

CONTAINER DEPOSIT ENTERPRISE LIMITED (CDF)

TERMS AND CONDITIONS

Version 3.0

Effective Date: 01/01/2025

1. DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

- **“CDF”** means Container Deposit Fund Limited.
 - **“Applicant”** means the consignee, clearing and forwarding agent, or principal applying for funding.
 - **“Principal”** means the cargo owner or consignee on whose behalf funding is sought.
 - **“Shipping Line”** means the carrier or shipping company requiring container deposit.
 - **“Container Deposit”** means the refundable security amount payable to a Shipping Line.
 - **“Application”** means the digital request for funding submitted through CDF’s platform.
 - **“Funding”** means the advance by CDF of the Container Deposit.
 - **“Free Period”** means the container free time allowed by the Shipping Line.
 - **“Charges”** means demurrage, detention, damage, storage, administrative, or any related charges levied by the Shipping Line.
 - **“Platform”** means CDF’s website or digital application portal.
 - **“Guarantee Structure”** means any bank guarantee or similar security issued in favour of a Shipping Line on behalf of the Applicant.
-

2. ACCEPTANCE OF TERMS

2.1 By submitting a digital Application, the Applicant confirms that:

- They have read and understood these Terms;
- They accept these Terms without reservation;

- They are duly authorized to bind the Principal.

2.2 Acceptance shall occur through digital acknowledgment, including but not limited to:

- Checkbox confirmation,
- OTP verification,
- Login authentication,
- Electronic submission of the Application.

2.3 The digital Application and these Terms together constitute a legally binding contract.

3. NATURE OF CDF'S SERVICES

3.1 CDF provides short-term financing of Container Deposits payable to Shipping Lines.

3.2 CDF may:

- Issue banker's cheques;
- Make bank transfers;
- Provide bank guarantees or other security instruments.

3.3 CDF does not assume responsibility for:

- Cargo;
- Shipping schedules;
- Shipping line operational decisions;
- Disputes between Applicant and Shipping Line.

4. FUNDING OBLIGATIONS

4.1 The Applicant undertakes:

- a. To use funded amounts strictly for payment of Container Deposits.
- b. To return containers within the Free Period.
- c. To lodge refund documentation within 48 hours of container return.
- d. To cooperate fully in refund recovery processes.

4.2 Failure to return containers within the Free Period shall not relieve the Applicant of liability for Charges.

5. FEES

5.1 CDF shall charge a funding fee calculated as a percentage of the funded amount.

5.2 Fees are:

- Earned upon funding;
- Non-refundable;
- Independent of the Shipping Line's refund timeline.

5.3 CDF reserves the right to revise pricing upon notice via the Platform.

6. GUARANTEE STRUCTURE (IF APPLICABLE)

6.1 Where CDF provides a bank guarantee:

- The Applicant remains fully liable for all Charges.
- CDF's provision of a guarantee does not reduce or extinguish Applicant liability.

6.2 If the Shipping Line calls upon the guarantee:

- The Applicant shall immediately reimburse CDF.
- Interest shall accrue on unpaid sums at [X%] per month.

6.3 Upon expiry of a Master Guarantee:

- CDF may renew the guarantee or require cash cover for outstanding allocations.
-

7. LIABILITY AND INDEMNITY

7.1 The Applicant and Principal are jointly and severally liable.

7.2 The Applicant shall indemnify CDF against:

- Demurrage,
- Detention,
- Damage,
- Legal costs (advocate-client basis),
- Recovery expenses,

- Guarantee call-ups.

7.3 In case of loss or constructive loss of container, the Applicant shall pay full replacement value on demand.

8. REFUND PROCESS

8.1 The Applicant shall submit to the shipping line:

- Dully filled out claim form,
- Original interchange,
- Delivery order copy,
- Container deposit receipt,
- Any additional documents required.

8.2 All container deposit refunds remain payable to CDF.

8.3 The Applicant irrevocably authorizes CDF to:

- Liaise directly with Shipping Lines;
- Receive refunds directly;
- Deduct outstanding sums prior to remittance.

8.4 Any attempt to redirect refunds without CDF's consent constitutes fraud.

9. DEFAULT

9.1 Default occurs where:

- The Applicant fails to return containers,
- Charges accrue and remain unpaid,
- False information is provided,
- Insolvency occurs.

Upon default, CDF may:

- Demand immediate repayment,
- Charge late fees,

- Suspend services,
- Initiate legal proceedings,
- Enforce director guarantees (if applicable),
- Report to credit bureaus where lawful.

9.2 INDEMNITY

9.2.1 The Applicant indemnifies CDF against:

- Demurrage;
- Detention;
- Damage;
- Container replacement value;
- Legal costs (advocate-client scale);
- Recovery agent fees;
- Investigation costs;
- Court filing fees;
- Execution costs;
- Auctioneer charges.

9.2.2 The indemnity survives termination of this agreement.

10. ELECTRONIC RECORDS

10.1 The Applicant acknowledges that:

- Records are maintained electronically;
- Electronic records constitute primary evidence;
- Printouts may be produced in legal proceedings.

10.2 The Applicant consents to admissibility of electronic records pursuant to the Evidence Act (Cap 80).

11. DIRECTOR/PERSONAL GUARANTEES (IF REQUIRED)

11.1 CDF may require:

- Personal guarantees,
- Post-dated cheques,
- Corporate guarantees.

Such guarantees shall remain enforceable until all obligations are discharged.

11.2 Directors acknowledge:

- They understand the risk;
- Their liability is independent of corporate liability;
- CDF may proceed against directors without first exhausting remedies against the company.

12. REFERRAL PROGRAMME

12.1 CDF may operate a referral programme.

12.2 Referral credits:

- Are fee offsets only;
- Are non-transferable;
- Have no cash value.

12.3 CDF may amend or withdraw the programme without liability.

13. LIMITATION OF LIABILITY

13.1 CDF's liability is limited to the funded amount.

13.2 CDF shall not be liable for:

- Consequential losses,
- Business interruption,
- Cargo delays,

- Shipping Line disputes.
-

14. CONFIDENTIALITY

14.1 The Applicant consents to CDF processing data for:

- Funding,
- Recovery,
- Legal enforcement.

14.2 CDF shall comply with the Data Protection Act of Kenya.

15. AMENDMENTS

15.1 CDF may revise these Terms.

15.2 Updated versions will be posted on the Platform.

15.3 Continued use constitutes acceptance of revised Terms.

16. GOVERNING LAW

These Terms are governed by the laws of Kenya.

Any disputes shall be subject to:

- Small Claims Court where applicable;
 - Or courts of competent jurisdiction in Kenya.
-

17. SEVERABILITY

If any provision is invalid, the remainder remains enforceable.

18. ENTIRE AGREEMENT

These Terms and the digital Application constitute the entire agreement between the parties.