KUDA

SMART OVERDRAFT - TERMS AND CONDITIONS

The following terms and conditions (the "Agreement") apply to any person who accesses an overdraft product offered by Kuda Microfinance Bank Limited (hereinafter referred to as "Kuda" or the "Bank") (the "Overdraft" or the "Loan"). In this Agreement, "we" "us" or "our" refer to Kuda and its successors, agents and assignees, while "you" or "your" refers to a customer of the Bank who accesses an Overdraft and may hereinafter be referred to as a Borrower for the purposes of this Agreement.

By executing this Agreement electronically as indicated below, you agree that you have received, read, understood and agreed to be bound by the terms contained herein, and any subsequent amendments we make to this Agreement. In addition, you also agree to comply with the applicable laws, rules and regulations, currently in force, or as may be enacted that relate to the use of Overdrafts or other credit products in Nigeria. Without accepting the terms of this Agreement, you will not be able to access an Overdraft from Kuda. Please note that this Agreement and its terms are in addition to the regular terms and conditions that regulate the usage of bank accounts and related financial services offered by Kuda, as well as all other policies of the Bank all of which have been provided to you or can be located on our website.

You will be considered to have given your consent to us for the processing of your personal data in relation to an Overdraft, when you apply for an Overdraft. As part of the process, we will approach a dedicated credit reference agency for a credit report on you as well as conduct other checks to determine your creditworthiness and eligibility for an Overdraft, and you authorise us to access any information available to us as provided by you or the credit reference agency related to the process. You also understand and agree that your details provided by you and on your Kuda bank account and the loan application decision will be registered with the credit agency.

Summary:

LOAN TYPE	**:**	Overdraft
OVERDRAFT AMOUNT	**:**	At Kuda's discretion subject to stipulated limits set by Kuda ("Credit Limit"). The Borrower would be able to select a specific amount for Overdraft within the Credit Limit ("Overdraft Limit").
INTEREST RATE	**:**	Variable rate which would be a percentage of the Overdraft Amount accruing on a daily basis until the Overdraft is fully repaid. The exact rate would be shown to the Borrower before they accept this Offer Letter.
FEES	**:**	N/A
DRAWDOWN DATE	**:**	The date a Borrower accesses the Overdraft for the first time.
MODE OF DISBURSEMENT	**:**	Provision in the Borrower's Kuda bank account.

1. Introduction

1.1 The Kuda Overdraft provided under this Agreement is a flexible credit solution tailored to meet a Borrower's financial needs and help Borrower's handle short-term financial needs while remaining credit worthy. In simple terms, it is a revolving credit product that allows a Borrower to access funds in excess of their Kuda Account balance up to a Credit Limit set by Kuda.

1.2 In terms of repayment, unlike a standard overdraft product, where a Borrower must repay the full amount of an overdraft by a set date, the Kuda Overdraft allows a Borrower to maintain its credit standing and access to the Kuda Overdraft as long as the Borrower repays a definite portion of the Overdraft by a set date and continues to do so at each applicable date thereafter. This does not preclude a Borrower from repaying the full Overdraft (plus the applicable interest) at any time, it only offers more flexibility in terms of repayment as long as the Borrower meets their minimum repayment obligations.

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1.3 **Key Terms:** In addition to other Capitalised terms defined throughout this Agreement, the following Key Terms shall have the meanings ascribed to them:

Term	Meaning
Acceptance Date	The day a Borrower accepts this Agreement and its terms and conditions.
Arrears	A Borrower's Overdraft is said to be in Arrears when they do not make the applicable Minimum Repayment by a Minimum Repayment Date.
Billing Cycle	Refers to a 30 day cycle starting from the Acceptance Date up to the first Statement Date and each 30-day cycle after the first Statement Date.
Credit Limit	Means the maximum amount Kuda will make available to a Borrower in their Kuda Account at any given time as Overdraft out of which a Borrower may utilise all or a part of as their Overdraft.
Default	When a Borrower has not funded their Kuda Account with the applicable Repayment Amount 90 days after the first Statement Date.
Interest	Means the interest charged by Kuda on the Overdraft provided to a Borrower the rate of which is set out in the summary on page one (1) above and may be adjusted by Kuda in accordance with the terms of this Agreement.
Kuda Account or Account	Means a Borrower's Kuda bank account;
Minimum Repayment Amount	Means an amount representing 20% of the applicable Repayment Amount which would be contained in the Overdraft Statements Borrowers receive from Kuda on applicable Statement Dates. **(Outstanding principal at the end of the billing cycle x minimum payment percentage) + Outstanding interest at the end of the billing cycle.**
Minimum Repayment Date	Is a day falling 15 days after the Statement Date before which a Borrower must have made their Minimum Repayment to Kuda.
Overdraft Statement	Refers to a statement that Kuda provides to a Borrower which contains: (a) all activities undertaken by the Borrower in connection with their Overdraft, (b) the Minimum Repayment Amount, and (c) the Minimum Repayment Date (which is 15 days from the Statement Date).
Repayment Amount	Refers to the Overdraft plus applicable interest (and any fees or charges, where applicable) including one or multiple Minimum Repayment Amount(s) (where applicable).
Repayment Date	Means any date on which a repayment is due to Kuda under this Agreement, including a Minimum Repayment Date (where applicable).
Statement Date	Means the day falling 30 days after the Acceptance Date on which a Borrower will receive their Overdraft Statement from Kuda. This will continue in recurring 30 day cycles thereafter. Minimum Repayment Amounts are due 15 days after each Statement Date.

2. Advance of Overdraft

2.1 Subject to the provisions of this Agreement, Kuda agrees to make available the Overdraft in the Borrower's Account up to an amount not exceeding the Credit Limit, and the Borrower agrees to take the Overdraft subject to the terms and conditions of this Agreement.

2.2 **Review Period** - You are allowed two (2) days to review this Agreement ("Review Period") before executing or agreeing to its terms. If you execute the Agreement earlier than the Review Period, this would constitute a waiver of this right.

2.3 **Cooling Off Period** - Provided that you have not drawn down on or accessed the Overdraft, you may elect to reject the terms of this Agreement in its entirety within a period of three (3) business days (a business day means a day other than a Saturday, Sunday or public holiday declared by the Federal Government of Nigeria on which banks are open for general business in Lagos, Nigeria) from the date you accept these terms "Cooling Off Period"). You will not be charged any fees for this. If you draw down on or access the Overdraft earlier than the Cooling Off Period, this would constitute a waiver of this right.

2.4 You agree that this Agreement shall become immediately enforceable against you upon execution, irrespective of any communicated conditions precedent to drawdown, and you further agree that your repayment obligations shall become enforceable immediately you access the Overdraft unless otherwise indicated. You agree that you shall not argue otherwise before any court of law or tribunal.

3. Repayment and Prepayment

3.1 **Repayment**: You agree to repay the Overdraft plus full applicable interest as well as any other fees which are or may become chargeable in accordance with the provisions of this Agreement. You may opt to fully repay the Overdraft and applicable interest at any time after the Acceptance Date subject to the terms of this Agreement. A general summary of the Overdraft as well as repayment information are set out in the manner set out in the repayment schedule that may be provided as part of this Agreement and in the Key Fact Statement below.

3.2 **Minimum Repayment**: On each Minimum Repayment Date, the Borrower shall be expected to fund their Kuda Account up to the Minimum Repayment Amount communicated by Kuda in the applicable Overdraft Statement they have received for the applicable Billing Cycle. An Overdraft Statement is sent to a Borrower by Kuda on a Statement Date. If a Borrower does not make the Minimum Payment by the Minimum Payment Date, their Overdraft would be classified as being in Arrears and the Borrower's access to the Overdraft would be disabled.

3.3 **Mode of Repayment**: Repayments by you under this Agreement will only be made through the accepted / approved repayment modes. Upon your acceptance of the Overdraft, You hereby authorise us to debit from the balance of your Kuda Account, the applicable Repayment Amount on any applicable Repayment Date until the Overdraft, applicable interest and all applicable charges have been fully repaid. You agree that repayments may be deducted in fractions depending on the funds available in your Kuda Account and upon repayments falling overdue where necessary to pay off full and outstanding Repayment.

3.4 With our prior approval, you may also initiate payments manually at any point during your usage of the Overdraft in respect of any Repayment. You can do this by direct transfer to Kuda's designated account for repayment quoting your Loan ID ("Manual Payment") Evidence of such payment should be communicated to us, within twenty-four (24) hours following payment, via email at help@kuda.com.

3.5 **Overdraft Statement**: On a Statement Date, Kuda shall send to the Borrower an Overdraft Statement setting out:

(a) all activities that have undertaken by the Borrower in connection with their Overdraft;
(b) the Minimum Repayment Amount; and
(c) the Minimum Repayment Date (which is 15 days from the Statement Date).

3.6 From the Statement Date and onwards, the Borrower will receive prompts and reminders on their pending Minimum Repayment Amount and the Minimum Repayment Date.

3.7 Your repayments shall be as communicated in the Overdraft Statement but may periodically change where your Overdraft incurs any fees and/or charges. Such fees may include late payment fees or restructuring fees and will be charged on your account and calculated as part of your Minimum Repayments or generally. Details of any additions to your base repayments shall be communicated in your Overdraft Statement. You agree that we may, subject to reasonable prior notification, deduct Repayments due to us from your Kuda Account before the relevant Repayment Date as provided in the Repayment Schedule in certain circumstances and as necessary.

3.8 **Early Repayment**: You may fully prepay the Overdraft prior to the applicable Repayment Date by funding your Kuda Account up to the applicable Repayment Amount as advised by us, so that we can make the deduction or (ii) by a Manual Payment Method.

3.9 **Late Repayment**: You understand that non-payment of the applicable Repayment Amount owed by the relevant Repayment Date shall render your Overdraft in Arrears and potentially in Default and entitles us to take steps to recover the outstanding Overdraft Amount in accordance with the provisions of this Agreement. First, if you do not pay the Minimum Repayment Amount by the Minimum Repayment Date), your access to the Overdraft will be disabled. During this period, the Borrower will continue to receive their Overdraft Statement from Kuda. Where a Borrower has missed a Minimum Repayment (or Minimum Repayments), they would be expected to make payment of all applicable Repayment Amounts that are due before their access to the Overdraft will be enabled.

3.10 Where a Borrower receives two more Overdraft Statements from Kuda after the second Statement Date and the Borrower has missed their Minimum Repayments for three consecutive Statement Dates (that is a total of 90 days from the first Statement Date) (the “Final Repayment Date”), the Borrower would be classified as being in default of their repayment obligations under this Agreement. In such a case (and without prejudice to our rights under clause 6.2 of this Agreement), in addition to the continuous disabling of the Borrower’s access to an Overdraft.

3.11 You agree that in the event of default, Kuda shall, without notice to you, deduct the Overdraft amount (principal and interest including all fees and other monies then accrued or due under the Agreement) from your other monies domiciled with Kuda in satisfaction of such outstanding liabilities towards us. Kuda shall have a first charge over such monies, proceeds or payments received for your benefit over any other creditor or claimants. This is in addition to, and without prejudice to any financial assets that you may now or hereafter hold.

3.12 If you fail to fully repay the Loan as agreed, the loan will become delinquent, and we shall have the right to report the delinquent loan to the Central Bank of Nigeria (“CBN”) through the Credit Risk Management Systems (“CRMS”) or by any other means, and request the CBN to exercise its regulatory power to direct all banks and other financial institutions under its regulatory purview to set-off your indebtedness from any money standing to your credit in any other bank account and from any other financial assets which they hold for your benefit. We may also exercise any other rights which we have in respect of default and/or delinquency under this Agreement.

3.13 You agree that you have a continuing obligation to repay the Loan and applicable interest as well as any other sums which may become chargeable under the terms of this Agreement, and we shall continue to have the right to have recourse against you for outstanding amounts where you default on any payments, including payments of fees and charges which may accrue under or in connection to this Agreement. You further agree that you shall not request that we approach any other third party, including any other financial institution, in the event of your default, in respect of any due and outstanding amounts, notwithstanding anything else contained in this Agreement or in any agreement between you and any third party.

4. Interest And Fees

4.1 Kuda will charge you interest on a monthly basis at the rate indicated above during the term of the Loan. Interest is accrued daily as from the date the Borrower draws down on or accesses the Overdraft. At the end of an applicable month, the daily interest is aggregated to give the total Interest that would be applicable to the Overdraft and charged to the Borrower for the relevant cycle.

4.2 We may in our sole discretion increase or decrease the prevailing interest rate for any reason including economic adjustments and government policies. Any change in interest rate will take effect in respect of your overdraft following a minimum of 10 business days' written notice to you in this regard.

5. Representations and Warranties

5.1 Kuda represents and warrants that it is duly incorporated and licensed under Nigerian law and has taken all necessary actions to authorise its entry into this Agreement.

5.2 You represent and warrant that:

- you are 18 years of age or older and have the legal capacity to enter into this Agreement and fulfill your obligations under;
- upon you accessing or drawing down on the Overdraft at any time after the execution of this Agreement you agree to waive the Cooling Off Period and you agree that your commitment to repay the Overdraft shall become thereon fully effective subject to this Agreement;
- the information/documents you have provided to Kuda, via email or other electronic medium or in other form of writing as well as documents submitted in support of the application for the Overdraft are, accurate and complete, and that you shall notify Kuda immediately if there is any change to the information/documents earlier supplied;
- where applicable, you will complete your repayment instrument(s) (e.g., direct debit mandate or debit card) with true, accurate, up-to-date and complete personal information and execute the instrument before submitting it to us;
- if your personal information, including your phone number and address, changes, you will inform us of such change. Under no circumstance will we be liable for any loss, expense, damage or consequence of any kind incurred by you, due to non-compliance with this requirement;
- you are in paid employment or have a steady source of income which serves as a verifiable means of repayment of the Loan and the Interest and that should there at any relevant time (before or after the approval and draw down of the Loan) be a change in your employment or financial condition / status, you shall notify Kuda immediately and without delay of such change;
- you currently do not have any other Overdrafts or similar loans with any other company or organisation that would adversely affect your ability to repay the Loan, the interest and other related fees; and you are not in default in respect of any obligation under any other loan agreement that the acceptance of this Loan will be or result in a breach of or default thereunder.

6. Event of Default

6.1 The occurrence of any of the following events shall cause all outstanding amounts under this Agreement to become immediately due and payable:

a. where you fail to repay all or any part of sums due in respect of the Overdraft by the Final Repayment Date;
b. where you breach any of the terms and conditions of this Agreement including any representation or confirmation given by you in this Agreement;
c. where a bankruptcy petition is filed against you;
d. where fraud is detected at any time during the lifespan of this Loan;
e. where you are not able to pay any other party within the meaning of Section 1 of the Bankruptcy Act (Cap B2) Laws of the Federation of Nigeria 2004;
f. where a situation arises, which in Kuda's opinion makes it inappropriate to continue to extend this Loan to you;
g. where you do or omit to do anything which may prejudice our rights in terms of this agreement or cause us to suffer any loss or damage;
h. where you default in the performance or observance of any other term, condition or covenant herein and such breach or default shall continue unremedied after ten (10) days' notice having been given to you.

6.2 **Our Rights Upon Default** - If an event of default occurs at any time during the life cycle of the Overdraft, we shall have the right to exercise any one or more of the following remedies:

a. declare any and/or all outstanding obligations to be immediately due and payable by you;
b. enforce the set-off provisions of this Agreement to withdraw from and off-set the Repayment Amount from any money standing to your credit in any bank account and from other financial assets held by you with any financial institution;
c. where applicable, undertake necessary recovery procedures, including, but not limited to internal recovery procedures or external recovery procedures, which we may deploy on a graduated basis (i.e., we may employ internal recovery procedures, failing which, we shall have the right to employ external recovery agents to recover the outstanding principal amount and accrued interest from you); and
d. at our discretion and upon your request in the event of default, we may agree to restructure your loan to aid repayment. Where you opt for a restructuring of your Loan, you shall be charged a restructuring fee not exceeding 0.5% of the outstanding Repayment Amount/the outstanding amount being restructured.

6.3 Kuda may, without prejudice to its other rights, institute a legal action against you in the event of Default and all expenses incurred in respect of the recovery action (including legal fees) shall be added to the outstanding balance in connection with your Overdraft.

7. Global Standing Instruction Mandate

In addition to and notwithstanding any other provisions of this Agreement, in the event of a Default by you in respect of any payments under this Agreement, you hereby expressly and unequivocally (a) instruct us to initiate a global standing instruction to recover outstanding amounts from any/all accounts which you maintain with any Participating Financial Institution of the CBN Global Standing Instruction system ("GSI Mandate"), and (b) agree that we shall have the right to trigger such GSI Mandate and instruct the relevant Banks/Participating Financial Institutions to initiate a balance enquiry into any accounts maintained by you and linked to your BVN and to recover the outstanding principal amount and accrued interest from any/all such accounts.

8. Set- Off

8.1 By signing this Agreement and by drawing on the Overdraft, you covenant to repay as and when due. In the event that you fail to repay the Overdraft and the Interest in accordance with the terms of this Agreement, and if it becomes delinquent, Kuda shall have the right to report to the CBN through the Credit Risk Management Systems ("CRMS") or by any other means, and request the CBN to exercise its regulatory power to direct all banks and other financial institutions under its regulatory purview to set-off your indebtedness from any money standing to your credit in any bank account and from any other financial assets they may be holding for your benefit.

8.2 You covenant and warrant that Kuda shall have power to set-off your indebtedness under this Agreement from all such monies and funds standing to your credit/benefit in any and all such accounts with Kuda or from any other financial assets belonging to you in the custody of any such bank.

8.3 You hereby waive any right of confidentiality whether arising under common law or statute or in any other manner whatsoever and irrevocably agree that you shall not argue to the contrary before any court of law, tribunal administrative authority or any other body acting in any judicial or quasi-judicial capacity.

9. Miscellaneous

9.1 Variations to this Agreement

9.1.1 Kuda reserves the right to change, add to, delete or replace the terms of this Agreement at any time and will notify you about those changes, after which they shall become effective. Kuda reserves the right to reduce or increase your Credit Limit at any time based on our estimation of your creditworthiness or for any reasons. When we increase your Credit Limit, you would have the option to set an Overdraft limit on your Kuda Account.

9.1.2 In the event that Kuda varies the rate of interest payable on the Loan, you shall be duly notified ten (10) days prior to the implementation of the said variation.

9.2 **Assignment** - You may not assign or transfer all or any of your rights, benefits or obligations under this Agreement to any other person. With notice to you, Kuda may at any time assign or transfer all or any of our rights, benefits and obligations under this Agreement to any person. You consent irrevocably to any future sale, transfer and assignment of all or any part of the Loan by us to any third party.

9.3 **Statements** The status of the Overdraft shall be contained in the Overdraft Statements sent to you in respect of your Account.

9.4 Communication Complaints- Any communications between Kuda and you regarding the Loan shall be via the Kuda in-app chat, email (help@kuda.com) and telephone [0700022555832]. You can contact us through any of these platforms for any complaints you have in connection with this Agreement. If dissatisfied with the resolution of your complaint, you can escalate the complaint to the Consumer Protection Department of the Central Bank of Nigeria by writing to the Director, Consumer Protection Department, CBN, Abuja or send an email to: cpd@cbn.gov.ng.

9.5 Data Privacy and Disclosure of Information

9.5.1 You hereby authorise Kuda to collect, use, save, disclose and/or process your Personal Data (as defined under the Nigeria Data Protection Act 2023 (the "NDPA") and information for the purpose of the Overdraft, by:

a. carrying out due diligence or other screening activities (including background checks) in accordance with legal or regulatory obligations;
b. conducting credit and employment checks/assessments and verification of ongoing credit worthiness; and
c. recovering all outstanding balances and/or setting off of indebtedness accruing from this Overdraft.

9.5.2 By executing this Agreement you consent and agree that:

- We can provide materials and other information about your legal rights and duties to you electronically.
- We are authorised to share, receive and use data/information collected from your transaction with other affiliated third parties.
- Your electronic signature on agreements and documents (including OTPs) has the same effect as if you signed them using ink on paper or any other physical means.
- We can send all important communications, billing statements and demand notes and reminders to you electronically via our app, through SMS or WhatsApp (via your registered phone numbers) or to an email address that you provide to us. When we send you such information/data electronically and/or make it available online as indicated above, that shall have the same meaning and effect as if we provided said information/data to you physically.
- You authorise us to share your data, documents and all other information provided to us for this Loan with our group-member entities for legitimate purposes.
- You further authorise us and consent to our transfer or disclosure of your Personal Data, information or documentation relating to the Overdraft to third parties that would require the data/information for the purpose of confirming your eligibility to receive the Loan including but not limited to credit reference agencies, employer (past and current) collection agencies, creditors and law enforcement agencies.

9.5.3 You further authorise us and consent to our transfer or disclosure of your Personal Data, information or documentation relating to the Loan to third parties that would require the data/information for the purpose of confirming your eligibility to receive the Loan including but not limited to credit reference agencies, employer (past and current) collection agencies, creditors and law enforcement agencies. You also authorise us to contact your friends, employer, relatives, or neighbors for information relating to your employment status, your telephone number or address, for any purpose connected with the Loan provided to you.

9.5.4 If you do not wish for Kuda to use your Personal Data or disclose such Personal Data in line with this Loan and Agreement, you may withdraw your consent at any time by written notice to Kuda (dpo@kuda.com). However, depending on the circumstances and the nature/extent of the withdrawal, such withdrawal of consent may result in Kuda's inability to approve the Loan and hence may result in the revocation of this Agreement. To the extent that the NDPA allows, you may request access to, and correction of, each of your personal data respectively. You acknowledge that some Personal Data may be exempt from such access and correction rights in accordance with the law. You may wish to contact Kuda at dpo@kuda.com should you wish to request such access to, and/or correction of, your personal data. Kindly note that we will also be charging you a reasonable fee for the handling and processing of your requests to access your personal data.

9.6 **Governing Law and Jurisdiction** - This Agreement shall be governed by and construed in accordance with the laws of Nigeria. The courts of Nigeria shall have exclusive jurisdiction in any matter arising from it.

10 **Disabling Overdraft** - A Borrower reserves the right to temporarily disable the Overdraft product on the Kuda App. Disabling your Overdraft simply means that you will no longer be able to draw down on funds in excess of your Kuda Account balance.This does not mean that you have terminated this Agreement but would simply operate as a suspension which prevents you from spending above your Kuda Account balance. You can enable the Overdraft Product on your Kuda App at any time.

11 **Termination (Opting Out)** - Provided that a Borrower has fully repaid their Overdraft and all related interest and charges (if applicable), a Borrower can terminate this Agreement and opt-out of the Overdraft Product at any time. This would operate to not only disable the Customer's access to the Overdraft Product but also terminate the relationship between the Parties in terms of this Agreement. To access the Overdraft subsequently after a termination, the Customer would need to accept the terms and conditions of this Agreement.

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LOAN KEY FACTS STATEMENT

This Key Facts Statement summarises key information about this Loan we are providing to you and be used for comparison purposes between our different loan products and between our offer and that of other credit providers.

SPECIFIC INFORMATION ABOUT YOUR LOAN	
Loan received from Kuda	₦20,000.00
Interest Rate:	0.9% per day
Total Interest (fee and charges) you will pay:	This would depend on the duration for which the overdraft remains unpaid from the date the Borrower accesses their Overdraft for the first time.
Total Cost of the Loan (all interest, fees and charges in respect of the Loan)	Overdraft Amount + Total Interest

PLEASE NOTE: Repayment Amounts would be as communicated in the Overdraft Statement Kuda will send to the Borrower on the applicable Statement Date.

CUSTOMER CONSENT:

MEMORANDUM OF ACCEPTANCE BY CUSTOMER:

I hereby accept the terms and conditions contained in this Agreement for the overdraft from Kuda Microfinance Bank Limited. I confirm that I have read and understood the provisions of this Agreement and by choosing to proceed, I agree to be bound by the terms and conditions contained herein.

CUSTOMER DIGITAL SIGNATURE:

Name	**Esther Oboma**
Date and Time Signed	**2026-10-09 11:46 AM WAT**
Email and Phone Number	**08138821960**

FOR KUDA MICROFINANCE BANK LIMITED





Name: Mutairu Omotosho Mustapha
Position: Managing Director

Name: Precious Iluku
Position: Chief Financial Officer