

FIRSTBANK MERCHANT CREDIT

TERMS & CONDITIONS

Governing Law: The laws of Federal Republic of Nigeria

Facility Architecture: Digital cash-flow lending to FirstBank merchants.

Key Facts Statement (to be displayed before acceptance)

Before the Borrower accepts any drawdown, the Bank will display a concise Key Facts Statement comprising: (i) the facility amount; (ii) the tenor option; (iii) the **flat interest** and **insurance** for the chosen tenor; (iv) taxes where applicable; (v) total cost of credit with **APR/EIR** worked example; (vi) the repayment method and due date; (vii) default pricing and recovery steps; and (viii) complaint and escalation channels. The Key Facts Statement will form part of the pre-contract disclosures, and the Borrower will be required to acknowledge that it has been reviewed prior to acceptance.

1. Definitions

- a. **“Bank”** means First Bank of Nigeria Limited.
- b. **“Borrower”** means a merchant that meets the eligibility criteria and accepts a facility under these Terms & Conditions.
- c. **“Facility”** means the Merchant Credit overdraft drawdown made available to the Borrower under these Terms & Conditions.
- d. **“Channels”** means FirstBank digital interfaces designated for this product, including FirstPOS, TMS and other Bank-approved channels.
- e. **“Business Day”** means a day (other than Saturday, Sunday or public holiday) when banks are open for business in Nigeria.

2. Product Overview and Structure

The Facility is designed to provide short-tenor, cash-flow-based funding to eligible FirstBank POS merchants through an automated journey that includes machine-learning eligibility and repayment through an accretion model. Facilities are set up and administered as **overdrafts**. The available tenors and non-negotiable pricing and insurance are as stated in the Key Facts Statement paragraph above.

3. Eligibility and Conditions Precedent

- a. The Borrower must meet certain conditions, including the following:
 - i. having an operational FirstBank POS and a minimum operating history;
 - ii. BVN linkage;

- iii. a positive credit bureau history;
 - iv. regular POS usage;
- and other criteria as may be specified by the Bank.
- b. The Facility will only be available upon the Borrower's acceptance of these Terms & Conditions via the Channels and automated eligibility confirmation.

4. Drawdown and Disbursement

Upon acceptance through the Channels, the Bank will credit the Borrower's account with the Facility amount and collect **interest and insurance upfront**. The Borrower will receive an electronic confirmation of disbursement and the due date.

5. Pricing, Taxes and Fees

The Facility attracts flat-rate **interest** and **insurance** per tenor as stated in the Key Facts Statement, with taxes applied where required by law.

6. Repayment and Collections

- a. For 7-, 14- and 30-day variants, repayment will be applied through an accretion model that debits an agreed percentage of the Borrower's future POS proceeds and core banking inflows daily.
- b. For the 24-hour variant, recovery is taken on maturity from available balances.
- c. Where partial or no repayment is recorded for three days after due date, the Bank may implement lien and internal set-off on the Borrower's FirstBank accounts, and thereafter recover under GSI for eligible individual Borrowers and CRMS-linked mechanisms (and NIBSS EASYPAY for corporate entities where applicable) to the extent permitted by law and regulation.

7. Default Pricing (as approved)

If any amount is not paid when due, the Borrower will be liable to **Penal Charge of 1% monthly** on the outstanding balance from the first day after the due date, **and continued interest of 0.5% daily** on the outstanding balance, in each case as permitted by law and in accordance with the approved Product Programme.

8. Cooling-Off and Early Repayment

The Borrower may cancel within **three days** of acceptance provided the funds have **not** been used. If the funds were disbursed and used, the Borrower may fully repay at any time; however, because **interest and insurance are collected upfront**, early repayment **does not** entitle the Borrower to a refund of such amounts unless required by law.

9. Variation of Terms

The Bank may vary these Terms & Conditions for future drawdowns by giving **30 days' prior notice** through electronic means. Variations will not affect obligations already incurred for an existing drawdown unless required by law or regulation. The Borrower may decline the variation by not taking a new drawdown within the notice period.

10. Complaints and Escalation

The Bank will acknowledge complaints within **24 hours** and aims to resolve them within **five working days**. The Bank will always provide the relevant contact details and links within the Channels.

11. Data Protection and Privacy

- a. The Bank processes the Borrower's personal data for onboarding, eligibility scoring, credit administration, collections, fraud prevention, statutory reporting, credit bureau/CBN **Credit Risk Management System (CRMS)** reporting and related activities on the lawful bases of **contract** and **legal obligation**, together with **legitimate interests** where relevant.
- b. The Bank will provide transparent information on categories of data, recipients and retention schedules; will honour the Borrower's rights of access, rectification, erasure, restriction, portability and objection; and will disclose the Borrower's right to request human review of any material automated decision.
- c. The Bank will notify material personal-data breaches in accordance with law.
- d. The Bank will publish the Data Protection Officer's contact details in the Channels and on its website.

12. Credit Bureau and CRMS Reporting

The Borrower consents to the Bank reporting credit information to licensed credit bureaus and the CBN **CRMS** and to obtaining credit reports for assessment and monitoring. The Borrower may dispute any inaccurate bureau information and the Bank will investigate and update the record in line with statutory timelines.

13. Electronic Communications and Signatures

The Borrower consents to the use of electronic communications for all notices and records relating to the Facility. Acceptance via the Channels constitutes an electronic signature and creates a binding contract enforceable under Nigerian law.

14. Set-Off, Lien and Recovery

- a. **General.** The Bank may, without prior notice where permissible by law, set off any amounts owed by the Borrower under the Facility against funds standing to the Borrower's credit in any of the Borrower's accounts with the Bank and may place liens on such accounts to secure repayment.
- b. **Ancillary Recovery Measures.** The Bank may recover through internal loan set-off, lien placement and other mechanisms permitted by law and regulation, including but not limited to BVN-linked direct debits, Global Standing Instructions (GSI) mandates and CBN CRMS-enabled recovery.
- c. **Set-Off and Recovery from All Accounts.** The Borrower covenants and warrants that the Bank shall have the power to set off the Borrower's indebtedness under this Loan from all monies and funds standing to the Borrower's credit or held for the Borrower's benefit in any account maintained with the Bank, whether in the Borrower's name or jointly with any other person, and whether the funds are standing to the Borrower's credit in current, savings, domiciliary, or any other type of account. The Borrower further covenants that the Bank may enforce recovery through internal loan set-off, lien placement, BVN-linked direct debit, GSI mandate for eligible individual Borrowers, and any recovery mechanism permitted under the CBN CRMS framework, as applicable. The Bank may also use NIBSS direct debit channels where permitted.
- d. **Waiver of Confidentiality as Required to Give Effect to Set-Off and Statutory Recovery.** The Borrower expressly and irrevocably waives any right of confidentiality, whether arising under common law, statute, contract, banking custom, or otherwise, **to the extent necessary** to enable the Bank to exercise its rights of set-off, lien, GSI recovery, BVN-linked recovery, CRMS-driven recovery, or to take steps reasonably required for the recovery of the Facility. The Borrower agrees that the Bank's disclosure of, or access to, account information strictly for the purpose of effecting such recovery shall not constitute a breach of confidentiality, and the Borrower undertakes not to challenge or dispute such disclosure or access before any court, tribunal, administrative agency, regulator, or other authority.

15. Events of Default and Remedies

An Event of Default includes failure to pay when due, breach of any material obligation, misrepresentation, insolvency events, unlawful use of the Facility, or any other event that, in the Bank's reasonable opinion, materially impairs the Borrower's ability to perform obligations. On or after an Event of Default, the Bank may demand immediate repayment, exercise set-off and lien, trigger GSI/CRMS recovery as applicable, commence recovery proceedings, and report the default to credit bureaus and the CRMS.

16. Liability and Indemnity

Subject to law, the Bank's aggregate liability arising from or in connection with the Facility shall not exceed the total Facility amount advanced under the relevant drawdown, save for liability that cannot be excluded by law (including fraud or wilful misconduct). The Borrower indemnifies the Bank against reasonable losses arising from the Borrower's breach, misrepresentation or unlawful use of the Facility.

17. Dispute Resolution

Parties will first attempt to resolve disputes amicably within fourteen days. Failing resolution, disputes may be submitted to any **courts of competent jurisdiction in Nigeria**.

18. Notices

Notices will be effective when delivered to the last notified address or electronic address. Electronic notices are deemed received at the time of transmission during business hours, or the next Business Day if transmitted outside business hours.

19. Assignment

The Borrower may not assign rights or obligations without the Bank's prior written consent. The Bank may assign or transfer its rights and obligations and will provide notice where practicable.

20. Termination

These Terms & Conditions remain in force so long as any amount is outstanding. Termination does not affect accrued rights or the Bank's right to continue lawful recovery actions.

21. Miscellaneous

If any provision is held invalid, the remaining provisions continue in full force. These Terms & Conditions constitute the entire agreement for the Facility, together with the pre-acceptance Key Facts Statement and any Channel-level acceptance records.