

The ABC VISION

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Eric Kinoti ENTREPRENEURS' BOOT CAMP



ABC Bank sponsors the Eric Kinoti Entrepreneurs' Boot Camp

Think big, Start small, Start now!

The Eric Kinoti Entrepreneurs Boot Camp is a one of a kind mentorship event whose core purpose is to create a platform for sharing experiences between established entrepreneurs and upcoming ones, encourage entrepreneurship in Africa and connect mentees to their mentors.

ABC Bank (together with Google and Nation Media Group) sponsored the inaugural event which was hosted in Masai Mara Kileleoni camp from 19th to 22nd December. The partnership is a meeting of minds to provide mentorship to entrepreneurs, startups and employed people looking for investment opportunities.

ABC Bank has been at the fore front of promoting entrepreneurship by offering products and services tailored for both upcoming and established entrepreneurs. Therefore, this was an excellent opportunity for ABC Bank to help nurture entrepreneurial spirit in aspiring entrepreneurs.

Eric Kinoti is the founder and director of Shade Systems (EA) Ltd, Sani-Sana Home Services and Bag Base Kenya Ltd. He has twice featured on the Business Daily list of Top 40 Under 40 in Kenya and the Forbes Top 30 Under 30 in Africa. He is also the OLX SOMA Awards Most Influential SME Personality 2014. Due to his efforts in empowering

young entrepreneurs, Kenya Chamber of Commerce and Industry has appointed him as a patron.

Eric's biggest goal is to help as many entrepreneurs as possible to succeed. From the challenges he faced as a young entrepreneur, he recognizes the importance of mentorship and the need to inspire and guide young people venturing into business. He therefore, selected like-minded speakers for this Pan African event. These are people who have excelled in what they do and possess an ability to mentor and encourage others.

They were drawn from different African countries, among them Tonne Ndung'u, Vusi Thembeke, Mwenda Thurania and Danson Muchemi. Tonne Ndung'u is a Kenyan TEDx speaker and an IT expert who is also the Chief Executive Officer of Kytubu while Vusi Thembeke is a business speaker and the youngest Johannesburg Stock Exchange Director.

Mwenda Thurania is a real estate guru who is also the Chief Executive Officer of MySpace Properties and the founder of Mombasa Homes Expo. Danson Muchemi is the Chief Executive Officer of Jambopay and he boasts a large pool of clients both private corporate and government entities. The boot camp attracted over 300 participants. The organizers plan to make it a continuous program.

GMD's Statement

Happy 2015!

I am glad to bring you updates on what we have been up to over the last few months. We held our annual flagship Corporate Social Responsibility initiative, the ABC Bank Baringo Half Marathon on November 1st in Kabarnet Town, Baringo County.

It was another reverberating success, after 2013, which was our first as title sponsors. Thank you for coming out in large numbers to sponsor and register as participants. Through the marathon, we continue to identify and develop athletic talent among young people in the Rift Valley. We have covered that story for you in great detail in this issue.

Secondly, I wish to appreciate you for making us number one in a recent Customer Satisfaction Index Survey by Infotrack Harris and Think Business. The survey, which was carried out among bank customers, showed that you, our customer, value greatly the investments we have made in innovation and our commitment to delivering to your expectation.

The Global Credit Rating Company upgraded our national scale short term rating of A2 (KE) from the previous rating of A3 (KE) and affirmed our national scale long term rating of BBB (KE), with outlook accorded as stable. The new ratings are supported by the bank's business and financial risk profile, growth in business, efficiency in balance sheet, cost control as well as success in the private bond issue in May 2014.

At the Champions of Governance Awards, we took home two prestigious awards 2014: 1st Runners Up-Overall Champion, and 1st Runners Up in the Finance and Investments category.

We joined hands with Kenyatta University by donating KSh. 250,000 to support inventive students to realize their entrepreneurial potential. The university, through its Chandaria Business Innovation Incubation Centre, nurtures students with innovative ideas to transform them to viable enterprises. The donation is part of ABC Bank's CSR strategy to help the youth to discover and develop their talent.

We also (together with Google and Nation Media Group) sponsored the Eric Kinoti Entrepreneurs Boot Camp. This is a meeting of minds partnership to provide mentorship to entrepreneurs, start-ups and employed people looking for investment opportunities.

Various products were developed by our team to facilitate our revolutionary banking services. These included the USD MasterCard Debit card, Account-to-Mpesa (B2C) as well as 2nd Level Authentication on our Internet Banking platform.

I'd want to assure you that in 2015 we will remain committed to create solutions that meet your dynamic needs. We have plans to form more partnerships with like-minded Money Transfer Organizations and Agency Banking partners to offer efficient banking services to our customers.

I urge you to take advantage of our many products and services to enjoy a unique banking experience.

Thank you for your continued support, without which our achievements would not have been possible.

We wish you a Prosperous 2015!

Shamar

Group Managing Director.

CORPORATE NEWS

ABC Bank gets positive credit rating from Global Credit Rating Agency

The Global Credit Rating Company upgraded the Bank's national scale short term rating of A2 (KE) from the previous rating of A3 (KE) and affirmed the national scale long term rating of BBB (KE), with the outlook accorded as stable.

The upgrade of the bank's short term rating is a reflection of the positive operational changes in the business, including the enhanced funding profile of the bank and the potential internal growth.

Appropriate deployment of capital/funding, improving profitability while maintaining credit protection factors, the diversification of income streams and a reduction in funding costs on the back of the retail strategy should have a positive impact on the bank's long-term rating going forward.

Leveraging its strengths in asset finance, trade finance and international and local remittance solutions, the bank has carved out a niche by providing focused services and solutions to mid-to-large sized corporate firms. More recently, however, the bank has expanded its client profile to include all market segments.

This good rating assures investors of the fundamentals of our business, its actual strength, financial standing, and management details, giving them the confidence in taking investment decisions.

ABC Bank shines at governance awards

ABC Bank scooped two prestigious awards at the recent Champions of Governance Awards 2014, organized by the Institute of Certified Public Secretaries of Kenya.

The bank bagged the second overall Champion of Governance Award, and emerged 1st Runners Up in the Finance and Investments category.

The awards, now in their fifth year, seek to recognize institutions and individuals that exhibit the highest standards of practice of good governance and encourage more organizations, both public and private, to embrace the principles of accountability, transparency and disclosure compliance, consistent shareholder value enhancement, and corporate social responsibility.

These awards mean a lot to us; the recognition is a result of our deliberate and consistent observance of an open and transparent culture that permeates all our daily activities and interactions at all levels.

Best in customer satisfaction!

In a recent survey by Infotrack Harris and Think Business, ABC Bank was ranked as Best Bank in customer satisfaction of all Tier 3 Banks. According to the Customer Satisfaction survey, ABC Bank is also the most easily accessible bank. The survey, which was carried out among Bank customers, found that our customers value greatly the investments the Bank has made in innovation.

This is gratifying to us. Over the last two years, the Bank has made significant investments towards virtual banking: our internet banking, Account-to-mobile wallet, Agency Banking and our MasterCard international debit card are revolutionary solutions that give you peace of mind and set you free to make more out of your time wherever you may be in the world.

Thank you all for making us number one!



The ABC Bank Baringo Half Marathon 2014

The Marathon comes of age

The 2014 edition of the annual ABC Bank Baringo Half Marathon took place on November 1st in Kabarnet town, Baringo County.

This was the second year the Bank has partnered with the Paul Tergat Foundation to host the marathon. The marathon is our flagship Corporate Social Responsibility initiative, and seeks to identify and nurture young athletic talent with a view to produce the next generation of world champions.

Since we took up the title sponsorship, we have endeavoured to raise the event's profile in various ways, including increased participation and the enduring impact among the immediate communities. This year we doubled the sponsorship kitty to KSh. 10 million, to go to hosting the event and running our Athletes Development Program.

The prize purse received a boost too: the first finishers, in both the men's and women's 21 kilometer categories, took home KSh. 300,000 each, making this the most lucrative half marathon one in the country.

We also introduced a schools category that saw over 50 schools register teams of ten students for the 6 km cross country race. Winners, both boys and girls, pocketed KSh. 25,000 each while the winning team took KSh. 100,000 back to their school.

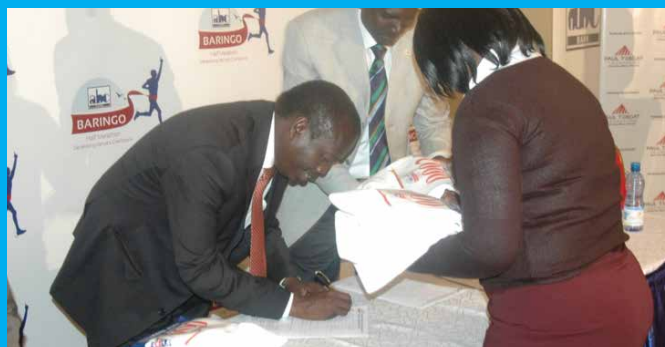
The Athletes Development Program is a sustainability project to enable us to deliver on the objective of producing world champions. In 2013 we selected a group of 12 promising young athletes, whom we placed in various athletics training camps in the North Rift region, under dedicated professional coaches to set them on the path to stardom.

Some have gone on to participate in different local and international races, and have recorded impressive performances. For instance, Hilary Kemboi competed in a race in Nigeria and scooped the gold medal in the 10,000 meters race. In August, Alfred Barkach participated in the East African Secondary Schools Championships and won the 10,000 meters race. Josphat Kiprop, another of our sponsored athletes, won the 21 kilometer race in this year's Baringo Half Marathon. These success stories confirm the need for talent development.

Besides athletics training, we also offer life skills training to our athletes to become successful even off the track. We have trained them in investments and personal finance, success management, public speaking, handling media interviews, and managing sponsorship contracts.

Congratulations to the winners:

PLACE	NAME	RACE CATEGORY
1	Josphat Kiprop	21km Men
2	Mark Kibiwot	21km Men
3	Ezra Kiprotich Sang	21km Men
1	Cynthia Jerotich Limo	21km women
2	Chepkirui Joyce	21km women
3	Mercy Kibarus Cherotich	21km women
	SCHOOL NAME	RACE CATEGORY
1	Kimwongo Secondary School	6km Schools Race-boys
2	Kiboron Secondary School	6km Schools Race-boys
3	Chebara Secondary School	6km Schools Race-boys
1	Mokwo Secondary School	6km Schools Race-girls
2	Winners Secondary School	6km Schools Race-girls
3	Kipmwogo Secondary School	6km Schools Race-girls



Baringo County Governor Benjamin Cheboi signs up for the marathon during the official launch on 25th September



21 km women flag off



Alfred Ngeno heroically crosses the finish line to win the 6km boys' race



A triumphant Josphat Kiprop crosses the finish to bag the 21Km men's category prize.



Norah Cheruto outruns her opponents in the 6Km girls' race



Cynthia Jerotich speaks to journalists after finishing first in the 21km women's category



Athletics Kenya President Isaiah Kiplagat (right) presents certificates of participation to the 21km men's race top 3 finishers Josphat Kiprop (centre), Mark Kibiwot (left) and Ezra Kiprotich Sang (right)



The marathon patron Paul Tergat (Right) confers with former world marathon champion Wilfred Bungei (left) and Athletics Kenya official Elizabeth Keitany (middle) during the prize giving ceremony



ABC Bank Group MD Shamaz Savani confers with Baringo County Governor Benjamin Cheboi during the closing ceremony

Thank you our partners and sponsors

Many organizations joined hands with us by sponsoring the ABC Bank Baringo Half Marathon in cash and in kind. We appreciate you all for committing your resources to this noble cause that aims to develop athletic talent in Kenya.

We also invite you to join us again in an even bigger way, as we plan to have a bigger and memorable event this year. Our sponsors and partners included:



NOW AVAILABLE AT ABC BANK



REGIONAL MONEY TRANSFER SERVICES



INTERNATIONAL TRANSFER SERVICES



الذهب للصرافة
AL DAHAB EXCHANGE



For more information: Call 0701 700 700 or
talk2us@abcthebank.com

Credit Information Sharing, Alternative Dispute Resolution (ADR) Centre Launched



The Association of Kenya Credit Providers (AKCP) launched ADR Centre on November at the Kenya School of Monetary Studies. The primary objective of the Centre is to resolve Credit Information Sharing (CIS) disputes by providing environment conducive to address credit information sharing issues while upholding the relationship between the parties. The dispute resolution process will be shorter unlike the normal three (3) years or more courts take to resolve an issue of the same nature. The ADR process flow has four (4) steps: Information verification and complaint resolution, Dispute Intervention, Dispute facilitation and Dispute mediation.

[For more information: talk2us@abcthebank.com](mailto:talk2us@abcthebank.com)

What is Annual Percentage Rate (APR) and what does it mean to you?

In July 2014, Kenya Bankers Association, the umbrella body of Kenyan banks, launched an industry-led consumer protection initiative by commercial banks in Kenya. The industry's adoption of the new loan-pricing mechanism, the Annual Percentage Rate, underscores the commitment by banks to enhance pricing transparency and consequently ease access to credit.

Borrowers will now get the best value in the industry to shop around for the loan products that meet their needs. The enhanced transparency will therefore stimulate competition within the banking industry thus contributing to more competitive interest rates for customers with a good credit track record.

There are various costs associated with a loan. These costs range from bank fees and charges to third party costs, such as legal fees, insurance, and government levies. Banks are now required to provide loan applicants with a breakdown of the Total Cost of Credit (i.e. bank charges and third-party costs associated with the loan facility); and a Loan Repayment Schedule in line with the Central Bank Prudential Guidelines.

Bank customers applying for loans should ask for the Total Cost of Credit, the Loan Repayment Schedule, and finally the Annual Percentage Rate before signing a loan contract. By doing so, customers will be equipped to make a more informed and comprehensive decision.

When taking up a loan, a borrower often focuses on the bank interest rate. However, this is just one of the loan cost components. Therefore, to better determine the total cost, a formula should be used to compute the various elements into a numeric representation (a percentage rate). When this percentage rate is based on a 12 month period, it is called the Annual Percentage Rate (APR).

Here are answers to some commonly asked questions about APR:

• What do I do when I am not given this information by my bank or if am charged more than was initially in the APR?

This information is the right of every bank customer. Customers should raise any issues with the relevant customer care representatives or the banks' head office. Customers can also email consumerguide@kba.co.ke and a Kenya Bankers Association member of staff will facilitate a response from the bank.

• Can I calculate the APR for myself?

Yes. Every bank customer can access the Total Cost of Credit template and APR calculator on the KBA website at www.kba.co.ke. You will, however, still need to ascertain the accuracy of the costs from the bank so as to ensure that the self-computed APR is accurate. However, the APR calculator will provide a good indication of what to expect.

• Is this different from the bank's base lending rate?

Yes it is different. A bank's base lending rate is a benchmark that a bank computes to determine its standard interest rate. Once it has this 'base', the bank will add a premium based on the risk margin of the customer and other factors. While there is one 'base' lending rate for a bank at a given time, the APR is customer-specific, transaction-specific and product-specific.

It is important to note that banks will be transitioning away from quoting the base lending rate in line with the current initiative by the Central Bank of Kenya and Kenya Bankers Association to introduce the uniform reference rate across the industry.

Ultimately, what you should know is the Total Cost of Credit and the APR, and that the reference rate would already be factored in the APR calculation.

• Is APR the only basis of comparing cost of credit from different banks?

The APR is only one of the factors that a prospective loan applicant can use to make a decision. Other factors are the additional value that the bank is providing including supplementary services and flexible repayment terms.

• Which other initiatives are banks working on to address high interest rates?

The banking industry is spearheading a number of interventions to enhance credit access in collaboration with Central Bank. These initiatives, which are at different stages of implementation, include: the Credit Information Sharing initiative which will enable banks to price their loan products based on individual customers' risk profile; and development of a Reference Rate upon which banks will replace the Base Rate and serve as a standardized reference rate for all banks.

In case you have any queries or concerns regarding the new loan pricing method, please get in touch with us on talk2us@abcthebank.com or call our Hotline 0701 700 700.



Talk2us

Connect with us on :



More Ways to Bank



Account to Mpesa &
Mpesa to
Account transfers



MasterCard
International
debit card



Internet Banking



Agency Banking
through Postbank
CASH WITHDRAWAL
& DEPOSIT
BALANCE ENQUIRY

PICTORIALS



ABC Bank's Joram Onsare (left) and Rosemary Muturi (right) receive the 1st Runners Up Overall Champion of governance award from Amb. Francis Muthaura, who was the chief guest at the gala, held on 14th November 2014



ABC Bank staff Mr. Robert Murangiri (left) and Caroline Munyuko (middle, in red) present donations to children at the Kayole Street Childrens' Home, on 6th December 2014.



Our Meru customers join staff in cutting a cake to mark our customer focus week that was observed in all our branches in August 25th to 29th 2014



The children at the center appreciate foodstuffs the staff donated to them to light up their Christmas.

NAIROBI

- Koinange Street - Koinange Street, Nairobi
- Westlands - Woodvale Grove
- Libra House - Mombasa Road
- Industrial Area - Dar es Salaam Road

UPCOUNTRY

- Mombasa - Moi Avenue
- Lamu - Seafront, Lamu town

- Meru - Moi Avenue
- Nakuru - Kenyatta Avenue
- Eldoret - Oginga Odinga Road
- Kisumu - Oginga Odinga Road

OPENING HOURS:

- MON - FRI : 8:30am - 4:00pm
- MON - FRI : 8:30am - 7:00pm
- (Westlands, Koinange, Eldoret)
- SAT: 9:00am - 1:00pm

