



THE ABC VISION

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CUSTOMER FOCUS: Risks Kenyans in Diaspora face while investing back at home

A good number of Kenyans living in the diaspora have had their fingers burnt by trying to invest back at home through their family members and friends. Either the money is invested in unviable projects or plainly squandered by the next of kin. It is a risk it seems many Kenyans in the diaspora are unable to overcome.

“Limited information on investment opportunities, using wrong avenues to channel money to such opportunities and weak ways of monitoring the implementation of the

projects are major challenges facing many Kenyans in the diaspora, including myself,” Mr Jacob Kipkirui Sigei, who is based in Afghanistan, told The ABC Vision in an email interview, “This forces some of us to entrust our money with relatives and friends with costly consequences.” Such a case was reported on January 23, 2012 in The Standard newspaper whereby a US-based Kenyan sent to his wife a total of \$250, 000 (Sh21.8 million) over a period of three years to invest in the property sector in Mombasa.

During the period, according to the story, he believed she had bought several plots in the coastal city on which she was putting up rental apartments since she kept him updated with photographs of the “projects” she sent him regularly. But nothing prepared him for the rude shock that awaited him in Mombasa at the expiry of his three-year contract in the US. On arrival, he discovered his wife had invested his hard-earned money in a “tiny plot to which she held no title deed except an agreement signed by a village elder.” In effect, he had lost the Sh21.8 million.

But Mr Sigei, an ABC Bank customer who has been working as an accounts clerk in Afghanistan for the last seven months, is determined to avoid such pitfalls.

“I am working for long hours in a remote place with many challenges such as a new culture and climatic conditions that I am not used to,” he explains, “I want to invest wisely so that I can live comfortably when I finally return home.”

His association with ABC Group, a one-stop-shop financial services provider, could turn out to be the best decision he has ever made. “We are already guiding him towards achieving his investment objectives by availing to him the immense expertise across the Group,” says Amanda Corline, ABC Bank Head of Retail Banking. This means Mr Sigei has access to analysts from the Bank and its affiliate companies - ABC Capital Ltd., a member of the Nairobi Securities Exchange (NSE) and ABC Insurance Brokers Ltd., a licensee of the Insurance Regulatory Authority (IRA). Mr Sigei, who is eyeing investment opportunities in the financial sector, is full of praise for the Group. “I am very happy with ABC Bank Group’s services, especially the money transfer service and internet banking. We are exploring ways through which they can help me to invest in Kenya,” he says.



Mr. Jacob Kipkirui Sigei, ABC Bank Diaspora customer who is based in Afghanistan.

NEW

CORE BANKING SOFTWARE



In our relentless pursuit to serve you better, we recently concluded our system upgrade to a new robust system that speeds up our service delivery to you while ensuring a seamless operation across our branch network.

We thank you for the support you have accorded us this far and assure you of our commitment and dedication to resiliently serve you now and in the future.



It gives me great pleasure to once again interact with you through this issue of the newsletter.

I appreciate your feedback to the last issue and assure you that we are working to incorporate your input to improve both the newsletter and our services to you.

In this regard, I am happy to inform you that we are implementing our change management programme, dubbed "Nyota Mpya" (Kiswahili for New Star), whose key pillar is customer centricity through efficient service delivery and tailor-made products.

Under the programme, we have been executing strategic initiatives in our efforts to meet your financial needs. We have reviewed our systems and processes under our business process re-engineering programme as we work towards achieving our objective of being the banker of choice for Kenyans living in the Diaspora.

This has seen us investing in new staff to complement the skills and competencies we already have in the Group while providing training programmes to the new and existing staff to ensure that they are in sync with the changing market needs in order to serve you better.

We have complemented the staff changes by upgrading our core banking system into a more robust one to enhance our safety features, increase our efficiency and improve our capacity to roll-out products and services in response to your financial needs.

One of the services we are in the process of rolling out is internet banking. We expect to have it ready in the next quarter, a development that will speed up your transactions and cut on the amount of paperwork involved. We are also reviewing our salary service to improve it by introducing, among other features, same day salary crediting.

The feedback we receive from you through talk2us@abcthebank.com is very enlightening. In line with this, we have rolled out an interactive chat service through our website www.abcthebank.com, for instant responses to your queries. This service is currently on pilot test and we encourage your feedback to help make it better.

All these initiatives are aimed at improving your experience with us.

I wish you success in all your endeavours!

Group Managing Director

ABC Bank secures facility from European Investment Bank to lend to SMEs

ABC Bank has secured a Euro 7 million loan from the European Investment Bank (EIB) to lend to its

small and medium enterprise (SME) customers. The Ksh. 770 million facility, under the EIB's Private Enterprise Finance Facility (PEFF) II-Kenya, will enable the Bank to lend to SMEs for periods of between four and ten years.

"This is very good news for our clients because, with this facility we will be able to open up the tenure, pricing and structure of our products," said Shamaz Savani, ABC Bank Group Managing Director, at the signing ceremony on February 1, 2012. Loans under the EIB facility are available in Kenya Shillings, Euros and US Dollars.

"Our importing and exporting SME customers will benefit from this facility, through the multi-currency long-term lending opportunities, cushioning them from currency fluctuations," said Mr Savani.

The facility is targeted at agro-industry, fishing, food processing, manufacturing, transport, construction of commercial developments, private education, healthcare and services related to these sectors. "We are happy to partner with ABC Bank in supporting the small business funding, crucial for economic growth in Kenya," said Mr Kurt Simonsen, Head of Regional Representation, EIB East and Central Africa Office, during the ceremony.



ABC Bank Chairman Mr Ashraf Savani (L) and Mr Kurt Simonsen, Head of Regional Representation, European Investment Bank (EIB) East and Central Africa, (Right) signing the agreement on February 1, 2012.



John Ngoru (R), ABC Bank Group Head of Human Resources and other Bank staff display the prize after the raffle.

Prize for liking ABC Bank Group Facebook page

Mr George Kamau Ngugi is the lucky winner of a new Samsung Galaxy Tab II for 'liking' our Facebook page.

"Our lucky winner is . . .," said Mr John Ngoru, ABC Group Head of Human Resource, as he unfolded a piece of paper to display Mr Ngugi's name.

This was during a lucky dip conducted on February 14, 2012 at ABC Bank Group's Head Office in Westlands, Nairobi. The raffle targeted our diaspora clients.

"I was over excited for winning the Tab. I was pleasantly surprised because it had not struck me that I could become a winner," Mr Ngugi, who is based in Afghanistan, in an email response. His wife, Rehab Njeri Githuku, received the Tab on his behalf at a presentation ceremony held on

February 21.

"ABC is my bank and it has really helped me a lot in terms of transferring money to my family back at home, which has really made life a lot easier for me. I am proud to be associated with ABC Bank," Mr Ngugi said.



Living in the Diaspora? Here is a safe way to acquire land in Kenya

ABC Vision's Q & A with Amanda Corline,
Head of Retail Banking

Q: Why did you introduce the Land Purchase –Diaspora-product?

A: We introduced this product after a survey which showed that:

- There is an overwhelming interest by ABC Bank Diaspora clients to invest in real estate
- Key concerns for the segment were the validity of title deeds and avoiding fraudulent land brokers
- More than half (60%) of the clients were interested in purchasing half an acre or less of land
- Loan amounts requested were typically Kshs. 1 million and below
- Tenors requested were five years, repayment amount 20% - 50%, repayment instalments bellow Kshs. 50,000 per month
- Major locations of interest for land purchase were the outskirts of Nairobi

Q: What are the salient features of the product?

A: Its key features include:

- Bank Financing – Up to 70% financing
- Loan tenor – 60 months maximum
- Repayment – equal monthly installments
- Interest Rate- 28% p.a. (reducing balance)
- Commitment fee – 1% one off (minimum Kshs. 10,000)
- It applies to land in Nairobi, Mombasa and their suburbs.
- Only approved land schemes will qualify

Q: Who are you targeting with this product?

A: All salaried Kenyans based in the Diaspora.

Q: Do you have ready land that one can purchase through this product?

A: Land is available through our approved real estate agents and partners like Developing Afrika Limited. We also allow our clients to identify land for themselves but through agents and vendors who have to be approved by the Bank.

Q: Where is the land located?

A: Specific Areas of Land Purchase – Nairobi, Mombasa and their Suburbs. ABC Bank shall finance purchase of developed properties and land located in the counties of: Nairobi, Greater Nairobi (Thika, Ruiru, Kiambu, Athi River, Kitengela, Ongata Rongai, Ngong, Kiserian, Isinya, Limuru, Githunguri, Kikuyu, Mlolongo, Syokimau, Ruai, Katani and Kisanju), Mombasa, Nakuru, Meru, Eldoret and Kisumu. In counties where the Bank has no branch, they shall be considered on a case to case basis and upon approval by the Credit Committee.

Q: How does one apply?

A: Call John Kariri on +254 722 426160 or email us on talktous@abcthebank.com to guide you on the application process. You will need:

- An application form
- Sale Agreement
- Valuation report by a valuer in our list of approved valuers
- Proof of source of applicant's contribution
- Copy of Title deed/lease.



- Latest pay slips for the last three months or latest six months bank statements (if currently not banking with ABC).

Q: What does one need to be eligible?

A: Qualifying account holders will be:

- Current or Savings account holders of ABC Bank, having held active accounts for the last six months or present six months statements for another account held in a Kenyan bank.
- Aged between 18 and 60
- Must have the capacity to service installments from their salary and other sources of income.
- Domiciliation of salary with ABC Bank

Q: Would you assist a customer who may need help to develop his/her land after acquiring it?

A: Yes, we have business loans, personal loans, project finance and construction loans that a client can access subject to his/her ability to pay and security he/she can offer.

Q: Do you have a product for a customer who may want to purchase a house?

A: Yes, we have mortgages/house purchase facilities with similar features but tenors of up to 10 years.



Send your love back home quickly and safely.





Your insurance partner to mitigating a family loss

By ABC Insurance Brokers Ltd.

It is a painful and expensive experience every time a Kenyan living in the diaspora loses a loved one back at home. One has to make arrangements, including purchasing a return air ticket, to fly back home to attend the funeral.

Losing a family member or friend in the diaspora is an even more traumatising experience to Kenyans living in the diaspora and their families and friends back at home.

If the loved one who passes on is to be buried at home, the family and friends have to sacrifice a lot in raising funds to transport the body, settle hospital and mortuary bills, buy air tickets for the family members and meet other funeral-related expenses.

“Investing a small sum of money in a good insurance policy under our guidance could reduce the financial burden whenever a tragedy strikes,” explains Mr Harrison Kariuki, Manager, ABC Insurance Brokers Ltd, an affiliate company of the ABC Bank Group.

Mr Kariuki says ABC Insurance Brokers, through partner insurance companies, would help one to access a suitable insurance cover at an affordable premium paid on a regular basis -monthly, quarterly, half yearly or annually.

Funeral Expense Cover

- You could take the Shared Family Group Funeral Expense cover. This product will provide cover for your family. A family in this case consists of you-the principal member, your wife or husband and children below the age of 25.
- There is no limit as to the size of your family.
- For a sum assured –the amount one is paid in the event of a tragedy –of between \$10,000 and \$20,000 per person, you are expected to pay a premium of between \$250 and \$500 per family per year.
- If you are a member of a group, association or even a chama, which you have formed for other purposes such as contributing money towards a project such as buying a property, you can take a Group Funeral Expense cover.
- You – who is referred to as the principal member - can sign up for the policy if you are aged between 18 and 70 years old. For a sum assured of between \$10,000 and \$20,000 per person, you will be required to pay a premium of between \$100 and \$200 per individual per annum.

Diaspora return ticket funeral expense policy

- The main benefit of this cover is that it helps you make a hassle-free last minute unplanned travel expense to you in the event of the death of an immediate family member back home.
- At a premium of between \$1 and \$7 per month, you can get a benefit of between \$1,000 and \$3,000, which you would use to buy a return air ticket for you or next of kin subject to conditions.

- The next of kin is either of the parents; a spouse, children or siblings living in Kenya but the maximum number of next of kin declared are five.

Diaspora last expense cover

- The beneficiary is paid to provide cover for transportation, funeral expenses and unforeseen expenses in case of death of the insured in the Diaspora.
- The cover commences immediately in the event of accidental death.
- If, however, one commits suicide, is involved in illegal activities or has chronic pre-existing conditions that he or she does not reveal on the application form, you will not be paid.
- The minimum age at entry is 20 years old; maximum age at entry is 60 years old.



We've got you covered from birth to old age.

Regulated by the Insurance Regulatory Authority of Kenya, ABC Insurance Brokers Ltd. is an approved insurance broker of the African Trade Insurance Agency (ATI) and a member of the Association of Insurance Brokers of Kenya (AIBK). We offer a wide range of products including; general insurance, personal insurance, health insurance and life insurance.

Talk to us on:

+254 (20) 4450873 / 4441162

insurance@abcthebank.com





Hello Rosemary,
I had enquired about my bank account balance. I have checked my account after receiving your explanation and it is alright. I appreciate all the assistance you accorded me.
Thank you very much.
C.N.

Dear C.N.,
Thank you for writing to us. We are glad we have been of help to you. You are the reason we come to work.
Kind regards,
Rosemary Kiboro,
Officer Quality Service



ABC Bank,
Keep it up, thanks for your good services, we are really proud of you. Everything is really moving smoothly at home and yet we are too far away. God bless you!
P.K.T.

Good services which have improved, focusing on the customer needs.
E.W.

With ABC Bank, its easy and it keeps getting even better.
S.M.

I appreciate your concern for customer satisfaction.
D.G.K.

ABC is my Bank. I love the commitment of your staff to serve us better every day. You are wowwww...
D.N.



I was impressed that we called your office and within an hour there were officers, Daniel Kamau and Kipyegon from Westlands who did a good job of convincing us that you are a good Bank.
V.M.




Thanks V.M.,
We appreciate the positive feedback. We promise to make your experience with us worthwhile.
Regards,
Rosemary Kiboro,
Officer Quality Service



**You are the reason
we came to work today.**

Dear Customer,
Are you in Kenya or in any other country in the world?

No matter where you are, you can now easily send us your complaints, compliments and queries. We are all ears on:

- Email  talk2us@abcthebank.com
- Facebook  www.facebook.com/abcthebank
- Chat  www.abcthebank.com
- Phone  [+254 \(20\) 4263000](tel:+254(20)4263000)