents on Anti-Money Laundering (AML) , Combating of Financing of Terrorism (CFT) and Combating Proliferation Financing (CPF) requirements.
- ii) Institutions should ensure that agents:
 - a) Identify customers with at least two factor authentication like IDs, PINs, passwords, ATM card, secret code or secret message while performing any transaction requiring identification.
 - b) Report to the institution’s Money Laundering Reporting Officer (MLRO) within the prescribed duration, all suspicious activities that come to their knowledge.
 - c) Transact agent banking business strictly as per the transactional limits prescribed by the institution.

In the fulfillment of AML/CFT/CPF requirements, institutions shall comply with the requirements specified under the following statutes and regulations:

- (i) the Banking Act,
- (ii) CBK Prudential Guidelines and Risk Management Guidelines
- (iii) Proceeds of Crime and Anti-Money Laundering Act, 2009 (POCAMLA) and POCAML Regulations issued thereunder.
- (iv) Prevention of Terrorism Act, 2012 (POTA) and attendant regulations
- (v) Any other regulations which the Central Bank of Kenya or relevant statutory agency may prescribe.

PART IX: CONSUMER PROTECTION

9.1 Consumer protection measures.

- 9.1.1 Appropriate consumer protection against risks of fraud, loss of privacy and loss of service is needed for establishing trust among consumers as trust is the single most necessary ingredient for growth of agent banking.
- 9.1.2 It is therefore necessary for institutions to put systems in place which provide sufficient protection and confidence to consumers of agent banking services.

9.2 Minimum requirements

As a minimum, the following requirements must be complied with at all times.

- i) The institution shall possess mechanisms that enable its customers or users to appropriately identify the agent, and it shall make information available about the services it provides through such agents.
- ii) The agents should issue receipts for all transactions. The institution should provide the equipment to generate a receipt or acknowledgement. Electronic receipts or acknowledgements are permissible.
- iii) Where an agent acts as a receiver and deliverer of documents, an acknowledgement should be provided for all documents received or delivered by the agent to or from the customer.
- iv) A channel for communication of customer complaint to the institution should be provided. The institution shall provide a dedicated customer care telephone line or other electronic channel, including a mobile network code (such as a USSD code) for lodging complaints by customers. The customers can also use this telephone line or other mobile telephone code) to verify with the institution, the authenticity and identity of the agent, its physical location and the validity of its agent banking business.
- v) The institution shall have a complaints handling and resolution mechanism and shall ensure proper communication of its mechanism up to the customers.
- vi) All customer complaints shall be addressed within a reasonable time and in any case not later than thirty days from the date of reporting or lodging the complaint. Institutions shall keep a record of all customer complaints and the redress thereof.

- vii) The agent shall have signs, clearly visible to the public, indicating clearly that it is a provider of services of the institution with which it has an agency contract. The agent shall not represent to the public that it is a bank, financial institution or mortgage finance company.
- viii) Use of secure system that ensures customer information confidentiality.
- ix) The customer should be made aware of the fact that he or she is not supposed to store PIN and other critical information on mobile phones or share this with other parties including agents.
- x) An institution may establish contact centres to facilitate easy communication between a customer and the institution.

9.3 Disclosures

9.3.1 An agent shall disclose to the customers;

- i) The name of the institution it is working for and shall display in a conspicuous place within the premises the institution's logo.
- ii) A list of banking services offered by the agent.
- iii) A notice to the effect that if the electronic system is down, no transaction shall be carried out.
- iv) A notice to the effect that services shall be provided subject to availability of funds.
- v) The list of charges or fees applicable for each service which are payable to the institution by the customers.
- vi) The dedicated telephone line or other electronic channel (such as a USSD code) through which customers can contact the institution.
- vii) The name, telephone numbers and location of the institution's branch to which the agent reports its agent activities.

9.3.2 These disclosures shall be displayed in a conspicuous place on agent premises.

9.3.3 An agent shall show on request by a customer a copy of the approval letter issued by the Central Bank, a copy of the appointment letter from the institution and the current license for the commercial activity being undertaken by the

agent. These documents should therefore be readily available in the agent banking premises.

9.4 Branding

Institutions may choose to brand their agent network under any brand name. However use of protected words like bank, financial institution, financial intermediary or their derivatives or any other word suggesting that the agent is itself an institution is prohibited.

9.5 Public Awareness and Sensitization

Institutions shall carry out sensitization of their agents, sub-agents and customers about their agent banking business to the public. This shall be through public awareness campaigns, brochures and other programmes as the nature of the institution's products may require.

PART X: REPORTING REQUIREMENTS AND CENTRAL BANK OVERSIGHT

10.1 Submission of data and statistical returns to the Central Bank.

Every institution shall, at the end of every calendar month and not later than the 5th day of the next month, submit to the Central Bank as prescribed in the Fourth, Fifth and Sixth Schedules, data and other information on agent operations including information on;

- i) Nature, value, volume and geographical distribution of operations or transactions.
- ii) Incidents of fraud, theft or robbery.
- iii) Customer complaints.
- iv) Remedial measures taken to address customer complaints.

10.2 Reporting

The institution shall forward to the Central Bank not later than 31st March of each year and in the prescribed form set out in the Third Schedule, an annual report on its agent banking operations including the names, number and other information on agent operations for the previous year.

10.3 Powers of the Central Bank over agents.

- 10.3.1** In addition to any other power conferred on the Central Bank by the Banking Act, the Prudential Guidelines and any regulations, the Central Bank shall have power to;

- i) Request for any information from any agent or sub-agent at any time as the Central Bank may deem necessary;
- ii) Carry out impromptu or scheduled inspection of the books and premises of the agent.
- iii) Direct an agent or sub-agent to take such action or desist from such conduct as the Central Bank may find necessary;
- iv) Direct the termination of the agency contract and closure of the agency business as it may find necessary;
- v) Direct the institution to take such action or measures against or on behalf of the agent as the Central Bank may find appropriate;
- vi) Direct the institution to take such remedial action arising from the conduct of an agent or sub-agent as it may deem fit.

PART XI: REMEDIAL MEASURES AND ADMINISTRATIVE SANCTIONS

11.1 Remedial measures

If an institution or its agent fails to comply with this Guideline, the Central Bank may pursue any or all corrective actions against the institution as provided under Sections 33 and 34 of the Banking Act.

11.2 Administrative sanctions

In addition to the use of Remedial measures noted in 5.9 above, the Central Bank may pursue any or all of the following administrative sanctions against an institution, its board of directors, officers, agents.

- i) Prohibition from engaging in any further agent banking business;
- ii) Prohibition from contracting new agents;
- iii) Revocation of agent approval;
- iv) Termination of agency contract;
- v) Withholding corporate approvals.

PART XII: AMENDMENT OF THE GUIDELINE

- 12.1** The Central Bank may at any time amend, delete, vary, add or change any provision of this Guideline and such amendment, deletion, variation, addition or change shall become effective from the date of notification to the institutions by the Central Bank.
- 12.2** Such notification may be effected through a circular, directive, notice, letter or other means communicating the intention of the Central Bank to the institutions generally.

PART XIII: EFFECTIVE DATE

- 13.1 Effective date:** The effective date of this Guideline shall be 1st January 2027.
- 13.2 Supersedence** – This Guideline supersedes and replaces Prudential Guideline No. CBK/PG/15 ON Agent Banking issued on 1st January 2013.

Enquiries

Enquiries on any aspect of this Guideline should be referred to:

The Director

Bank Supervision Department

Central Bank of Kenya

P.O. Box 60000 - 00200

Nairobi

TEL. No. 2860000 e-mail: fin@centralbank.go.ke

SCHEDULES

FIRST SCHEDULE

FORM 1: APPLICATION FOR THE APPROVAL OF AGENT NETWORK

(Ref: Clause 2.2)

PART I: GENERAL INFORMATION

1. Name of institution
2. Contact information
 - a) Postal address and telephone numbers.....
.....
.....
 - b) Physical address: - L.R NO Building
Street
County, District, Division, Town, City

PART II: PROPOSED AGENT NETWORK INFORMATION

3. Regional agent network information

	Names of the Counties	Number of agents
1.		
2.		
3.		
4.		

4. Services to be rendered through agents
5. Proposed date of commencing operations

Name:

(Chief Executive Officer)

Signed:

Dated at this day of..... 20.....

Note: The first application must be accompanied by all the relevant documents and requirements here below, as detailed in Clauses 2.2.1 and 2.2.2 of the Guidelines.

- a. Agent Due Diligence Policy and Procedures
- b. A copy of draft standard agency contract
- c. Policies and Procedures on the provision of services through Agents
- d. Risk Assessment Report on proposed Agent Operations
- e. Internal audit report
- f. AML/CFT policies and procedures

- g. Agent Policies and Procedures
- h. Feasibility Study
- i. Business and Delivery Channels Strategies
- j. Application fee: Bankers Cheque of Ksh. 5000/= payable to the Central Bank of Kenya
- k.

FORM 2(a): APPLICATION FOR APPROVAL OF SPECIFIC AGENT
(Ref: Clause 2.6)

PART I: GENERAL INFORMATION

1. Name of institution
2. Contact information
 - c) Postal address and telephone numbers.....
.....
.....
 - d) Physical address: - L.R NO Building
Street
County, District, Division, Town, City

PART II: AGENT INFORMATION

3. Please provide the information required in Form 2(b)
4. If there is a variation in the standard contract specific to a particular agent, provide the details ...

Name:

(Chief Executive Officer)

Signed:

Dated at this Day of..... 20.....

Note: This application must be accompanied by all the relevant documents and requirements here below, as detailed in Clause 2.6.2 of the Guidelines.

- a. Declaration by Chief Executive Officer or duly designated senior officer confirming that the institution has carried out a suitability assessment of proposed agents and the persons required to be assessed. (ref. Second Schedule)
- b. Approval fee: Bankers Cheque or Real Time Gross Settlement (RTGS) remittance of Ksh. 1,000/= per agent payable to the Central Bank of Kenya.

(Re: Clause 2.6)

Financial Year:

Date:

Chief Executive Officer of Designated Senior Officer)

[illegible]

Signed.....

Dated at this Day of..... 20.....

FORM 3: AGENT APPRAISAL FORM*{Ref: Clause 4.4}*

1. Name of proposed Agent

2. Type of Business/ Commercial Activity (state the type of business activity being carried out by the entity)
.....

3. Number of years the entity has conducted or carried out the commercial activity
.....
..

4. Location of the place(s) of business

a) Postal address and telephone numbers.....

b) Physical address: - L.R NO Building
Street/ Village
County, District, Division, Town, City

c) GPS coordinates

5. Date of incorporation/ registration and certificate/ business permit number
.....

6. Other Identification (PIN) number

7. Particulars of owner(s) (directors/ partners/ proprietors)

Name	Designation	Nationality	Date of Birth	ID. Number	Address

8. Number and Names of Related Business Outlets

9. Names of Banker(s)

.....

10. **DECLARATION**

I/ We, the undersigned, declare that to the best of our knowledge and belief, the information contained herein and any attachments is complete and accurate.

a) Owner (Proprietor/ Partner/ Director)

(Name and Designation).....

Signature..... Date.....

b) Owner (Partner/ Director) or Witness

(Name and Designation).....

Signature.....Date.....

WITNESSED BEFORE ME:

SIGNED..... (Witness)

COMMISSIONER FOR OATHS/ MAGISTRATE

Note: This application must be accompanied by all the relevant documents and requirements here below, as detailed in Clause 4.3.2 of the Guidelines.

11. Provide the following supporting documentation:

- a. Copy of Certificate of Incorporation, Certificate of Registration of business name.
- b. A brief description of commercial activity for the last twelve months.
- c. Copy of Valid Business Licence or permit for at least twelve months.
- d. A certificate of good conduct in the case of a sole proprietor or partnership.
- e. Evidence of availability of funds to cover agent operations.
- f. Any other information the institution may require.

FORM 4: AGENT APPRAISAL FORM FOR SOLE PROPRIETOR, PARTNER OR OFFICER OF CORPORATE ENTITY {Ref: Clause 4.4.2}

GENERAL INFORMATION

1. Name of Proposed Agent
2. Type of Business/ Commercial Activity (state the type of business activity being carried out by the entity)
.....

PERSONAL INFORMATION

3. Surname.....
4. Other Names.....
5. Previous Names (if any) by which you have been known:
.....
6. Year and Place of birth:
7. Identification Card number and date of issue.....
8. Personal Identification Number
9. Postal address, e-mail address, code and telephone
number(s).....
10. Physical address
11. Relationship with the entity.....
12. Educational Qualifications and Occupation
13. Business/ Work Experience
14. Name of Banker(s).....

15. Borrowings

Name of borrower	Name of lending institution	Type of loan	Date of loan	Amount of	Current Out- standing balance	Performance	Other Remarks

16. Are the funds obtained from money laundering activities or any other criminal act?

Yes/No

Sources of Funds:

ADDITIONAL INFORMATION

17. Have you at any time been convicted of any criminal offence?

.....

If so, give particulars of the court in which you were convicted, the offence, the penalty imposed and the date of conviction

18. Have you ever been dismissed from any office or employment or been subject to disciplinary proceedings by any professional authority, body or persons?

.....

If so give particulars.....

19. Have you ever been held liable by a court, in any country, for any fraud or other misconduct?

.....

If so, give particulars.....

20. Indicate the names, addresses, telephone numbers and positions of two individuals of good standing who would be able to provide a reference on your personal and professional

integrity. The referees must not be related to you and should have known you for at least three (3) years and are hailing from the same locality as yourself.

- i).
- ii).

21. DECLARATION

I am aware that it is an offence to knowingly or recklessly provide any information, which is false or misconnection with an application for an agent banking approval in Kenya. I am also aware that omitting material intentionally or un-intentionally may lead to rejection of my application.

I certify that the information given above is complete and accurate to the best of my knowledge, and that the other facts relevant to this application of which the supervisory authority should be aware. I, also, undertake to inform known any changes material to the applications which arise while the application is under consideration.

Name:

Title in the Entity.....

Signed:

Dated atthis..... Day of20.....

WITNESSED BEFORE ME:

SIGNED..... (Witness)

COMMISSIONER FOR OATHS/ MAGISTRATE

Note: 1. This application must be accompanied by all the relevant documents and requirements here below

- a. Certificate of good conduct.
- b. Financial Affairs for last two years.
- c. Information obtained from Credit Reference Bureau.
- d. Curriculum vitae detailing educational qualifications, business, and work experience.
- e. Copy of IDs or equivalent.
- f. Two passport size photos.
- g. Any other information the institution may request.

- 2. This Form may also be filled by any other person whom an institution seeks to vet in terms of Clause 4.4.2 of the Guideline

FORM 5: RELOCATION OR CLOSURE OF AGENT PREMISES

{Ref: Clause 6.4}

PART I: GENERAL INFORMATION

1. Name of institution
2. Contact information
 - a) Postal address and telephone numbers.....
.....
.....
 - b) Physical address: - L.R NO Building
Street
County, District, Division, Town, City, Constituency
3. Previous branch responsible for the agent including its locations and addresses
.....

PART II: RELOCATION OF AGENT

4. Name of the agent(s) to be relocated
.....
5. Location of the current place(s) of business
 - a) Postal address and telephone numbers.....
 - b) Physical address: - L.R NO Building
Street/ Village
County, District, Division, Town, City, Constituency
 - c) GPS coordinates
 - d) Services currently offered by the agent.....

6. State reasons necessitating relocation of agent(s)
.....
7. Proposed location(s) of the agent(s).....
 - a) Postal address and telephone numbers.....
 - b) Physical address: - L.R NO Building
Street/ Village
County, District, Division, Town, City, Constituency
 - c) GPS coordinates
8. Is/Are the premise(s) suitable? Explain.....
9. Banking services to be provided by the agent relocating and limits it will be subject to
.....
10. If there is a variation in the terms or conditions in the standard contract specific to the particular agent relocating, provide the details
.....
11. Proposed date of commencing operations in the new location.....
12. Working Hours
13. Proposed branch responsible for the agent relocating including its location and addresses
.....

PART III: CLOSURE OF AGENT

1. Current location of the agent(s) proposed to be closed -
 - a) Postal address and telephone numbers.....
 - b) Physical address: - L.R NO Building
Street/ Village
County, District, Division, Town, City

c) GPS coordinates

d) Services currently offered by the agent.....

2. Specify type of closure, whether permanent or temporary.....
 If temporary closure, specify the proposed dates for closure and opening

3. State reasons necessitating closure of agency

Name:
 (Chief Executive Officer)

Signed:

Dated at this Day of..... 20.....

SCHEDULE OF FEES { Ref: Clause 4.3.3 }

NO.	NATURE OF APPLICATION	FEES
1.	Agent Network Approval	KSh.5,000/= per application
2.	Specific Agent Approval	KSh.1,000/= per agent/outlet
5	Agent annual renewal fees	KSh.1,000/= per agent

SECOND SCHEDULE *Clause 2.6.2(vi)*
REPUBLIC OF KENYA
IN THE MATTER OF OATHS AND STATUTORY DECLARATIONS ACT
(Cap. 15)
STATUTORY DECLARATION

I, ----- of ----- (*insert full name and postal address*) in the Republic of Kenya do hereby make oath and solemnly swear as follows:

1. THAT I am the deponent herein hence competent to swear this affidavit.
2. THAT I am the Chief Executive Officer of ----- (*insert the name of the institution*) (Hereinafter referred to as the institution).

Or

THAT I am a Senior Officer in charge of ----- of ----- (*insert the name of the institution*) (hereinafter referred to as the institution) and duly authorized to make this declaration on its behalf.

Or
3. THAT I am the holder of ----- (*Insert National Registration Card/Identification documentation details*).
4. THAT the institution seeks to contract the following entity (ies) as an agent(s) for the provision of banking services on behalf of the institution in accordance with the provisions of the Agent Banking Guidelines.
5. THAT the institution has carried out a thorough suitability assessment of the entity (ies) and confirms that the entity (ies) is/are credible and have met all requirements of the Guidelines on Agent Banking and will be able to satisfactorily provide agent banking services on behalf of the institution.
6. THAT the institution has also carried out a thorough suitability assessment of all persons who, under the Guidelines, are required to be assessed for moral and professional fitness and all have been found to be fit.
7. THAT what is deponed to herein is true to the best of my knowledge, information and belief.

SWORN at ----- **by the said** -----)
----- (*Insert name of deponent*) -----)
This day of 20....)

BEFORE ME -----)
-----)

A COMMISSIONER FOR OATHS

THIRD SCHEDULE *Clause 10.2*

NUMBER OF AGENTS OPERATING IN THE PREVIOUS YEAR (annual)

Institution:

Financial Year:

Start Date:

End Date:

[illegible]

FOURTH SCHEDULE

NATURE, NUMBER, VALUE AND GEOGRAPHICAL DISTRIBUTION OF TRANSACTIONS (Monthly) Clause 10.1

Institution:

Financial Year:

Date:

		Number of Transactions								Value of Transactions (Kshs.)									
										Total									
	County/Nature of Transactions																		
1.	Cash Deposits																		
2.	Cash Withdrawals																		
3.	Cash Disbursement of Loans																		
4.	Cash Repayment of Loans																		
5.	Payment of Bills																		
6.	Payment of Retirement and Social Benefits																		
7.	Payment of Salaries																		
8.	Transfer of Funds																		
9.	Account balance enquiries																		
10.	Mini statement requests																		
11.	Collection of loan applications forms																		
12.	Collection of account opening application forms																		
13.	Collection of debit and credit card application forms																		
14.	Collection of debit and credit cards																		
15.	Other (Specify)																		

		Number of Transactions									Value of Transactions (Kshs.)									
	Total																			

County	County
1. Nairobi	24. Nyeri
2. Mombasa	25. West Pokot
3. Machakos	26. Samburu
4. Kitui	27. Trans Nzoia
5. Kilifi	28. Uasin Gishu
6. Murang'a	29. Elgeyo Marakwet
7. Kwale	30. Nandi
8. Tana River	31. Baringo
9. Lamu	32. Laikipia
10. Taita Taveta	33. Nakuru
11. Garissa	34. Narok
12. Wajir	35. Kajiado
13. Mandera	36. Kericho
14. Marsabit	37. Bomet
15. Isiolo	38. Kakamega
16. Meru	39. Vihiga
17. Tharaka Nithi	40. Bungoma
18. Embu	41. Busia
19. Makueni	42. Siaya
20. Nyandarua	43. Kisumu
21. Kirinyaga	44. Homabay
22. Kiambu	45. Migori
23. Turkana	46. Kisii
	47. Nyamira

FIFTH SCHEDULE *Clause 10.1*

INCIDENTS OF FRAUD, THEFT OR ROBBERY (Monthly)

Institution:

Financial Year:

Start Date:

End Date:

	Nature of Fraud, theft or robbery (including attempt)	Name of agent affected	Physical Location of agent affected	No. of Incident	Amount involved (Ksh.)	Date(s) of Occurrence	Steps Taken

SIXTH SCHEDULE *Clause 10.1*

CUSTOMER COMPLAINTS AND REMEDIAL ACTIONS (Monthly)

Institution:

Financial Year:

Start Date:

End Date:

	Nature of Complaint	Complainant (Name and Contact information)	Name of agent complained against	Physical location of the agent	Date of Occurrence	Remedial Action