

LEGAL NOTICE NO.

THE BANKING ACT (Cap 488) AND THE MICROFINANCE ACT, No. 19 OF 2006

CREDIT REFERENCE BUREAU REGULATIONS, 2012

ARRANGEMENT OF REGULATIONS

PART I – PRELIMINARY

Regulation

1- Citation.

2- Interpretation.

PART II – ESTABLISHMENT AND LICENCING OF CREDIT REFERENCE BUREAUS

3 - Qualification and prohibition to operate without a licence.

4 - Application for licence.

5 - Evaluation of application.

6 - Inspection of premises and systems.

7 - Issuance of licence.

8 - Bank Guarantee.

9 - Refusal to issue a licence.

10 - Validity of the licence.

11 - Publication of list of Bureaus.

12 - Revocation or suspension of licence.

13 - Annual licence fee.

14 - Non-Transferability of licences.

PART III- OPERATIONS OF CREDIT REFERENCE BUREAUS

15 - Activities of the Bureaus.

16 - Use of Agents.

17 - Actions requiring prior approval of Central Bank.

- 18 - Nature of information to be shared.
- 19 - Guarantors.
- 20 - Prohibited information.
- 21 - Form of consent.
- 22 - Conditions and form of disclosure to customers.
- 23 - Other sources of information.
- 24 - Use of Public data by Bureau.
- 25 - Duty to provide accurate information.
- 26 - Restrictions on the use of customer information.
- 27 - Responsibilities of a Bureau.
- 28 - Key facts document on the right to obtain and dispute credit report.
- 29 - Subscriber's obligation in respect of information obtained from Bureaus.
- 30 - Receipt of credit reports by third parties.
- 31 - Fees.
- 32 - Data management and quality control.
- 33 - Updating and maintaining information.
- 34 - Security and control measures.
- 35 - Customers' rights of access and correction.

PART IV- GOVERNANCE AND MANAGEMENT OF BUREAUS

- 36 - Composition and responsibilities of the Board.
- 37 - Criteria for appointment of directors.
- 38 - Disqualification of officers.
- 39 - Fit and proper test.

PART V- DISSOLUTION AND LIQUIDATION

- 40 - Dissolution and winding up.
- 41 - Approval for voluntary liquidation.

- 42 - Notification to Bank.
- 43 - Forwarding of data to Central Bank.
- 44 - Notification to institutions and Bureaus.

PART VI - POWERS OF THE CENTRAL BANK

- 45 - Powers of the Central Bank.
- 46 - Inspection of bureaus.
- 47 - Ownership of Information.
- 48 - Periodic returns.

PART VII – GENERAL PROVISIONS

- 49 - Mandatory standards.
- 50 - Responsibilities of institutions.
- 51 - Notification of amount owning.
- 52. - Mode of Service.
- 53 - Obtaining information under false pretences.
- 54 - Compliance with guidelines, rules or directives.
- 55 - Penalties.
- 56 - Repeals.
- 57 - Savings.

SCHEDULES

FIRST SCHEDULE - Application Form for a Licence to carry out the Bureau Business.

SECOND SCHEDULE- Personal Declaration Form for individuals proposed to become Officers or Significant Shareholders of a Bureau.

THIRD SCHEDULE- Statutory Declaration.

THE BANKING ACT (Cap 488) AND THE MICROFINANCE ACT, No. 19 OF 2006

IN EXERCISE of the powers conferred by sections 31(3) and (4); and 55(1) of the Banking Act and sections 34(4) and (5); and 48(2) of the Microfinance Act, 2006 the Minister for Finance makes the following Regulations:-

THE CREDIT REFERENCE BUREAU REGULATIONS, 2012.

PART I – PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Credit Reference Bureau Regulations, 2012 and shall come into force at such date as the Minister may prescribe in the gazette.

Interpretation

2. In these Regulations, unless the context otherwise requires-

“Act” means the Banking Act and the Microfinance Act, 2006;

“adverse action notice” means a notice issued by an institution to a customer conveying denial or cancellation of, an increase in any charge for, or a reduction or other adverse or unfavourable change in the terms of coverage or amount of, any loan, existing or applied for, or any other action or determination adversely affecting the customer, based on customer information obtained from a Bureau;

“agent” means an entity contracted by a Bureau and approved by the Central Bank to provide the services of the Bureau on behalf of the Bureau, in such manner as may be prescribed by the Central Bank;

“amendment notice” means a written notice from an institution advising the Bureau of an amendment to credit information previously incorrectly reported to the Bureau by that institution;

“Bureau” means a credit reference bureau licensed under these Regulations to prepare or provide credit reports to credit information recipients based on data maintained by the Bureau and to carry out such other activities as are authorised under these Regulations;

“credit information” means any positive or negative information bearing on an individual’s credit worthiness, credit standing, credit capacity, including but not limited to the history and/or profile of an individual or entity with regard to credit, assets, and any financial obligations;

“Credit information provider” means any person including a subscriber who furnishes credit information to a Bureau;

“Credit report” means any electronic, written, oral, or other communication of any information by a credit reference bureau, relating to a person’s creditworthiness, credit standing, credit capacity, character or general reputation which is used or collected to serve as a factor in establishing that person’s eligibility for credit or other service or product provided by an institution or for such other purposes as may be established by law;

“customer” means any consumer of financial services who has a formal engagement to receive services and products on agreed terms and conditions from an institution licensed under the Act and includes a guarantor for a loan or credit and a person who seeks to open an account with an institution;

“customer information” means credit information, or any other positive or negative information provided by a customer or obtained from a third party, or public record information, which may be exchanged pursuant to these Regulations;

“database” means a set of customer information collected, managed and disseminated by a Bureau;

“director” means a member of the board of directors of a Bureau;

“guarantor” means a person who promises to pay a debt if the person who should pay does not pay;

“institution” for the purposes of these Regulations, means an institution within the meaning of section 2 of the Banking Act and section 2 of the Microfinance Act, 2006;

“loan” means direct, indirect and contingent obligations incurred by an individual or entity with third parties and includes any loan, discount, advance, overdraft, export bills purchased, other bills receivable or purchased, import bills, customers’ liability on off- balance sheet items or any other credit facilities extended to a customer of an institution;

“negative information” means any adverse customer information relating to a customer including but not limited to-

- (a) dishonour of cheques other than for technical reasons;
- (b) accounts compulsorily closed other than for administrative reasons;
- (c) proven cases of frauds and forgeries;
- (d) proven cases of cheque kiting;
- (e) false declarations and statements;
- (f) receiverships, bankruptcies and liquidations;
- (g) credit defaults or late payments on all types of facilities;

(h) tendering of false securities; and

(i) misapplication of borrowed funds;

“non- performing loan” means customer information relating to a customer’s non-performing loan as defined by the Central Bank in Prudential Guidelines issued under Section 33(4) of the Banking Act and the Microfinance (Deposit Taking Microfinance Institutions) Regulations, 2008 issued under section 48(1) of the Microfinance Act, 2006;

“notice of change” means a written notice sent by the Bureau to an institution concerning a significant change to customer information that had previously been obtained by the institution from the Bureau no more than twelve months prior to the date of the notice of change;

“notice of resolution” means a written notice sent from an institution to the Bureau, advising the results of an investigation the institution has made into customer information previously reported to the Bureau by the institution where the customer has disputed the accuracy of information reported;

“officer” means any person who takes part in the general management of a Bureau and includes a director, the secretary to the board, the chief executive officer, deputy chief executive officer, chief financial officer, treasurer, chief internal auditor, or manager of a significant unit of the Bureau or a person with a similar level of position or responsibility;

“performing loan” means a performing loan as defined by the Central Bank in Prudential Guidelines issued under Section 33(4) of the Banking Act and the Microfinance (Deposit Taking Microfinance Institutions) Regulations, 2008 issued under section 48(1) of the Microfinance Act, 2006;

“place of business” means any premises including the Head Office, branch, agency or such other premises as may be approved by the Central Bank, at which a Bureau conducts bureau business;

“Positive Information” means any favourable data pertaining to a person's credit track record in keeping up with credit and financial obligations

“significant shareholder” means a person other than the Government or a public entity, who holds directly or indirectly or otherwise has a beneficial interest in more than ten per cent of the share capital of a Bureau or if it is proposed that such a person shall so hold or have such a beneficial interest;

“subscriber” means an institution subscribing to receive customer information from a Bureau.

PART II – ESTABLISHMENT AND LICENSING OF A BUREAU

Qualification and prohibition to operate without a licence

3. (1) A person shall not establish or operate a bureau or carry out or conduct Bureau business in Kenya or otherwise hold himself out to the public as engaging in any Bureau business for the benefit of institutions licensed under the Act unless such person is-
- (a) established and incorporated as a limited liability company under the Companies Act; and
 - (b) licensed under these Regulations.
- (2) A person who contravenes the provisions of this regulation commits an offence and shall, on conviction, be liable to a fine of one hundred thousand shillings or to imprisonment for a term of six months or to both.

Application for a licence

4. (1) Any person seeking to obtain a license to conduct a bureau business shall in the first instance apply to the Central Bank for name approval.
- (2) A person granted consent by the Central Bank to use the name under sub regulation (1) above and who does not obtain a licence within twelve months of such grant shall forthwith cease to use the approved name.
- (3) An application for a licence to conduct credit reference bureau business shall be made to the Central Bank in the prescribed form set out in the First Schedule.
- (4) The application shall be accompanied by the following information and supporting documents and any other information that the Bureau considers necessary or as may be required by the Central Bank from time to time -
- (a) certified copies of the applicant's certificate of incorporation and its memorandum and articles of association;
 - (b) feasibility study by the applicant, showing the nature of the planned business, organizational structure and internal control systems and monitoring procedures of the company, covering, *inter-alia*, the following aspects-

- (i) market analysis;
 - (ii) ownership structure;
 - (iii) governance and management structure;
 - (iv) business plan;
 - (v) business continuity plan;
 - (vi) operation manuals that ensure the accuracy of the information contained in its database as well as the timely updating of the information, through signing of contracts with information sources which must be known to the Central Bank and the manuals must include query module manual of the applicant, data loading module manual, source quality control manual, maintenance module manual, security module manual, operating manual, user manual, *data privacy manual* and manual for procedures for handling complaints,;
- (c) sworn declarations of proposed directors, officers and significant shareholders in the forms set out in the Second Schedule;
- (d) management processes, including-
- (i) development schedule of the software required for operation;
 - (ii) characteristics of products and services to be provided to subscribers;
 - (iii) service provision policies and procedures manuals; and
 - (iv) proposed security and control measures aimed at preventing misuse or improper management of information;
- (e) overview of operations including the description of systems and the design of the data collection including the unique identification system for individuals and enterprises that is adequate to ease the collection of data and handling of the database;
- (f) a description of the applicant's premises and their suitability for customer service and the description of the security measures to be adopted;
- (g) the proposed fees and cost structure of products and services;

- (h) audited financial statements for the last three years where applicable;
- (i) a prototype of the final product that demonstrates the principal features and functions of the system; and
- (j) a banker's cheque of ten thousand shillings payable to the Central Bank, being non-refundable application processing fee.

Evaluation of application

5. On receipt of an application for a Bureau license, the Central shall within fourteen days from the date of receipt of the application assess the adequacy of the information submitted and shall acknowledge receipt of the application and notify the applicant of any missing information which ought to be submitted by the applicant.

When evaluating an application for a licence to operate a credit reference bureau business in Kenya, the Central Bank shall take into account all relevant matters within its discretion including the following-

- (a) the background, reputation, integrity, experience and capacity of the proposed directors and significant shareholders of the applicant as evidenced by amongst others, the curriculum vitae and professional records of the proposed persons;
- (b) the business plan of the applicant, including plans to undertake national coverage, roll out plan and a mechanism to integrate, gather, input, update and validate data.
- (c) the design of data collection for customer information and flexibility in structuring the information in accordance with the Act and these Regulations or other guidelines that may be issued by the Central Bank;
- (d) the adequacy of the applicant's capital structure in relation to the credit reference business; and
- (e) availability of human, financial and operational resources necessary for effective and efficient conduct of Bureau business.

Inspection of premises and systems

6. (1) An applicant shall submit to the Central Bank a security audit report prepared by a registered audit firm giving expert opinion on the suitability of the premises, adequacy of the management information systems, and any other aspects that may be considered relevant with respect to Bureau operations.
- (2) The Central Bank shall carry out on-site inspection of the applicant's premises to determine the adequacy of the applicant's safety and security system and to confirm-
- (a) suitability of the premises for Bureau operations;

- (b) adequacy of the management information system, administrative and operational processes and the internal control systems;
- (c) security of information; and
- (d) separation of the proposed Bureau business from other business carried out by the applicant or its associates.

Issuance of licence

7. (1) A Bureau licence shall only be issued if the applicant meets the requirements set out in these Regulations.
- (2) Where the Central Bank is dissatisfied with the adequacy of information submitted by the applicant for purposes of processing the application, the Central Bank may request for additional information before making a final determination.
- (3) Where the Central Bank is satisfied that all the necessary requirements have been met, the Central Bank shall notify the applicant to submit to the Central Bank-
 - (a) a bankers cheque for one hundred thousand shillings payable to the Central Bank being licence fee;
 - (b) a statutory declaration in the form set out in the Third Schedule sworn under oath by the chief executive officer of the applicant confirming that the applicant will adhere to the provisions of these Regulations and in particular, the applicant will not disclose to any person any information obtained pursuant to the applicant's obligations under these Regulations except as provided herein.
- (4) Where the Central Bank is satisfied that the requirements of sub-regulation (3) have been complied with; the Central Bank shall issue a licence to the applicant permitting it to carry out the Bureau business operations.
- (5) The Central Bank may endorse a licence granted under this section with such conditions as the Central Bank considers and may from time to time add, vary or substitute such conditions as the Central Bank deems appropriate.
- (6) The Central Bank shall determine an application for a license within ninety days from the date of receipt of all information required under these Regulations or as may be requested by the Bank.

Provided that no licence shall be granted if the applicant has not fully set up its physical structure including management information system.

- (7) Where the Bank declines to grant a license, it shall state the grounds of refusal and where applicable may advise the applicant of the necessary action which the applicant needs to take before resubmitting a fresh application for a licence.

Bank guarantee

8. (1) Where a Bureau is licensed under these Regulations, it shall within thirty days of being granted the licence, submit to the Central Bank an irrevocable bank guarantee for one million shillings in a format acceptable to the Central Bank.
- (2) Where a Bureau is required to pay a penalty under these Regulations and fails to do so within such time as may be prescribed by the Central Bank, the Central Bank may recover the amounts due on the penalty from the bank guarantee issued under sub-regulation (1).
- (3) Where a penalty has been recovered from the bank guarantee in accordance with sub-regulation (2), the Bureau shall within thirty days of being notified, furnish the Central Bank with a new irrevocable bank guarantee of one million shillings, in a format acceptable to the Central Bank.
- (4) Where a Bureau fails to comply with sub-regulation (1) and (3), its licence shall be revoked.

Refusal to issue a licence

9. (1) Where the requirements of issuance of a licence as provided in these Regulations are not met, the Central Bank may refuse to grant a licence to an applicant.
- (2) An aggrieved party may appeal to the Minister for the review of the decision not to grant a licence.
- (3) In considering an appeal under sub-regulation (2), the Minister shall have consideration to the material in the administrative record developed by the Central Bank and may not consider any information or events that occurred after the Central Bank took its decision.
- (4) The Minister may reverse the decision of the Central Bank decision if it is established that:
- (a) the Bank failed to follow the laid down procedure;
 - (b) the Bank's decision was contrary to law;
 - (c) there was no factual basis for the Bank's decision; or
 - (d) based on a review of the record, the Bank committed a manifest error in its assessment of facts, or abused its discretion.
- (5) The Central Bank shall be bound by the decision of the Minister.

Validity of the licence

10. A licence issued under these Regulations shall remain valid unless revoked.

Notification of licenced Bureaus

11. The Central Bank shall, within thirty days from the date a licence has been issued to a Bureau, notify members of the public, the name of the Bureau and the date the licence was issued.

Revocation or suspension of licence

12. (1) The Central Bank may revoke or suspend a licence issued to a Bureau if the Bureau;
 - (i) does not commence business within twelve months from the date the licence was issued;
 - (ii) has ceased or suspended operations for a period of one month;
 - (iii) obtained the licence on the premise of wrong, false, misleading information or concealment of material information which, if known at the time of evaluation of the application for the licence, the Bureau would not have been granted a licence;
 - (iv) applies to the Central Bank for the revocation or suspension of the licence where good cause has been shown;
 - (v) has ceased to meet the licensing requirements prescribed in these Regulations;
 - (vi) has failed to comply with any condition of the licence;
 - (vii) has violated the provisions of any applicable law or these Regulations or is insolvent or unable to effectively conduct its operations or through its activities the public trust has been compromised.
 - (viii) has failed to comply with any material obligation imposed on it by or under these Regulations;
 - (ix) has engaged in activities either restricted or not permitted under these Regulations;
 - (x) is unable or has consistently failed to protect the confidentiality of data or information it collects;
 - (xi) has, without the consent of the Central Bank, amalgamated with another entity or sold or otherwise transferred its business, assets or liabilities to another entity;
 - (xii) a winding-up order has been made against it or a resolution for voluntary winding up has been passed; or
 - (xiii) has been engaged in using the information collected, for any purpose which is not permitted by these Regulations.
- (2) The Central Bank shall not revoke or suspend the licence of a Bureau unless the Bureau has been given an opportunity to make representations on why the licence should not be revoked or suspended and the Central Bank shall take into account the representations made by the Bureau in its decision on the matter.
- (3) The Central Bank may, in lieu of revoking or suspending the licence, require the Bureau to take such measures to regularise the breach or violation within such time as the Central Bank may specify and may in addition impose such monetary penalty or other sanctions as it may deem fit.

- (4) The Central Bank shall, upon revoking or suspending a licence under sub-regulation (1), immediately inform the licensee of the revocation or suspension.
- (5) The Central Bank shall, upon revocation of the licence of a Credit Reference Bureau, take over control of the business of the licensee to safeguard the information in its possession and facilitate winding up its Bureau business.
- (6) The Bureau shall hand over all Credit Reference Bureau data in a readable format as the Central Bank may specify and shall thereafter erase to the satisfaction of the Central Bank, all data in its database.
- (7) Where the licence is revoked, the holder of the licence shall, within seven days from the date of service of the notice of revocation, surrender the licence to CBK and shall forthwith cease to carry out Bureau business or any other activity authorised under these Regulations.
- (8) A person who fails to comply with sub-regulation (7) commits an offence and shall, on conviction, be liable to a fine not exceeding five hundred thousand shillings or to imprisonment for a term not exceeding two years or to both.

Annual licence fee

13. (1) A Bureau shall be required to pay to the Central Bank an annual licence fee of one hundred thousand shillings.
 - (2) The annual licence fee prescribed in sub-regulation (1) shall be paid before the anniversary date.
 - (3) A Bureau that fails to pay the annual licence fee before the anniversary date shall pay double the licence fee, if payment is made within ninety days after the anniversary date.
 - (4) If a Bureau fails to pay the fee within ninety days after the anniversary date as prescribed in sub-regulation (3), its licence shall be revoked.
 - (5) In this regulation, “anniversary date” means the date when the Bureau was issued with a licence.

Non-Transferability of licenses

14. (1) A person shall not transfer a license granted to him by the Central Bank to another person.
 - (2) A person who contravenes sub-regulation (1) commits an offence and shall be liable to a penalty of Kenya Shillings five hundred thousand.

PART III- OPERATIONS OF BUREAUS

Activities of the Bureau

15. (1) A Bureau licensed under these Regulations may engage in the following activities-
- (a) obtain and receive customer information;
 - (b) store, manage, evaluate, update and disseminate the customer information to subscribers in accordance with these Regulations;
 - (c) compile and maintain database and generate reports from customer information database;
 - (d) assess the creditworthiness of a customer;
 - (e) sell to institutions specialized literature and other informational material related to its activities;
 - (f) carry out market and statistical research relating to matters set out under these Regulations; and
 - (g) carry out any other activity as may be approved by the Central Bank from time to time in accordance with the Act.
- (2) A Bureau shall not engage in activities other than those specified in these Regulations or as approved by the Central Bank in accordance with the Act.
- (3) Where a Bureau fails to comply with sub-regulation (2) it shall be liable to pay a penalty of five hundred thousand shillings and in the case of continued failure, it shall be liable to an additional penalty of ten thousand shillings for each day on which such failure continues.

Use of agents

16. (1) A Bureau may contract an agent for the following purposes:
- (i) Delivery of credit reports to requesting persons as may be authorised under these Regulations;
 - (ii) Public sensitization of customers, institutions, and other credit information providers;
 - (iii) Other purposes as may be approved by the Central Bank upon application by Bureau.
- (2) No Bureau shall contract an agent unless the proposed agent has been approved by the Central Bank.
- (3) A Bureau shall ensure that no agent has unlimited access to the credit information in the database of a Bureau and shall only permit access in respect of a customer whose

credit information has been requested or is the subject of a lawful transaction under these Regulations.

- (4) A Bureau shall carry out a suitability assessment on the capability of an agent and shall satisfy itself as to the:
 - (i) Existence of adequate infrastructure for the collection of information and delivery of credit reports.
 - (ii) Ability of the agent to keep customer information confidential.
 - (iii) Ability to conduct proper and sufficient due diligence and identity verification on any person requesting for credit information;
- (5) The Central Bank may prescribe guidelines for the contracting and operations of an agent.

Actions requiring prior approval of Central Bank

17. (1) A Bureau shall seek and obtain prior written approval of the Central Bank for the following activities;
 - (i) Appointment of directors and officers of the Bureau;
 - (ii) Acquisition of ten per cent or more of the shares of the Bureau by any person except as may be provided otherwise under these Regulations;
 - (iii) Opening, relocation or closure of a place of business in or outside Kenya and shall notify the Central Bank three months prior to permanently closing its place of business. Temporary closures shall be notified to the Central Bank within seven days prior to the date of closure or on such short notice as the circumstances of the case may render necessary.
 - (iv) Changes in the memorandum and articles of association;
 - (v) Passing of a shareholders resolution to voluntarily wind up the Bureau;
 - (vi) Arrangement or agreement-
 - (a) for the sale, transfer or disposal of the shares or business of the Bureau; or a merger, amalgamation, acquisition, take over or assignment;
 - (b) affecting the voting power, management or other matters which may result in a change in the control or management of the Bureau.

Nature of information to be shared

18. (1) Customer information which shall be exchanged pursuant to these Regulations is any customer information concerning a customer's non-performing loans, and may include details specified in sub-regulation (4).
- (2) Banks licensed under the Banking Act shall disclose any positive information of their customers to Bureaus.
- (3) Institutions other than banks may disclose positive information to Bureaus with prior written consent of the customers concerned.
- (4) The nature of customer information to be shared pursuant to sub regulation (1), (2) and (3) include-

- (a) the customer's identity, including-
 - (i) in the case of a natural person his name, date of birth, national identity card number, personal identification number, passport number, driving licence number, past and current addresses and other contact details and related matters;
 - (ii) in the case of a customer who is not a natural person, its name, registration number, personal identification number, names of directors, shareholders or partners, *trustees or officials*, past and current addresses and other contact details and related matters;
 - (b) the customer's credit history, including the nature and amounts of loans or advances and other credit facilities granted or to be granted to a customer, amounts outstanding thereof and related matters;
 - (c) the nature and details of security or securities taken or proposed to be taken by an institution as security for the loans, advances and other credit facilities;
 - (d) details of patterns of payment of credit facilities or default in payment by the customer, debt restructuring and actions taken by the institution to recover unpaid amounts including realization of securities, legal proceedings and related matters.
 - (e) details of performing loans;
 - (f) details of guarantors;
- (5) Customer information shall be furnished using a standard format established by agreement of the institutions furnishing information and licenced Bureaus, or otherwise issued by the Central Bank.

Guarantors

19. (1) No credit information on or of a guarantor shall be submitted to a Bureau unless the institution has:
- (i) served the guarantor with a thirty day notice of the default by the principal borrower.
 - (ii) notified the guarantor of his obligation to repay the debt or the outstanding amount on behalf of the principal borrower.
 - (iii) given the guarantor a sixty day notice from the date of expiry of the notice issued under sub-regulation (i) to make the necessary payments to return the loan to a performing status.
 - (iv) notified the guarantor in the notice under sub-regulation (iii) that the borrower's credit information has already been forwarded to the Bureaus and that guarantor's credit information will also be forwarded to all Bureaus if the loan is not returned to a performing status.

- (2) A guarantor may directly obtain a credit report of the principal borrower from a Bureau.

Prohibited information

20. A Bureau shall not include in its database or a credit report personal information of a customer relating to race, belief, color, ethnic origin, religion, political affiliation, sexual orientation, physical handicaps, state of health or medical information.

Form of consent

21. Where the consent of a customer is required under these Regulations for the submission or sharing of credit information of a customer, such consent may be obtained by the customer signing any document giving express consent or authorisation for the sharing of credit information. Such documents may include, account opening documents, loan application forms, loan agreements or any other agreement document between an institution and a customer; or by any other documentary means as shall be convenient or agreeable to both the institution and the customer.

Conditions and form of disclosure to customers

22. (1) A customer shall furnish proper identification to a Bureau as a prior condition for making disclosure.
 - (2) Disclosure by a Bureau may be made in writing, in person (during normal business hours), and on reasonable notice, by telephone, e-mail or by other electronic means (if available to the Bureau) as the requesting person may choose.
 - (3) The customer may be permitted to be accompanied by one other person of his choosing, who shall furnish reasonable identification before he is allowed on the instructions of the customer to have access to the customer information.
 - (4) A Bureau shall require the customer to furnish a written or oral authority granting permission to the Bureau to discuss the customer's information in a third party's presence.
 - (5) A Bureau shall provide trained personnel to explain to the customer any information furnished to him where such explanation is needed by the customer.

Other sources of information

23. (1) A Bureau may collect, receive, collate, compile and disseminate information concerning a customer of an institution which is privately obtained from a third party or is ordinarily available to the public, including but not limited to information from the following public sources;
 - (i) Companies registry;
 - (ii) Registrar of business entities;

- (iii) Business and trade licensing authorities;
 - (iv) Land registries;
 - (v) Tax authorities;
 - (vi) Local government authorities such as City Council, County Councils, town councils amongst others;
 - (vii) Court registries in respect of information on judgments on debts, insolvency or bankruptcy proceedings or winding up orders;
- (2) Government agencies, other public entities and any other third party may enter into contracts with Bureaus for the provision of information and such contract shall specify;
- (i) the conditions for the provision of information;
 - (ii) the obligation to furnish accurate and updated information;
 - (iii) the obligation to promptly correct any information submitted to the Bureau which has been established to be inaccurate, overtaken by events, false, misleading or erroneous in any form;
 - (iv) the manner and form in which the information may be submitted to the Bureaus.
- (3) No Bureau shall enter into any contract with a Government agency, other public entities or any other third party for the purpose of collecting credit information unless the prior approval of the Central Bank has been obtained.

Use of public data by Bureau

- 24.** (1) A Bureau may consult public sources of information and include such public information in any report issued under these regulations provided that before including such information:
- (i) the Bureau shall follow reasonable procedures to obtain confirmation of the information from a source that has independent and direct knowledge of the information.
 - (ii) the Bureau shall, where such information relates to any court proceeding of a civil or criminal nature or any public record, verify the accuracy of the information not more than twenty-one days before the date on which the information is included in any report.
- (2) Every Bureau shall periodically report to the Central Bank the source and details of the public data included in its reports and together with the process of verification carried out to authenticate the veracity and truthfulness of such data.
- (3) Where a Bureau has included in any report public domain data, and the Central Bank is satisfied that a Bureau did not take all reasonable measures to verify the veracity, truthfulness or accuracy of the data, the Central Bank shall direct the Bureau

to delete the information from its database and may in addition impose a penalty not exceeding five hundred thousand shillings.

Duty to provide accurate information

25. (1) A credit information provider shall not furnish any information relating to a customer to any Bureau if the credit information provider knows or has reasonable cause to believe that the information is inaccurate.
- (2) A credit information provider shall not furnish information relating to a customer to any Bureau if the credit information provider has been notified by the customer, at the address specified by the credit information provider for such notices, that specific information is inaccurate.
- (3) A notice issued under sub-regulation (2) shall explain the basis of the inaccuracy of the information and where the notice is oral, the credit information provider shall reduce it into writing;
- (4) Where the credit information provider has been notified of any inaccuracy in the credit information and where there is reasonable cause to believe that the information may not be accurate, the credit information provider shall inform all the Bureaus to which the information has already been submitted of this fact within five days of the notification and shall within seven days carry out investigations to establish the truth or otherwise of the allegation and shall thereafter inform the Bureaus of the outcome of the investigation within fourteen days from the date of conclusion of the investigation.
- (5) Credit information providers have a duty to correct any inaccurate or erroneous information when the fact of inaccurate or erroneous information comes to their knowledge or attention and to promptly inform the Bureaus within three days from the date of learning of the inaccurate or erroneous information
- (6) Credit information providers furnishing negative information to a Bureau regarding credit extended to a customer or arising from a product or service rendered to a customer shall, in writing issue to the customer a notice of intention to submit the negative information within thirty days prior to submission of the negative information to a Bureau.

Restrictions on the use of customer information

26. (1) A Bureau shall-
 - (a) protect the confidentiality of customer information received in terms of these Regulations and shall only report or release such customer information-
 - (i) to the customer concerned;

- (ii) to the Central Bank of Kenya;
 - (iii) to a requesting subscriber;
 - (iv) to a third party as authorized by the customer concerned; or
 - (v) as required by law.
- (2) Except as is otherwise provided for under sub-regulation (1), no director, member, officer or other employee or agent employed in the business of a Bureau or a subscriber shall disclose any information to any person.
- (3) A director, member, officer or other employee or agent of a Bureau who unlawfully or without the authority of the Bureau discloses any credit information to an unauthorised person commits an offence and shall be liable upon conviction to imprisonment for a term of two years or to a fine of five hundred thousand shillings or to both.
- (4) In lieu of criminal prosecution under sub-regulation (3) above, the Central Bank may impose such sanctions against the Bureau, director, member, officer, other employee or agent as the Bank may deem fit including terminating the services of the director, member, officer, other employee or agent of the Bureau.

Responsibilities of a Bureau

27. (1) A Bureau shall;

- (a) utilize the information collected solely for the purposes set out in these Regulations;
- (b) ensure that customer information in its database is protected against any loss and shall have in place sufficient back up and disaster recovery sites.
- (c) take all such steps as are reasonably necessary to ensure that the customer information maintained by it is duly protected against any unauthorized access, use, modification or unauthorized disclosure;
- (d) ensure that the customer information maintained by it is not mortgaged or charged for any purpose whatsoever;
- (e) ensure customer information is obtained from reliable and credible sources which take responsibility for the accuracy, completeness and timeliness of information that is provided to a Bureau;

- (f) observe, through its shareholders, directors, officers, employees or agents, a perpetual duty of confidentiality with regard to the information divulged to them in terms of these Regulations.
 - (g) accept without charge the filing of customer credit information from the customer concerned for the purpose of correcting or challenging information otherwise held by that Bureau concerning that customer;
 - (h) take reasonable steps to verify the accuracy of any customer credit information reported to it;
 - (i) retain any customer credit information reported to it for the prescribed period, irrespective of whether that information reflects positively or negatively on the consumer;
 - (j) maintain its records of customer credit information in a manner that satisfies the prescribed standards as provided for under this Regulations;
 - (k) promptly expunge from its records any prescribed customer credit information that, in terms of the Regulations, is not permitted to be entered in its records or is required to be removed from its records;
 - (l) issue a report to any person who requires it for a prescribed purpose or a purpose contemplated in these Regulations, upon payment of the Bureau's fee except where the Regulation explicitly provides that no fee be charged;
 - (m) not draw a negative inference about, or issue a negative assessment of a person's creditworthiness merely on the basis that the Bureau has no customer credit information concerning that person;
 - (n) not knowingly, recklessly or negligently provide a report to any person containing inaccurate information; and
 - (o) maintain a complaints resolution mechanism to handle queries or complaints.
- (2) A Bureau shall only release customer information to a subscriber-
- (a) that requires customer information to evaluate a customer's application for credit or other customer-initiated business transaction or for the recovery of any sum due to the institution;
 - (b) that has certified to the Bureau that it will use the customer information for the purpose of making a permitted eligibility decision and for no other purpose; and
 - (c) that has agreed to properly dispose of customer information so that it cannot reasonably be read or reconstructed.
- (3) Any Bureau which fails or refuses to comply with any provision of this Regulation shall be liable to penalty of five hundred thousand shillings.

Key facts document on the right to obtain and dispute credit report

- 28. (1)** A Bureau shall prepare a model summary of the rights of customers. The summary of the rights prepared should include a description of –
- (i) the right of a customer to obtain a copy of a credit report from each Bureau;
 - (ii) the frequency and circumstances under which a customer is entitled to receive a credit report without charge;
 - (iii) the right of a customer to dispute information in the file of the customer;
 - (iv) the right of a customer to obtain a credit score from a Bureau, and a description of how to obtain a credit score; and
 - (v) the method by which a customer can contact, and obtain a credit report from, a Bureau without charge.
- (2)** A Bureau shall –
- (i) actively publicize the availability of the summary of rights;
 - (ii) conspicuously post on its website and its business premises the summary of rights; and
 - (iii) promptly make such summary of rights available to customers, on request or as the Bureau may find necessary to bring to the attention of as many customers as possible.

Subscriber's obligations in respect of information obtained from Bureaus

- 29. (1)** No subscriber of information from a Bureau shall use such information for any purpose other than for reaching decisions on the business of the subscriber in the ordinary course of such business.
- (2)** Under no circumstances may a subscriber release such information to any third party except as may be required under any law or to a subscriber's appointed agent for the purpose of assisting the subscriber in the recovery of any of its debts.
- (3)** A subscriber shall ensure that it does not make an enquiry requesting for a credit report from a Bureau unless such enquiry is made for a relevant purpose and in respect of a person who is:
- (i) a customer of (or has applied for credit facilities from) such subscriber; or
 - (ii) a guarantor of a customer of (or a guarantor of a party who has applied for credit facilities from) such a subscriber.

- (4) A subscriber shall ensure that all necessary precautions are taken to ensure that all information provided to it by a Bureau is:
 - (i) properly and accurately recorded and maintained;
 - (ii) protected against loss; and
 - (iii) protected against unauthorised access, use, modification or disclosure.
- (5) A subscriber shall take measures, including the following, to safeguard the security of information provided to it by a Bureau through:
 - (i) establishment of controls and procedures to be applied when access is sought to obtain a credit report to ensure that there are no unauthorised requests for such reports;
 - (ii) keeping audit trails of information supplied by it to a bureau or received from a Bureau;
 - (iii) review, on a regular basis, password and other controls over all personnel authorized to access the database of information provided to it by a Bureau so as to prevent unauthorised access or use;
- (6) A subscriber shall ensure that no information is requested from a Bureau or (if received by the subscriber from a Bureau) is used by or on behalf of the subscriber for marketing, data mining or similar purposes.

Receipt of credit reports by third parties

30. (1) A customer may expressly and in writing authorise or give consent to a third party to obtain directly from a Bureau, a credit report in respect of that customer for purposes of:
 - (i) assessment of credit facility;
 - (ii) employment;
 - (iii) underwriting insurance;
 - (iv) determination of the customer's eligibility for a licence or benefit granted by the Government;
 - (v) assessment of the credit or prepayment risks associated with an existing credit obligation; or
 - (vi) legitimate need for information, in connection with business transaction initiated by the customer or other lawful transaction or matter concerning the customer;
- (2) Any subscriber which fails or refuses to comply with any provision of this Regulation shall be liable to penalty of five hundred thousand shillings.

Fees

31. (1) A bureau may charge such fees, for its services, as shall be agreed between the subscribers and the Bureau.
- (2) The Bureau shall notify Central Bank of such fees through periodic returns submitted in accordance with regulation 48.

Data management and quality control

32. A bureau shall-

- (a) implement strict quality control procedures in order to ensure the maximum possible accuracy of its database and the continuity of its services;
 - (b) take all such steps as are reasonably necessary to ensure that customer information maintained by it is current, authentic, legitimate, reliable, accurate, truthful and that it reflects the existing situation of the subject at any given time and if the information is found to be inaccurate or no longer valid, the Bureau shall promptly take the corrective measures necessary to remedy the deficiencies.
 - (c) ensure that its services are reasonably available and accessible.
 - (d) develop mechanisms for easy request for and accessibility of credit reports in physical or electronic form or any other convenient and cost effective way and may include fax, telephone, mail, e-mail, internet or in person;
 - (e) establish controls and procedures to be applied when subscribers seek access to credit reports;
 - (f) maintain logs of all accesses, amendments and audit trails to information database including previous enquiry records and logs of all incidents involving proven or suspected breach(es) of security;
 - (g) review, on a regular basis, password controls of all Bureau personnel and subscribers;
 - (h) develop operational guidelines and procedures to be applied in relation to improper use of access authorities by Bureau personnel, authorised agents and/or subscribers and/or persons authorised by them; and
 - (i) develop operational guidelines to ensure adequate protection to minimise the risk of unauthorized entry into the database or interception of communications made to and from the database.
- (2) Any Bureau which fails or refuses to comply with any provision of this Regulation shall be liable to penalty of five hundred thousand shillings.

Updating and maintaining information

33. (1) A Bureau shall retain customer information on non-performing loans until the expiry of *five* years from the date of final settlement of the amount in default

(including settlement of the amounts payable pursuant to a scheme of arrangement with the institution); or upon the expiry of seven years from the date of the person's discharge from bankruptcy, as notified to the Bureau by such person and evidenced by the relevant certificate of discharge issued by the High Court or by a written notice from the Official Receiver stating that the Official Receiver has no objection to a certificate of discharge being issued to the person, irrespective of any write-off by the institution of the amount in default in full or in part at any time.

- (2) Any other information not covered under sub-regulation (1) may be retained for a period not more than five years from the date of submission of the information or receipt of the information by a Bureau.
- (3) Information kept in accordance with sub-regulation (1) may not be used solely to affect the customer's chances of obtaining credit but as one of the factors to inform the decision making process.
- (4) A Bureau shall implement procedures that ensure that the information registered in its database is updated on an on-going basis.
- (5) An institution that furnishes customer information to a Bureau shall, on a monthly basis or within such earlier time as an update is necessary, ensure that the customer information furnished is constantly updated.
- (6) A Bureau shall update its data base as and when information is provided by the institutions responsible for the timely updating of the information submitted to the Bureau and the information shall be updated on an on-going basis, or as often as necessary, in accordance with the nature of the information.

Security and control measures

34. (1) A Bureau shall take the necessary security and control measures in order to avoid unauthorized access to, improper use or mismanagement of information.
 - (2) For the purposes of sub-regulation (1), improper use or mismanagement of information means any act or omission not authorized by these Regulations.
 - (3) A Bureau shall record and make available to the customer the name and date each subscriber obtains access to customer information about the *customer*.
 - (4) A Bureau shall;
 - (i) develop written policies and procedures to be followed by its credit information processors, its employees, agents and contractors, or any other person providing services to it;
 - (ii) impose access authentication controls such as the use of passwords, digital signatures or other mechanisms as may be necessary for security controls;

- (iii) provide information and training to its employees to ensure compliance with the policies, procedures and controls;
- (iv) systematically review the effectiveness of the policies, procedures and controls and promptly remedy any deficiencies; and
- (v) maintain an access log.

Customers' rights of access and correction

35. (1) A customer has a right to know what information the institution has submitted to the Bureau regarding that customer.
- (2) A customer shall be entitled to access credit reports relating to the customer that is kept in a database administered by a Bureau.
- (3) A customer shall be entitled to a free copy of the customer's credit report at least once per year, within thirty days of receiving an adverse action notice issued under regulation 50 (iii) and once per six months after making a request to have inaccurate information corrected in the database.
- (4) Where a customer requests a Bureau for a credit report pursuant to sub-regulation (2), the Bureau shall, within five working days of receiving a request in writing and such particulars as the Bureau may reasonably require to enable it identify the customer, provide to the customer a copy of all customer information relating to the customer held by the Bureau.
- (5) Where the customer believes that the information contained in the database is inaccurate, erroneous or out-dated, the customer may notify the Bureau in writing of the information disputed.
- (6) Within five working days of being informed that information in a customer's credit report is disputed, the Bureau shall –
- (a) attach a note to the credit information report, warning that the disputed information is under investigation, which notice shall remain on the file until resolution of the dispute; and
 - (b) give the institution that supplied the information a notice of dispute requesting confirmation from the institution as to the accuracy of the information.
- (7) Within fifteen working days, the Bureau shall conduct a reasonable investigation, based on all relevant information provided by the customer, and contacting the furnisher of the information as necessary.
- (8) Where an institution or credit information provider receives a notice of dispute from the Bureau it shall, within ten working days of receiving the notice, complete all necessary investigations into the disputed information and give the

Bureau a notice of resolution, advising whether the disputed information is to be deleted, corrected, or remain unchanged.

- (9) Where the investigation reveals an error, the Bureau shall promptly remedy the error and inform the information all persons who may be affected by the information.
- (10) If the Bureau does not complete its investigation within fifteen days, it shall delete the disputed or correct information as requested by the customer.
- (11) If the Bureau later completes its investigation, it may re-insert or revise disputed information based on the results of such investigation.
- (12) Upon receipt of a notice of resolution or an amendment notice from an institution the Bureau shall, within five working days of such receipt, send a notice of change to any subscriber that has in the previous twelve months obtained a credit information report form the Bureau containing the incorrect information.
- (13) Should the customer disagree with the resolution of the disputed information, the customer may request the Bureau to attach a statement of not more than one hundred words to the customer's credit report, setting out the customer's claim that the information is not accurate and the Bureau shall take reasonable steps to comply with the customer's request.
- (14) A Bureau may charge the customer for the reasonable cost of its services in conducting an investigation of disputed customer information only if the information disputed by the customer turns out to be true.

PART IV-GOVERNANCE AND MANAGEMENT OF BUREAUS

Composition and responsibilities of the board

36. (1) Every Bureau shall have a board of directors consisting of not less than five directors.
- (2) A person shall be qualified for appointment as a director, if such person is-
 - (a) approved by the Central Bank for that purpose; and
 - (b) is not disqualified from holding office as such under these Regulations.
 - (3) The board of directors shall elect a non-executive chairman from amongst their members.
 - (4) Members of the board of directors shall –
 - (a) have an overall understanding of the operations and information technology systems of the Bureau;

- (b) meet at least once quarterly;
- (c) ensure that the activities conducted in all offices of the Bureau are in full conformity with these Regulations;
- (d) facilitate the appointment of a competent Chief Executive Officer and Chief Information Technology Officer;
- (e) ensure that the Bureau maintains, at all times, an effective system of internal controls;
- (f) ensure that the Bureau maintains a customer claims and inquiry service section to attend to customers who may be affected by the information contained in the database and who allege that the information is illegal, inaccurate, erroneous or outdated; and
- (g) ensure that the Bureau has adequate staff to undertake the functions of the Bureau and to sufficiently meet customers' demands.

Criteria for appointment of director.

37. A person shall not be qualified to hold office as a director if such person-

- (a) is a minor or is under a legal disability;
- (b) has been convicted of an offence involving theft, fraud, forgery, causing financial Loss or perjury;
- (c) has been removed from an office of trust on account of misconduct, abuse of office, corruption or incompetence in the immediately preceding ten years; or
- (d) is an auditor of the Bureau licensed under these Regulations or associated companies.

Disqualification of officers and employees

38. (1) A Bureau shall ensure that no person shall be an officer or an employee of a Bureau, or, if already in office or employment, shall be disqualified and shall not thereafter be eligible to hold office or be in the employment of any Bureau for a period of ten years, if such person is-

- (a) an undischarged bankrupt or enters into a composition or scheme of arrangement with his creditors;
 - (b) convicted of an offence involving fraud or dishonesty; or
 - (c) removed from office under the provisions of these Regulations.
- (2) Where a Bureau allows a disqualified person to continue acting as an officer or being in employment, or is otherwise in breach of this regulation, it shall be liable

to a penalty of five hundred thousand shillings and the disqualified person acting as an officer or employee shall be liable to pay a fine of one hundred thousand shillings.

Fit and proper test

39. (1) The Central Bank shall, where it is satisfied as to the professional and moral suitability of a significant shareholder, or officer of the Bureau, certify that such person is fit and proper to be a significant shareholder or officer.
- (2) In order to determine, for the purposes of this Regulation, the professional and moral suitability of a significant shareholder, or officer of a Bureau the Central Bank shall have regard to the following qualities, in so far as they are reasonably determinable, of the person concerned-
- (a) his general probity;
 - (b) his competence and soundness of judgment for the fulfilment of the responsibilities of the office in question; and
 - (c) the diligence with which the person concerned is likely to fulfil those responsibilities.
- (3) For the purposes of these Regulations and without prejudice to the generality of the provisions of sub-regulation (2), the Central Bank may have regard to the previous conduct and activities of the person concerned in the Bureau business, and in particular, to any evidence that such person-
- (a) has been convicted of an offence of fraud or any other offence of which dishonesty is an element;
 - (b) has contravened the provisions of any law designed for the protection of members of the public against financial loss due to the dishonesty or incompetence of, or malpractices by, persons engaged in the provision of banking, insurance, investment or other financial services;
 - (c) was an officer or director of an institution that has been liquidated or is under liquidation or statutory management under the relevant law;
 - (d) has taken part in any business practices that in the opinion of the Central Bank were fraudulent, prejudicial or otherwise improper (whether unlawful or not) or which otherwise discredited his methods of conducting business; or
 - (e) has taken part in or been associated with any other business practices as would, or has otherwise conducted himself in such manner as to cast doubt on his competence and soundness of judgment.

- (4) The Central Bank may request any person to furnish such additional information as may be necessary in determining the professional or moral suitability of that person as prescribed in these Regulations or as deemed necessary.

PART V - DISSOLUTION AND LIQUIDATION

Dissolution and winding up of a Bureau

40. Any Bureau licensed under these Regulations may be compulsorily or voluntarily liquidated in accordance with the provisions of the laws relating to dissolution and winding up of companies in Kenya.

Central Bank approval for voluntary liquidation

41. (1) Where shareholders of a bureau pass a resolution to voluntarily wind up the Bureau, the Bureau shall apply to the Central Bank for approval to voluntarily wind up the Bureau.
- (2) A Bureau's application to the Central Bank for approval under sub-regulation (1) shall be accompanied by the following documents—
- (a) a copy of the minutes of the meeting of shareholders which passed the resolution for voluntary dissolution of the company;
 - (b) financial statements as of the date of the resolution, with a report from a credible external auditor;
 - (c) a sworn statement from the Chief Executive Officer confirming that there are no worker, corporate or tax obligations pending the resolution and that the company is able to meet the obligations of all its creditors; and
 - (d) names and curriculum vitae of the person proposed for appointment as liquidator.
- (3) Where the Central Bank is fully satisfied with the merits of the application, the Central Bank may grant approval for a voluntary liquidation on such terms and conditions as it may deem appropriate.
- (4) Where the Central Bank is not satisfied with the application it may give such directions as it may deem appropriate.

Notification to the Central Bank

42. Where a petition has been lodged for the winding up of a Bureau, the Bureau shall within seven days of such petition notify the Central Bank of the petition and shall cease forthwith from conducting bureau business.

Forwarding of data to the Central Bank

43. (1) Where a notice has been given to the Central Bank under Regulation 42 or where the Central Bank has given its approval for the voluntary dissolution of a Bureau, the Bureau shall within seven days from the date of the notice to the Central Bank or Central Bank's approval, forward to the Central Bank in such manner as the Bank may direct, all records, documents, data and other information in its possession in relation to the bureau business.
- (2) Upon satisfaction by the Central Bank that all the records, documents, data or other information in relation to the bureau business have been submitted to it, the Bank shall direct the Bureau to erase all records, documents, data and other information in its database or howsoever in its possession and the Bank shall in such manner as it may deem fit, verify that the erasure has been fully carried out.
- (3) The Central Bank may take such measures and give such directions as are necessary to protect the information in possession of the Bureau or take over the information in possession of a Bureau which is being wound up or liquidated.

Notification to institutions and Bureaus

44. The Central Bank shall notify all institutions and other Bureaus whenever a Bureau is being wound up and shall also advise that the Bureau which is being wound up is no longer in business and further dealings with the Bureau for purposes of these Regulations shall cease.

PART VI - POWER OF THE CENTRAL BANK

Powers of the Central Bank

45. (1) The Central Bank shall have the powers to regulate and supervise all Bureaus licensed under these Regulations.
- (2) The Central Bank has the power to;
- (i) issue, suspend or revoke a license to conduct credit reference bureau business;
 - (ii) supervise the activities of a Bureau;

- (iii) maintain proper standards of conduct and acceptable credit information reporting practices;
 - (iv) protect the integrity of the credit reference system against abuses;
 - (v) require a Bureau to correct or remedy any violation under these Regulations or directions, guidelines or rules issued by the Central Bank;
 - (vi) take measures to protect the interests of a customer;
 - (vii) impose penalties or sanctions for violation of these Regulations or directions, guidelines or rules issued by the Central Bank;
 - (viii) to review the adequacy of a credit reference bureau's operations, including periodic inspection of credit reference bureaus, to ensure compliance with these regulations, established standards and applicable law;
 - (ix) perform such other functions or exercise such other powers as may be necessary for the proper supervision and regulation of Bureaus and Bureau business.
 - (x) access the premises, systems, documents and any other information of a Bureau
- (3) The Central Bank may issue directions, guidelines or rules generally for the better carrying out of its supervisory functions under these Regulations;

Inspection of bureaus

46. (1) The Central Bank may, at any time and from time to time, cause an inspection to be made by any person authorized by it of any Bureau, agent and its operating management information system, premises, data, books, accounts, records, document or other activity.
- (2) When an inspection is made under sub-regulation (1), the Bureau or agent concerned and every officer or employee of the Bureau shall produce and make available to the person carrying out the inspection any information, data, record, document or material that may be required by the person for purposes of the inspection.
- (3) The person carrying out the inspection may make a copy of any document, data, record or material in possession of the Bureau and shall prepare and submit to the Central Bank a report pursuant to the inspection highlighting his findings including any violation of the law, these Regulations, directives, guidelines or rules issued by the Central Bank, any mismanagement of the Bureau or information or users of credit information obtained from the Bureau.
- (4) Where the Central Bank appoints a third party to conduct the inspection, the attendant inspection fees shall be paid by the Bureau.

- (5) Any person who refuses or neglects to provide any record or data as the Central Bank may request pursuant to this regulation commits an offence and shall on conviction be liable to a fine not exceeding two hundred thousand shillings or to imprisonment for a term not exceeding two years or to both.

Ownership of information in possession of a Bureau

47. (1) The information held by the Bureau remains the property of the Central Bank and where a bureau winds up the information shall revert to the Central Bank.
- (2) Notwithstanding any agreements to the contrary, the Central Bank as licensor of Bureaus shall be the owner of all information and data held by Bureaus and any information or data vesting in any work authored by any person licensed under these Regulations where such work incorporates any information obtained under the licence or pursuant to the provisions of these Regulations notwithstanding that the information or data has been processed by that person in any way.
- (3) Where a bureau winds up the information shall revert to the Central Bank.
- (4) The Central Bank shall retain the right of access to data even after revocation or expiry or other end to the Credit Reference Bureau licence.

Periodic returns

48. (1) The Bureau shall furnish the Central Bank with periodic reports of their business operations, including annual systems report, in such form as the Central Bank may from time to time require.
- (2) A Bureau which fails or refuses to comply with this regulation or which furnishes the Central Bank with an incomplete, inadequate, inaccurate or late return shall be liable to a penalty of five hundred thousand shillings.

PART VII - GENERAL PROVISIONS

Mandatory standards for data collection, storage, processing and use

49. (1) All persons collecting, storing, submitting or processing any data or information obtained under the provisions of these Regulations shall comply with the following mandatory requirements:
- (a) the information or data shall at all times be kept up to date and accurate;
- (b) the information or data shall be used only for the specified purpose for which it was obtained and which purpose shall be consistent with the provisions of these Regulations;
- (c) the information or data shall be adequate and relevant in relation to the purpose for which it was obtained.

- (2) No person shall use the information obtained under these regulations for any purpose other than the purpose for which such information was obtained which purpose shall be consistent with the provisions of these regulations.
- (3) Any person who contravenes sub-regulation (2) commits an offence and shall on conviction be liable to imprisonment for a term not exceeding two years or to a fine not exceeding two hundred thousand shillings or to both.
- (4) Without prejudice to sub-regulation (3), the Central Bank may, where appropriate impose such sanctions as it may deem fit including imposing a penalty of Kenya Shillings five hundred thousand.

Responsibilities of institutions

50. (1) Institutions shall be required to-

- (i) notify the customer within one month before a loan becomes non performing that the institution shall submit to a Bureau the information on the loan immediately it becomes non- performing. Provided that for loans whose repayment interval or period is less than one month, the notice shall be served two weeks before the loan becomes non-performing.
- (ii) notify each customer of the name and address of the Bureaus to which the customer's information has been submitted under these Regulations, within thirty days of the first listing of the customer's information with the Bureaus;
- (iii) issue an adverse action notice to a customer against whom a decision has been taken or determination made, in whole or in part, that is adverse to the interests of the customer based on information obtained from a Bureau;
- (iv) the adverse action notice shall be provided at the time the adverse decision or determination is communicated to the customer and shall notify the customer-
 - (a) that customer information played a role in the decision *and a copy of the credit report shall accompany the adverse notice;*
 - (b) the name, address and telephone number of the Bureau that provided the customer information;
 - (c) the customer's right to a free copy of the information provided by the Bureau, and
 - (d) the customer's right to dispute such information with the bureau and, if erroneous or out dated, have it corrected.
- (2) Institutions shall be deemed to have notified the customer if they send the notifications issued subsequent to sub-regulation (1) to the customer's last known address by registered mail or by certificate of posting.

- (3) Institutions shall be responsible for providing accurate information to Bureaus.
- (4) Institutions shall be entirely responsible and under obligation to submit and update all customer information to the Bureau in accordance with these Regulations.
- (5) Where an institution has provided customer information to the bureau and subsequently becomes aware that the information was inaccurate at the time it was provided, the institution will within five working days from the day the institution becomes aware of the inaccuracy, give the Bureau an amendment notice instructing it to delete the inaccurate information and replace with the correct information.
- (6) Institutions shall ensure that the customer information furnished pursuant to this regulation is provided to all licensed Bureaus.
- (7) Institutions shall establish and maintain functional units with competent and adequate personnel dedicated to receiving and resolving complaints or disputes arising from credit information sharing activities.
- (8) Institutions shall resolve complaints within thirty days from the date of receipt of a complaint.
- (9) Any institution which fails to comply with this Regulation may be liable to such penalty not exceeding Kenya Shillings one million or such administrative sanction as the Central Bank may deem appropriate.

Notification of the amount owing

51. (1) A notice issued by an institution to a customer under Regulation 50 shall contain the particulars of the loan including the original principal amount, the interest rate charged, the principal amount paid to date, the interest paid to date, the amount outstanding to date, the specific charges or penalties that have been levied or imposed on the account and the basis thereof, the dates when the charges or penalties were levied and any other information that would enable a customer to establish the total outstanding amount and how the amount was arrived at.
- (2) Where a customer notifies the institution which has served a notice under sub-regulation (1) that the amount allegedly owing is disputed, the institution shall promptly investigate the matter and inform the customer accordingly of its decision within five days from the date the customer contacted the institution on the disputed loan.

Mode of service

52. A notice under Regulation 50 shall be served on a customer by at least two of the following modes:
 - i) Registered mail or certificate of posting.
 - ii) E-mail.

- iii) SMS through a telephone number which the customer ordinarily uses.
- iv) Physical delivery of the letter evidenced by acknowledgement of receipt by the customer or his nominee, where the physical address of the customer is known.

Obtaining Information under false pretences

53. Any person who knowingly and wilfully obtains information from a Bureau under false pretences commits an offence and shall on conviction be liable to imprisonment for a term not exceeding two years or to a fine of two hundred thousand shillings or to both.

Compliance with guidelines, rules or directives

54. (1) For purposes of performing its activities and obligations under these Regulations, a Bureau shall comply with any guidelines, rules or directives issued by the Central Bank.
- (2) A Bureau or a person who fails or refuses to comply with these Regulations or any guidelines, rules or directives issued by the Central Bank shall be liable to a penalty of five hundred thousand shillings in the case of a Bureau or, one hundred thousand shillings in the case of a natural person.
- (3) For the purposes of sub-regulation (1), the Central Bank may request, at any time, any information it may require in order to evaluate any matter arising from these Regulations or from the operations of the Bureau.

Penalties.

55. (1) Where a Bureau-
- (a) is in breach of, or fails to adopt or implement the data management and quality control measures outlined in regulation 49; or,
 - (b) is in breach of or fails to update and maintain information as required in regulation 33; or,
 - (c) is in breach of or, fails to observe or adhere to the security and control measures outlined in regulation 34; or
 - (d) wrongfully alters, modifies or deletes records from its database; or
 - (e) fails to adopt security and control measures that are necessary to prevent the unauthorized access to, or wrongful use and management of information, or
 - (f) delays in providing information and documents to the Central Bank, or
 - (g) fails to comply with an order or directive of the Central Bank on data and information management;

it shall be liable to pay a penalty of five hundred thousand shillings and in the case of continued failure, it shall be liable for an additional penalty of ten thousand shillings for each day on which such failure continues.

- (2) Where an institution contravenes any of the provisions of these Regulations the Central Bank may pursue any or all of the remedial actions provided for under the Act.
- (3) In addition to the remedial measures under sub-regulation (2), the Central Bank may impose the following sanctions:
 - (i) Prohibition from obtaining credit reports from Bureaus;
 - (ii) Termination of employment services of an officer or employee of the institution.
 - (iii) Prohibition from establishing new branches, subsidiaries, agents or introduction of new products;
 - (iv) Prohibition from engaging in new activities or from expanding existing activities;
 - (v) Suspension of lending, investment, and credit granting operations;
 - (vi) Prohibition from accepting further deposits or other lines of credit;
 - (vi) Prohibition from declaring or paying bonuses, salary incentives, severance packages, management fees or other discretionary compensation to directors, officers or employees.
 - (viii) Limit the range of activities and the locations in which such activities can be conducted.
 - (ix) Prohibition from declaring or paying dividends;
 - (x) Prohibition or suspension from any other activity that Central Bank perceives to be contributing to violation of these Regulations
- (4) Where a credit information provider violates or breaches any provision of these Regulations, the Central Bank may take any of the following actions;
 - (i) Direct the Bureau to which a credit information provider has submitted credit information to terminate any subsisting information sharing agreement with the credit information provider;
 - (ii) Direct the Bureau in possession of credit information provided by a credit information provider to delete from the database any inaccurate, erroneous or misleading information submitted by the credit information provider and to notify all subscribers who have received the inaccurate, erroneous or misleading information.
 - (iii) Direct the Bureau to compensate or take remedial measures in respect of any loss or damage suffered by a customer as a result of the use of any inaccurate, erroneous or misleading credit information supplied by a credit information provider.
- (4) Before imposing a penalty on any Bureau or an institution under these Regulations, the Central Bank shall give not less than seven days notice in writing requiring the Bureau to show cause why the penalty prescribed should not be imposed.

- (5) Where a penalty is prescribed under these Regulations, such penalty shall-
- (a) be paid to the Central Bank;
 - (b) be paid within ten days unless otherwise stated;
 - (c) in the first instance, be paid by the Bureau; and
 - (d) where the Bureau fails to make payment, in the second instance, be paid immediately by the bank issuing the bank guarantee upon being called upon to do so by the Central Bank.
- (6) Where no payment is made or received under sub-regulation (5), the licence of the Bureau shall be revoked.
- (7) Where any provision of these Regulations imposes a penalty on any Bureau, the amount of the penalty shall constitute a debt due from the Bureau to the Central Bank, and the Central Bank may;
- (a) in addition to the provisions of Regulation 55, sue the Bureau for the recovery of the penalty;
 - (b) direct that any part of the penalty which remains unpaid after a particular period notified to the Bureau and the officers concerned, shall constitute a debt payable by the Bureau and the particular officers of the Bureau specified in the notification; and, the Central Bank shall be entitled to recover from that Bureau and officers jointly and severally.

Repeals

56. The Banking (Credit Reference Bureau) Regulations, 2008, are repealed.

Savings

57. (1) All bureaus which were licensed under the Banking (Credit Reference Bureau) Regulations, 2008 (now repealed) shall continue to operate as if they were licensed under these Regulations.
- (2) Any database established by a Bureau, credit report issued by a Bureau, contract signed by a Bureau or other matter done by a Bureau under the authority of the Banking(Credit Reference Bureau) Regulations, 2008 (now repealed) shall remain valid and shall be deemed to have been done under these Regulations.
 - (3) Anything which was lawfully commenced, done or executed under the authority of the Banking (Credit Reference Bureau) Regulations, 2008 (now repealed), by the Central Bank, Deposit Protection Fund Board, an institution, a subscriber or a customer shall continue to be valid and shall be continued with under these

Regulations as if it was originally commenced, done and executed under these Regulations.

FIRST SCHEDULE

APPLICATION FORM FOR A LICENCE TO CARRY OUT THE BUREAU BUSINESS

1. Name: _____

2. Former name(s) (if any) by which the applicant has been known:

3. Head/main office:

(a) Address: _____

(b) Telephone No: _____

(c) Telefax No: _____

4. Branches (Including physical location): _____

Subsidiaries & affiliates:

Name and type of business Amount of shares held % of shares held in total

_____	_____	_____
_____	_____	_____
_____	_____	_____

5. Management:

(1) Board of Directors:

Name: Designation Present term No .of years as board member

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Board committees

Name and purpose of committee(s):

Names of members:

(2) Officers:

Name:

Position:

No. of years as officer

6. Ownership profile:

Name

Country of citizenship

Residence

Paid up capital

%

1. _____
2. _____

Other shareholders owing less than 5% (Number _____)

TOTAL

7. Organisation profile:

- (a) Organisation chart- Attach one indicating major departments or divisions with names, positions and titles of officers heading each department or division.
- (b) Functions- Attach a list of functions or responsibilities for each department or division listed in the organization chart indicating the number of personnel or staff for each.
- (c) Qualifications of significant shareholders, directors and officers.
- (d) Annex personal declaration form of each significant shareholder and officer and an information sheet for each significant corporate shareholder.
- (e) Powers and purposes – Attach the latest copies of the Memorandum and Articles of Association if not previously submitted to the Central Bank.

8. Shareholding in any other financial institution:

<i>Name of Financial Institution</i>	<i>Shares owned- amount</i>	<i>Number</i>	<i>% of capital</i>
--------------------------------------	-----------------------------	---------------	---------------------

_____	_____	_____	_____
_____	_____	_____	_____

9. Name(s) and address(es) of the applicant's bankers within the last 10 years. (please also indicate the applicant's principal bankers) -----

10. Name and address of the applicant's external auditors -----

11. Does the applicant hold, or has it ever held, any authority from a supervisory body to carry on any business activity in Kenya or elsewhere? If so, give particulars. If any such authority has been revoked, give particulars -----

12. Has the applicant ever applied for any authority from a supervisory body to carry on any business in Kenya or elsewhere other than the authority mentioned in answer to Question 11-----If so, give particulars. If any such application was for any reason refused or withdrawn after it was made, give particulars -----

13. Has the applicant or any company in the same group within the last 10 years failed to satisfy a judgment debt under a court in Kenya or elsewhere within a year of the making of the order? -----

If so, give particulars -----

14. Has the applicant or any company in the same group made any compromise or arrangement with its creditors within the last 10 years or otherwise failed to satisfy its creditors in full? -----

If so, give particulars -----

15. Has a receiver or an administrative receiver of any property of the applicant or any company in the same group been appointed in Kenya, or has a substantial equivalent of any such person been appointed in any other jurisdiction, in the last 10 years?-----

If so, give particulars including whether the receiver is still acting under the appointment -----

16. Has a petition been served in Kenya for an administrative order in relation to the applicant or company in the same group, or has the substantial equivalent of such a petition been served in any other jurisdiction, in the last 10 years? -----

If so, give particulars -----

17. Has a notice of resolution for the voluntary liquidation of the applicant or any company in the same group been given in Kenya, or has the substantial equivalent of such a petition been served in any other jurisdiction, in the last 10 years? -----

If so, give particulars -----

18. Has a petition been served in Kenya for the compulsory liquidation of the applicant institution or any company in the same group, or has the substantial equivalent of such a petition been served in any other jurisdiction, in the last 10 years? -----

If so, give particulars -----

19. State whether the applicant company has ever been under any criminal investigation, prosecution disciplinary action(s), public criticism or trade sanctions in connection with banking and financial services in Kenya or elsewhere -----

20. Are there any material matters in dispute between the applicant company and the Kenya Revenue Authority or any equivalent tax authority in any other jurisdiction? -----

If so, give particulars -----

21. Is the applicant company engaged or does it expect to be engaged, in Kenya or elsewhere, in any litigation which may have a material effect on the resources of the institution? -----

If so, give particulars -----

22. Is the applicant company engaged, or does it expect to be engaged, in any business relationship with any of its (prospective) officers? -----

If so, give particulars -----

23. Is the business of the applicants' officers or of the companies connected with the applicant guaranteed or otherwise underwritten or secured, or expected to be guaranteed or underwritten or secured, by the applicant company? -----

If so, give particulars -----

24. Please provide any other information which may assist the Central Bank in reaching a decision on the application -----

DECLARATION

We certify that all the information contained in and accompanying this form is accurate and complete to the best of our knowledge, information and belief and that there are no other facts relevant to this application of which the Central Bank should be aware. We undertake to inform the Central Bank of any material changes to the application which may arise while the Central Bank is considering the application. We further undertake that, in the event that the institution is granted a licence under these Regulations we will notify the Central Bank of any material changes to or affecting the completeness or accuracy of the answers to the questions above as soon as possible, but in any event not later than twenty days after the date that the changes come to our attention.

Sworn at Nairobi this _____ day of _____

1. _____

Name

Position held

Signed

Date

2. _____

Name

Position held

Signed

Date

Deponent understands the contents of this affidavit before me,

COMMISSIONER FOR OATHS

N.B.

1. All sections of this form must be filled

2. If any space provided is inadequate, the required information may be supplied as an attachment labelled accordingly and reference shall be made to the relevant section of the form by placing the words "REFER TO ANNEX"

3. Information provided in this form is confidential and cannot be made available without the consent of the Governor of the Central Bank.

SECOND SCHEDULE

PERSONAL DECLARATION FORM FOR INDIVIDUALS PROPOSED TO BECOME OFFICERS OR SIGNIFICANT SHAREHOLDERS OF A BUREAU

Name and capacity of person making this declaration:

1. Name of Bureau in connection with which this form is being filled:

2. Full names of deponent: _____

3. Former surname(s) and/or forenames by which you may have been known:

4. Please state the capacity in which you are completing this form, i.e. as a current or prospective officer or any combination of these. Please state your full title and describe the particular duties and responsibilities attaching to the position(s) which you hold or will hold. If you are completing this form in the capacity of director, indicate whether, in your position as director, you have or will have executive responsibility for the management of the applicant's business. In addition, please provide a copy of your curriculum vitae unless it is already provided by the applicant in response to Schedule 1

5. Date and place of birth: _____

6. (1) Citizen of: _____ (2) Resident of: _____

(Country)

(Country)

Since: _____

Since: _____

(Year)

(Year)

7. Addresses:

(1) Present business address:

(Kenya since _____) (Outside Kenya since _____)

(2) Present residential address:

(Kenya since _____) (Outside Kenya since _____)

(3) Last two addresses in Kenya, if any, during the past ten (10) years:

(Since _____) (Since _____)

8. Professional & academic qualifications:

Particulars

Year obtained

(1) Highest academic qualification

(2) Special awards or honors (if any)

(3) Training courses and seminars

(4) Membership in professional organizations

9. Occupation or employment (Present or most recent and for the past ten years)

<i>Name & business of employer</i>	<i>Positions held</i>	<i>Inclusive date</i> <i>(month & year)</i> <i>from year</i>
----------------------------------------	-----------------------	------------------------------------------------------------------------

<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

10. Name and address(es) of your bankers within the last 10 years

11. Bodies corporate (other than the applicant) where you are now an officer, shareholder, or manager? Give relevant dates

12. Bodies corporate other than the applicant and those listed above where you have been a director, shareholder, controller or manager at any time during the last 10 years. Give relevant dates

13. Have you, in Kenya or elsewhere, been dismissed from any office or employment, or been subjected to disciplinary proceedings by your employer or barred from entry to any profession or occupation? If so give particulars:

14. Past and present business affiliations (direct and indirect):



<i>Name of business</i>	<i>Nature of affiliation i.e. director, officer, share holder with 5% and above year) specified etc. to</i>	<i>Inclusive date (month and from</i>
1		
2		
3		

15. Do any of the above business affiliations maintain a business relationship with the institution? If so, give particulars:

16. Do you hold or have you ever held or applied for a licence or equivalent authorization to carry on any business activity in Kenya or any other country? If any such application was refused or withdrawn after it was made or any authorization was revoked, give particulars:

17. State whether the applicant with which you are, or have been, associated as a significant shareholder or officer holds, or has ever held or applied for a licence or equivalent authorization to carry on any business activity? If so, give particulars. If any such application was refused, or was withdrawn after it was made or any licence revoked, give particulars

 18. State whether any of your past or current employer(s) or institution in which you were affiliated as shareholder, officer, etc has ever been under criminal investigation, placed under receivership or insolvent liquidation by any regulatory body or court of law.

19. Family group: Business affiliation (State name of business and nature of affiliation i.e. director, officer, significant shareholder. Also indicate the nature of the family group member's relation to the Applicant. A family group member can be a spouse, child, parents, brothers or sisters)

<i>Name of business</i>	<i>Nature of family member's affiliation to the business</i>	<i>Nature of the family group member's relation to the applicant</i>
1		
2		
3		

20. Have you failed to satisfy any debt adjudged due and payable by you as a judgment debtor under an order of a court in Kenya or elsewhere or made any compromise arrangement with your creditors within the last 10 years? If so, give particulars:

21. Have you been adjudicated bankrupt by a court in Kenya or elsewhere or has a bankruptcy petition ever been served on you? If so, give particulars:

22. Have you, in connection with the formation or management of any body corporate, partnership or unincorporated institution, been adjudged by a court in Kenya or elsewhere, civilly liable for any fraud, misfeasance or other misconduct by you towards that body or company or towards members of it If so, give particulars:

23. Has any body corporate, partnership or unincorporated institution with which you are associated as a director, shareholder, controller or manager, in Kenya or elsewhere, been wound up, made subject to an administrative order, otherwise made any compromise or arrangement with its creditors or ceased trading either while you were associated with it or within one year after you ceased to be associated with it or has anything analogous to any of these events occurred under the laws of any other

jurisdiction? ----- If so, give particulars: -----

24. Have you been concerned with the management or conduct of affairs of any institution which, by reason of any matter relating to a time when you were so concerned, has been censured, warned as to future conduct, disciplined or publicly criticized by, or made the subject of a court order at the instigation of any regulatory authority in Kenya or elsewhere? -----

If so, give particulars:

25. In carrying out your duties, will you be acting on the directions or instructions of any individual or institution? -----

If so, give particulars:

26. Do you, in your private capacity, or does any related party, undertake business with the applicant? -----

If so, give particulars:

27. How many shares in the applicant are registered in your name or the name of a related party? -----

If applicable, give name(s) in which registered and class of shares: -----

28. In how many shares in the applicant (not being registered in your name or that of a related party) are you or any party beneficially interested? -----

29. Do you or does any related party, hold any shares in the applicant as trustee or nominee? ----- If so, give particulars:

30. Are any shares in the applicant mentioned in answer to questions 27, 28 and 29 above equitably or legally charged or pledged to any party? -----

If so, give particulars:

31. What proportion of the voting power at any general meeting of the applicant (or another body corporate of which it is a subsidiary) are you or any related party entitled to exercise or control the exercise of?

32. Personal record of court cases or any investigation by governmental, professional or any regulatory body (including pending and prospective cases or on-going investigations):

<i>Name of court or particulars of investigative body</i>	<i>Details of Status</i>
-----------------------------------------------------------	--------------------------

33. Documentary requirements:

- (1) Certified statement of assets and liabilities;
- (2) Latest tax compliance certificate or certified true copy of income tax returns;
- (3) Two letters of character references from individuals other than relatives who have personally known the undersigned for at least ten years; and
- (4) Two letters, duly certified from financial institutions with whom the undersigned has had dealings for the last two years on the performance of past and present accounts such as unauthorised overdraft on deposit accounts, past due or delinquent accounts.

34. If this questionnaire is submitted in connection with an application for licensing, please provide any other information which may assist the Central Bank in reaching a decision on the application.

DECLARATION

I certify that all the information contained in and accompanying this form is complete and accurate to the best of my knowledge, information and belief and that there are no other facts relevant to this application of which the Central Bank should be aware.

I further undertake that, in the event that the Bureau is granted a licence under these Regulations, I will notify the Central Bank of any material changes to, or affecting the completeness or accuracy of the answers to the questions above as soon as possible, but in any event not later than twenty one days from the date that the changes come to our attention.

Sworn at Nairobi, this _____ day of _____

Name Position held

Signed Date

I know and understand the contents of this declaration and that I am making it under oath.

Sworn at Nairobi, Kenya

This _____ day of _____

Signature of deponent (Position)

The deponent understands the contents of this affidavit.

Before me,

COMMISSIONER FOR OATHS

N.B.

1. All sections of this form must be filled
2. If any space provided is inadequate, the required information may be supplied as an attachment labelled accordingly and reference shall be made to the relevant section of the form by placing the words "REFER TO ANNEX"
3. Information provided in this form is confidential and cannot be made available without the consent of the Governor of the Central Bank.

THIRD SCHEDULE

REPUBLIC OF KENYA

IN THE MATTER OF OATHS AND STATUTORY DECLARATIONS ACT (*Cap.15*)

STATUTORY DECLARATION

I, _____ of _____

(insert address) in the Republic of _____ do hereby make oath and solemnly state 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 name of Bureau) hereinafter referred to as the Applicant.
3. THAT I am holder of _____ (insert National registration card/Identification documentation details.)
4. THAT I make this affidavit and hereby undertake that the applicant shall adhere to the provisions of these Regulations and in particular that the applicant will not disclose to any person any information obtained pursuant to the applicant's obligations under these Regulations except as provided herein.
5. THAT the facts herein deponed to are true to the best of my knowledge, information and belief.

Sworn by _____ at Nairobi this _____ day of _____ 2012)

) _____
) DEPONENT

Before Me

)
)
)

Commissioner for Oaths

)

Minister for Finance.