

Co-operative Bank Launches Financing for Direct Importation of Used Vehicles

Nairobi, 26th April 2019... Co-operative Bank has formed a joint partnership with World Navi Co. Ltd, a leading Japanese exporter of used units to Africa and Europe, launching a financing scheme to enable Kenyans to import second-hand cars. The partnership guarantees a 100pc safe and reliable vehicle importation including three months warranty on the engine & transmission, accident free & genuine mileage certificates and zero risk of stolen parts or non-performance.

In line with the Bank's efforts to build a strong offering, this service will help customers to import quality second-hand vehicles at affordable prices through a secure platform from key source markets in Japan, UK and Thailand as well as secure up to 80% financing for the purchase. With this service, the Bank will also finance approved motor vehicle dealers to enable them to import vehicles on behalf of their customers.

Speaking during the agreement signing with World Navi at a Nairobi Hotel on Friday, the Head of Business Banking at Co-operative Bank, Mr Moses Gitau said, "Majority of Kenyans depend on the import second-hand vehicle market to own a car but one of the prevailing issues plaguing the public is the anxiety of finding a reliable agent who will ensure they get what they are paying for. Our partnership with World Navi provides an end-to-end solution for anyone seeking to import quality second hand vehicles at affordable prices through a secure platform; giving them that peace of mind."

Speaking at the same event, World Navi Co. Ltd Managing Director, Mr Yoshifumi Sawada said, "Our company is offering its 20 years' experience in the business of exporting used cars globally with the assurance of every customer receiving high quality cars through the unique: 3 months warranty on engine and transmission which no other exporters can offer. We have an office here in Nairobi with experienced staff who can handle all the complex stages of selecting, purchasing, shipping, clearing and transportation until you receive your keys. Our partnership with Cooperative Bank of Kenya Ltd is indeed another seal of approval of our company's strength within this trade to meet the local market's needs on used vehicles which will reach out to the majority of the market areas across the entire country through its 150 branches."

The service is open to both Bank customers and non-customers wishing to import vehicles using either their own funds or looking to be financed by the bank. For customers purchasing the vehicle using their own funds, they would identify the car on the World Navi's website, place the order then receive a general pro-forma invoice. The customer will then deposit the whole amount into an internal account with the bank, where it will be held until the car is shipped and delivered to them.

Customers seeking financing from the Bank to buy the vehicles, would follow the same process in identifying and ordering the car, however on receipt of the general pro-forma

invoice they would start the loan application process with the bank. Once approved, the customer will receive an indicative offer letter and would then proceed to deposit their own contribution (at least 20%) into an internal account and the Bank will cover the rest, enabling the import agent to ship and deliver the vehicle.

The vehicle purchase will be handled wholly by World Navi; they will purchase the vehicle on behalf of the customer, carry out quality checks and ship the car to Kenya. The documents will be consigned to the bank, who will release them to the clearing agent to facilitate clearing and registration following which the vehicle is delivered to the customer. Once the customer receives the vehicle they will execute a delivery note confirming receipt. The minimum car purchase amount is Ksh. 500,000/-.

Co-operative Bank firmly believes that forming partnerships that benefit the customer is key to success. Before providing a financial solution, Co-op Bank will ensure that they weigh the business need and the prevailing market situation versus the opportunity and customers needs. This ensures that the partnership deal meets the customer needs and keeps up with the ever changing market.

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For further press information, please contact:

Ngumo Kahiga
Head, Marketing & Communication
E-mail: nkahiga@co-opbank.co.ke