

Stella Situma

Partner



Stella Situma is a Partner in our Banking, Finance & Projects practice. She has over thirteen years' legal expertise garnered in two top tier firms in Kenya. She provides specialised knowledge on preparation and perfection of bank security documentation and has acted for over ten licensed Kenyan commercial banks. Her experience includes issuing capacity, validity and enforceability opinions to lenders particularly for cross border transactions.

About Stella

Stella commenced her career as an associate with the esteemed legal firm of Iseme Kamau & Maema Advocates (DLA Piper). She later joined CMS Daly Inamdar Advocates in 2017 and in 2019 she was promoted to Partner in the Banking and Finance and Real Estate Departments of CMS.

In April 2024, Stella joined Kieti Law LLP CDH as a Partner.

Credentials

Education

- Advocate of the High Court of Kenya-admitted to the Roll of Advocates on 18th November 2011
- Postgraduate Diploma, Law-Kenya School of Law
- Bachelor of Laws (LLB)- University of Nairobi

Memberships

- East Africa Law Society
- Law Society of Kenya

Experience

- Acted for a top tier commercial bank in the preparation and registration of a specific debenture by a leading oil marketer within the East African region to secure a loan facility of One Hundred and Twenty Million United States Dollars.
- Acted for a foreign lender specialising in financing renewable energy projects in their first ever solar finance project in Kenya in the preparation and registration of a specific debenture over solar panels and related equipment situate on garden city, one of Kenya's leading retail centres.

Contact Stella

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[Stella on LinkedIn](#)

Expertise

[Banking, Finance & Projects](#)

Location

Nairobi

Language

English

Swahili



- Acted for a top tier commercial bank in the preparation and perfection of securities to secure borrowing of Kshs.500 million over immovable property which comprised serviced Apartments.
- Advised a foreign lender in connection with the preparation and registration of a specific debenture over the borrower's assets to be acquired in Kenya.
- Acted for an investment bank in the preparation of a Shariah compliant Memorandum of Pledge of Shares in respect of facilities to be advanced to a borrower involved in the sale and importation of petroleum products.
- Acted on behalf of various Kenyan commercial banks in the preparation of Shariah compliant security documents in the form of specific debentures and charges over immovable property.
- Acted on behalf of a top tier bank in the takeover of facilities advanced to a borrower that was in default of its obligations. The transaction also involved the creation of a charge over immovable property which had been listed in the gazette notice on conversion following the digitization initiative that had been introduced by the Ministry of Lands. She ably negotiated undertaking terms with the taking over bank that facilitated payment of the outstanding sums prior to the completion of the conversion formalities and the registration of the debenture in favour of the taking over bank.
- Acted on behalf of a leading commercial bank in the preparation of a joint debenture by two associated companies in favour of the bank.

News

[The fate of digital credit providers following the amendment of sections 33S and 57 of the Central Bank of Kenya Act](#)

Kenya has witnessed rapid digital transformation over the last couple of years, which was precipitated by the COVID-19 pandemic and aided by technological advancements and the increased penetration of mobile phones in the Kenyan market. As a result, there has been explosive growth in the digital lending sector with non-bank financial institutions, including telecommunication service providers and fintech companies, joining the fray.

[Disposal of seized motor vehicles by banks, through auction, is subject to VAT](#)

In a landmark ruling in KCB Bank Kenya Limited v Commissioner Legal Services & Board Co-ordination (Tax Appeal E023 of 2024) , the Tax Appeals Tribunal (Tribunal) held that value-added tax (VAT) is chargeable on the disposal of seized assets, including the sale of motor vehicles through auctions by a bank to recover its debts.

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[Prerequisites of an informal charge: Does the mere deposit of an original title deed with a lender create an informal charge?](#)

The sanctity of contracts as a cornerstone of commercial transactions cannot be overstated. Kenyan courts generally uphold contracts freely entered into by parties, save where such contracts contravene statutes or public policy, or are unconscionable, or their enforcement would result in unjust enrichment.

[Lender's victory: Essential strategies for effective security enforcement](#)

On 11 November 2024, the High Court in East African Cables PLC v Equity Bank (Kenya) Limited KEHC 14009 (KLR) delivered a ruling that reaffirmed the strong position of secured creditors in enforcing security. When East African Cables PLC (the borrower) defaulted on a KES 1.7 billion loan that was granted to it by Equity Bank (the bank), the court upheld the bank's right to exercise its statutory power of sale over the charged properties despite the borrower's attempts to block the process. This ruling reinforces key legal principles regarding the enforceability of different types of security and offers valuable lessons for lenders on how to navigate borrower disputes and ensure smooth enforcement of their rights.

[All news by Stella Situma →](#)

Recognition

- The Legal 500 EMEA 2022-2025 mentioned Stella for Banking, Finance & Capital Markets
- The Legal 500 EMEA 2022-2024 ranked Stella as a key lawyer in Real Estate and Construction.