



BANK MANDIRI (EUROPE) LIMITED

**Corporate Banking
Terms and Conditions**

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Bank Mandiri (Europe) Limited

Corporate Banking Terms and Conditions

These Terms and Conditions will apply to new and existing customers from 30th October 2009.

Please read and keep these Corporate Banking Terms and Conditions ("Terms") in a safe place, all sections form part of these Terms. They are a contract between you and us. No third party will have any rights under this contract.

In these Terms "you" and "your" mean any customer falling within the Scope of this Agreement the recipient of **Corporate Banking** products and services from us and includes (where appropriate) any person authorised to give us instructions on your accounts.

"We", "Us" and "Our" means **Bank Mandiri (Europe) Limited** (the Bank).

Any text in bold is defined in Section 8.

For your information these Terms differ significantly from those previously in use. This is because of the entry into force of the Payment Services Regulations 2009 on 1st November 2009. We have also re-ordered the presentation and layout of these Terms and added several new clauses and new sections including a new section on payment services (Section 2) which constitutes a 'Framework contract' between us.

Please refer to Clauses **2.21** to **2.25** for the ways in which we may change these Terms. We may also agree separate terms with you in writing.

Section 1

General Terms and Conditions

1.1 Scope

This Agreement relates to our products and services provided to you in the UK and applies to you:

- if you have an account with the Bank in the United Kingdom;
- and
- if you are a **Corporate Customer**; or
- if you are a **Sole Trader**; or
- if you are a **partnership**; or

- if you are a **club, society, association**, etc;
- and you are not a **micro enterprise**; or
- if you are a **charity** which is not a **small charity**.

1.2 **Purpose**

This Agreement explains our obligations to you and your obligations to us. This Section 1 contains General Terms which apply to those customers within the scope of the Corporate Banking Terms (please refer to Clause 1.1) using the products and services covered in Sections 2 to 5 and subject to the further Terms contained in Sections 6 to 11.

1.3 **Sources**

This Agreement includes Terms applicable to our Products and banking services for customers falling within its scope.

You must follow these procedures when using the service.

Your agreement with us is contained in:

- ***these Terms;***
- ***the 'additional conditions' applicable to products and services other than those covered by this agreement which you may later use or which we may introduce from time to time;***
- ***(where appropriate) materials notified on our web-site www.bkmandiri.co.uk***
- ***the application form and/or account mandate signed by you or on your behalf;***
- ***the tariff sheet(s) issued to you from time to time; and***
- ***(if an appropriate case) any other Terms agreed between us in writing including Facility Letters.***

If the additional conditions or otherwise agreed written Terms are inconsistent with these Terms then unless the effect would be inconsistent with the requirements of the Payment Services Regulations (excluding those from which we can 'opt out') or any other applicable rules or regulations, the additional conditions or agreed Terms will apply.

1.4 *Your Information*

In this section, for **sole traders, partnerships** and other unincorporated customers, "you" means the individuals who own the business and for **corporate customers**, "you" means both the customer and (where applicable) the directors, officers, shareholders and other parties responsible for the operation of the business.

1.4.1 This section explains how we will use your data once you have applied for any of the products and services we provide at the Bank or any other products or services where we tell you this section will apply.

The Bank may store and use your personal information for:

- (i) providing you with products and services and notifying you about either important changes or developments to the features of these products and services or the way in which they operate;
- (ii) updating, consolidating and improving the accuracy of our records;
- (iii) crime detection, prevention and prosecution;
- (iv) responding to your enquiries and complaints;
- (v) administering offers and promotions;
- (vi) gauging the value of marketing and for market research, training and analysis all with the aim of improving our service to you;
- (vii) identifying products and services we reasonably consider to be of interest to you;
- (viii) assessing lending risks where these arise; and
- (ix) managing your relationship with the Bank and, where applicable, other Bank Mandiri branches or group companies and in the other ways described below.

We may, from time to time, provide further details about how your personal information may be used.

1.4.2 *Confidentiality*

Information we hold about you will not be disclosed to anyone, other than where:

- we are legally required to disclose,
- we have a public duty to disclose,
- our interests require disclosure,

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- the disclosure is made with your consent, or
- as set out in the terms below.

We aim to keep your information up-to-date so please advise us of any changes.

1.4.3 *Sole Traders, Partnerships and Other Unincorporated Customers*

To the extent that we use credit reference agencies (CRAs):

1.4.3.1 We may share information with **CRAs** to verify your identity and suitability for an account using information from the Electoral Register and other public sources. If you apply for a current account (see Section 3), payment account or credit we may use details of your credit history (together with those of any financial associate with whom your financial records have been linked by the **CRAs**) to assess your ability to meet your financial commitments.

1.4.3.2 If your application is for a current account or credit, the **CRAs** will record details of your application which will form part of your credit history whether or not you proceed. If you make several applications for credit within a short period, this may temporarily affect your ability to obtain credit.

1.4.3.3 If, in connection with an application you make (and where we intend to use **CRAs**) you have agreed in an application we may share details of how you manage any current or **payment accounts** or borrowing from us with **CRAs**.

1.4.3.4 If we make demand for repayment following any default by you and you fail to repay the sum due in full or make (and adhere to) acceptable proposals for repayment within 28 days, then in the absence of any genuine dispute about the amount owed, we may register the default with the CRAs. This may affect your ability to obtain further credit.

1.4.4 *Corporate Customers*

To the extent that we use credit reference agencies (CRAs):

We may share information with **CRAs** about you in order to verify your identity using information from the Electoral Register and other public sources connected with your business.

If you apply for a current account, other type of **payment account**, or credit we may use details of your credit history to assess your suitability for an account and your ability to meet your financial commitments.

We may also request searches from **CRAs** to establish the identities of the beneficial owners of your business.

1.4.5 *Crime Prevention and Debt Recovery*

1.4.5.1 To prevent crime, to verify your identity and to recover debt, we may exchange information (both within the UK and, where appropriate, overseas) with other members of the Bank Mandiri Group and, where appropriate, with fraud prevention and debt recovery agencies and other organisations including other lenders.

1.4.5.2 We may record, exchange, analyse and use relevant information about you and your relationships with us (including the nature of your transactions) for credit assessment, market research, insurance and administrative purposes. This may include information provided by you or someone acting on your behalf.

1.4.5.3 Relevant information may also be exchanged with members of the Bank Mandiri Group, appropriate governmental and non-governmental regulators or ombudsmen and others for audit and other required purposes

1.4.5.4 We aim to keep your information up-to-date so please advise us of any changes.

1.4.6 *Data Sharing*

1.4.6.1 We may use other companies and/or third parties to process information and provide services on our behalf. Whether it is processed in the UK or overseas, your information will be protected, in accordance with data protection legislation, by a strict code of secrecy and security which all members of the Bank Mandiri Group, their staff and any third parties are subject to and will only be used in accordance with our instructions.

1.4.6.2 Information may also be processed for the purposes of complying with applicable laws, including anti-money laundering and anti-terrorism laws and regulations, financial sanctions regulations and fighting crime and terrorism. This may require the disclosure of information to UK authorities including the Serious and Organised Crime Agency (SOCA) and HM Treasury Sanctions Unit or overseas governmental or regulatory Authorities or to any other person we reasonably think necessary for these purposes.

1.4.6.3 Relevant information may be exchanged with affiliates, subsidiaries, group companies and others for audit purposes and if required by appropriate governmental and non-governmental regulators or ombudsmen.

1.4.7 *Miscellaneous*

1.4.7.1 All countries within the European Economic Area (EEA) (including the UK) have similar standards of legal protection for your personal information which derive from the Data Protection Directive. If the Bank processes your data in centres outside the EEA, those centres, whether branches or subsidiaries, will be required to ensure your personal information is protected to at least UK standards.

1.4.7.2 The Bank may process payments for you through other organisations such as correspondent banks and the worldwide payments system operated by SWIFT if, for example, you make a CHAPS payment or a foreign payment. Those organisations may process and store your personal information abroad and may have to disclose it to foreign authorities (including those, such as the United States, outside the EEA). In such a case your information may not be protected to standards similar to those in the UK.

1.4.7.3 The Data Protection Act 1998 gives you rights to request your personal information from the Bank. In that case the Bank may charge a small administrative fee (currently £10) for supplying the information and may, as appropriate, require proof of your identity before doing so.

1.4.7.4 To ensure that we carry out your instructions accurately, to help us to continually improve our service and in the interests of security we may monitor and/or record your telephone calls with us. Any recordings remain our sole property.

1.4.7.5 We will obtain your written consent before providing a bankers reference about you. However, if we receive a request from another financial services institution to verify your identity for money laundering prevention purposes, we will provide this information.

1.4.7.6 We may make and retain copies of passports, identity cards, driving licences or other identification as well as any proof of address or other documentation.

1.5 Important Security Information

1.5.1 When we contact you or you contact us we may need to check the identity of the director(s), officer(s), shareholder(s) or other parties responsible for the operation of the account before you can give us instructions or we can disclose or discuss confidential information about your account(s). The reason(s) for this are:

- (i) the mandate which forms part of your contract with us requires that instructions given on paper (including those sent by fax or other electronic means, which are also subject to the indemnity referred to in **Clause 2.5**) must be signed in accordance with its terms;
- (ii) when you transact business in the Bank we may ask for identification from the director(s), officer(s), shareholder(s) or other parties responsible for the operation of your Account present at the Bank to transact that business; and
- (iii) if you are contacting us or giving us instructions by other method (e.g. by telephone, e-mail (including scanned attachments) or fax) where applicable, you must do so using the "**Security Details**" we have given you, agreed with you or which are generated by "security devices" used in conjunction with the service or agreed with you personally unless we are proceeding based on voice recognition.

1.5.2 As long as we have checked your identity in one of the ways set out above, we will assume we are dealing with you.

1.5.3 You must take all reasonable precautions concerning security. In particular you must keep safe and prevent fraudulent use of any **security details** and **security devices**. You must also keep your Statements safe.

1.5.4 Important security information concerning the use of our services is to be found in Section 2 ('Payment Services'). Please read this carefully and ensure you meet the requirements there set out.

1.6 Unclaimed Assets Scheme

We do not participate in the Unclaimed Assets Scheme. If we decide to do so we will inform you.

1.7 Insolvency

In the event that a bankruptcy or winding-up petition is presented against you then you agree that we may:

- Refuse to act on any instructions given by you to make any payment(s) out of your account unless you have previously obtained an order from the Court in this respect; or
- Set up a separate account(s) in your name to which any of your future payments in will be credited.

Elsewhere in the Bank Mandiri branch network, local legislation will apply.

1.8 Our right of set off

1.8.1 If,

- (i) we owe you money on a current, savings or fixed deposit account under this agreement or another agreement with us; and
- (ii) you have failed to pay us any amount you owe us on **arranged** or **unarranged** overdraft (see Section 3), personal or business loan or any other credit agreement you have with us,

we may use the money we owe you to reduce or repay the amount you own us, whether or not those accounts are in the same currency.

If we decide to do so:

- We will tell you why and when it has been done; and
- In doing so, we may (and you irrevocably authorise us to):
 - bring to an end any fixed deposit period applying to any of the accounts you hold with us and therefore adjust any interest payable by us;

- at our option, convert to £ sterling or other currency relevant to the business arrangement at the prevailing market rate of exchange any balance that is in a currency other than £ sterling or the relevant currency in question and in doing so we will have no liability to you.

We can use our set off right where you have accounts which are only in your name as well as other accounts you hold or operate with someone else.

If we are legally required to hold money in an account in your name for someone else or pay it to someone else, then unless otherwise required by law we will only hold for, or pay to, that person what is left after we have used our set off rights to repay what you owe us.

We can also set off amounts we owe you against amounts you owe other companies or businesses in the Bank Mandiri Group and set off amounts other companies or businesses in the Bank Mandiri Group owe you against amounts you owe us.

1.9 *Changing our banking hours and practice*

We may change our banking hours, banking practices and similar matters by giving you notice in the Bank or by post (which includes secure e-messages).

1.10 *Contacting each other*

1.10.1 We will contact you by post, telephone or electronically using the details you have given us. (When we use the words "electronically" or "electronic" in this agreement we mean any form of message made through any electronic service that we provide to you or by any type of telecommunication, digital or IT device (including the internet as e-mail)). Using the latest address, telephone/fax number or electronic mail address you have given us (also refer to **Clause 2.5.2**). Certain forms of communication are not completely secure and you must take adequate precautions to ensure that others do not access, read or use your information with your consent. We do not accept any liability for any interception of e-mails or interference with them by others.

1.10.2 It is your responsibility to ensure that we have your current contact details and the correct details for your key personnel who are authorised to access accounts and services on your behalf. Where we are required to send information to you, by law we have to send it to the most recent address we have for you. If you do not tell us promptly about any change to your details, the security of your information could be at risk and you may not receive communications which could be important, including notices about changes to this agreement which affect you.

1.10.3 You can contact us by post or telephone using the details we give you, in person. You can also contact us by other electronic methods (including e-mail (and scanned attachments) and fax) if we agree that with you.

We will tell you if our details change. If you send us an e-mail, you should not assume we have received it unless we acknowledge or otherwise act on it.

1.10.4 We may record or monitor telephone calls and monitor electronic communications between us (including e-mails) for training purposes and so that we can check instructions and/or verify our dealings with you and make sure we are meeting and maintaining our service standards.

1.11 *Complaints about our Service*

If you feel we have not met your expectations in any way, please let us know. We want to resolve your complaint as quickly and effectively as possible.

If you have reason to complain you may do so in person in writing by post or e-mail, or by telephone. Details of our complaints handling procedure are available on request from the Bank.

If we are unable to resolve your complaint or if you are dissatisfied with our response, you may be able to ask the Financial Ombudsman Service (FOS) for an independent review.

The FOS is an organisation set up by law to give consumers a free and independent service for resolving disputes with firms in the financial sector. You may not be eligible as a 'consumer'.

Details of those who are eligible complainants can be obtained from the FOS:

Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

(Telephone: 0845 080 1800)

1.12 *Deposit Protection*

The Bank is a member of the *Financial Services Compensation Scheme (FSCS)* established under the Financial Services and Markets Act 2000.

Further details of the Scheme, including the eligibility criteria and current maximum levels of compensation, are available on request from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN.

Helpline: 020 7892 7300

Website: www.fscs.org.uk

Some businesses are covered by the Scheme. Further details of the Scheme, including eligibility criteria and current maximum levels of compensation are available on request from the Bank.

1.13 *Assignment*

We may transfer all or any of our rights in relation to your account. We may also transfer any of our obligations but only to someone we reasonably consider capable of performing them. You may not transfer any of your rights or obligations in relation to any account, service or facility.

1.14 *Governing Law and Language*

For accounts held at the Bank the Terms and Conditions are governed by the laws of England and Wales, as are our dealings with you until the time your account is opened. You and we submit to the non-exclusive jurisdiction of the courts of England and Wales.

The Terms and Conditions are in English and, other than with your express written agreement, all communications we send to you will be in English.

Section 2

Payment Services

2.1 Overview

This **Section 2** is a separate *framework contract* for payment services on your account which includes information concerning execution timing, value dating and the way in which we make changes to, or share information relating to our payment services. The terms within this Section provide that certain provisions of the *Payment Services Regulations* do not apply to Corporate Banking Customers who are not micro-enterprises.

In connection with payment services you should also refer to **Clause 1.5** above which sets out Important Security Information which is of application both to payment services and some other services we provide.

2.2 Information Requirements

The Information Requirements for payment services set out in Part 5 of the *Payment Services Regulations 2009* do not apply to the contract for payment services between us. The information we will provide to you is that set out in the remainder of this **Section 2**.

2.3 Rights and Obligations

As is permitted, we have chosen to 'opt-out' of the obligations contained in the Payment Services Regulations in respect of corporate banking services within the scope of this Agreement (please refer to **Clause 1.1**) as follows:

- (i) Part 5 (see **Clause 2.2**)
- (ii) Regulation 54(1) ('charges');
- (iii) Regulation 55(2) ('form of consent');
- (iv) Regulation 59(1) ('time for notification of unauthorised or incorrectly executed payment transactions');

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- (v) Regulation 60 ('evidence on authentication and execution of a payment transaction');
- (vi) Regulation 62 ('extent of payer's liability for unauthorised payment transaction');
- (vii) Regulation 63 ('refunds for payment transactions initiated by or through a payee');
- (viii) Regulation 64 ('requests for refunds for payment transactions initiated by or through a payee'); and
- (ix) Regulations 75, 76 & 77 (concerning liability associated with non or defective execution of payment transactions).

The rights and obligations deriving from the Payment Services Regulations which therefore arise between us are set out in this **Section 2**.

We have divided Section 2 into separate parts as follows:

Part 1 - sets out terms describing the different types of payment we make. It tells you about giving us instructions and the information you must provide to us when you instruct us to make a payment and the different ways in which your payment request can be made.

Part 2 - tells you which payments will and will not be paid from your account(s). It deals with payments that involve a foreign currency and tells you when you will receive interest on payments made. It also contains general terms applicable to our payment services.

Part 3 - contains terms specific to the various payment types set out in Part 1 as well as cheque clearing.

Part 4 - contains terms relating to statements and changing the Terms and ending the framework contract and closing your account.

Part 1

2.4.1 Internal transfers

£ Sterling, euro, US Dollar and other currency payments between accounts you have with the Bank in the same name.

2.4.2 Electronic Funds Transfers

Payments in £ sterling in the UK made through the Clearing House Automated Payment System (CHAPS).

2.4.3 *SWIFT payments*

Payments in any currency anywhere in the world which are made using the SWIFT payments system.

2.4.4 *Direct Debits*

Regular payments to a business or other organisation from your account which might vary by amount or collection date. Each individual payment is requested from us by the payee business/organisation.

2.4.5 *Cash transactions*

We do not normally facilitate withdrawals or payments at the Bank.

2.5 *Giving us instructions*

2.5.1 You can instruct us to:

- (i) make payments (for example by direct debit or electronic funds transfer)
This type of transaction is a "**Payment Order**" for the purposes of the Payment Services Regulations.
- (ii) give you information about your accounts;
- (iii) open new accounts or close existing accounts; or
- (iv) take any other action on your account.

This **Clause 2.5** explains how you can give us instructions and the steps we will take before we act on any instruction. **Clause 2.6** sets out some additional terms that apply only to **Payment Orders**.

2.5.2 *Your Instructions*

2.5.2.1 You authorise us to accept any instruction (except standing instructions) by post, telephone, facsimile(fax) and computer without further authentication or confirmation. We may refuse to accept any instruction that does not appear to us to comply with any mandate until we have carried out an appropriate validation process which may include telephoning you to re-confirm the instruction. You may instruct us to make a payment by sending a letter addressed to the Bank, e-mail (including scanned attachments) or fax (see **Section 10 Contact Details**). Instructions received by fax or electronic means are received by us and acted upon at your risk and you hereby fully indemnify us and agree that we will not be responsible for any losses, including legal fees, which result from us acting or refusing to act on an instruction received in this way. You must set out all the details we tell you we need to make the relevant payment (please see **Clause 2.3**) and you must sign any letter (your signature must match the signature on

your mandate with us). This will be your agreement for us to make the payment. We will make the payment once we have checked your instructions.

2.5.2.2 You can instruct us to make **Payment Orders** by telephone in exceptional circumstances once you have completed our security procedures. You must speak to a member of the Corporate and Treasury Department or the Trade Finance and Payments Department who will take the details of the payment and then confirm the details to you.

2.5.2.3 If you authorise another person to give instructions on your accounts or operate them for you (for example officers, beneficial owners or any other authorised signatories), we will deal with that person as if he or she were you for the purposes of this Agreement. This means that the checks we carry out to ensure that instructions given are genuine will be checks on that person only, and where applicable, will involve the use of **Payment Instruments** that are personal to him or her. Any person authorised by you to provide us with instructions under this agreement must comply with your obligations under this agreement as if they were you.

2.5.2.4 If you are making a payment or giving us instructions to make a payment in the Bank, we will make the payment when you confirm in writing given at the time that the information you have given us is correct.

2.5.3 **Checks we make**

2.5.3.1 Before we process an instruction we will make checks designed to ensure the instruction is:

- (i) genuine (given by you or with your authority); and
- (ii) clear.

Further information on the checks we make is set out in **Clause 1.5** and **Section 4**. We need your co-operation with these checks to help us prevent fraud and other financial crime.

2.5.4 **Genuine instructions**

We are entitled to assume that we are dealing with you and that you have agreed to us acting on any instructions without getting further confirmation from you if we are satisfied that any person acting on your behalf is authorised by you, and:

- (i) the instruction is given in a document that has a signature on it which we reasonably believe is your signature; or
- (ii) we are satisfied that you are who you say you are when you give us instructions in person at the Bank; or
- (iii) where applicable, the **payment instrument** we have given you or agreed with you has been used.

A “**payment instrument**” is personal to you and can be:

- a set of procedures involving the use of signature identification, passwords, security keys, personal identifiers, codes or voice recognition

We may introduce new or different payment instruments in the future. Where the change does not affect these Terms we may do so without telling you in advance.

Important security information affecting you is also to be found in these Terms in **Clause 1.5** and **Section 4**.

2.5.5 “Cut-off times”

Instructions have to be given by the relevant “Cut-off Time” on a “Working Day” (please refer to **Clause 2.13** for details).

2.6 *Information you need to provide when you make a payment*

2.6.1 Electronic Fund Transfers and SWIFT payments

2.6.1.1 You must provide us with all the following details to enable us to make a payment:

- the correct details of the recipient bank including the bank’s SWIFT Bank Identifier Code (**BIC**), address, sort code or national bank code;
- the recipient’s bank account number, or International Bank Account Number (**IBAN**) if paying to a bank within the EU, EEA or Switzerland;
- the name and address of the recipient to whom the payment is to be made;
- your own account number, name and address. This is a legal requirement under the Transfer of Funds (Information on the Payer) Regulations 2007 and these details will be passed to the recipient’s bank as that regulation requires;
- the recipient’s reference (if applicable).

2.6.1.2 If you are going to receive Electronic Fund Transfer or SWIFT payments, you must tell the sender of the payment your BIC and IBAN.

2.6.2 Internal transfers

2.6.2.1 Unless **Clause 2.6.2.2** applies, you must provide us with all the following details to enable us to make the payment:

- the sort code and account number of the recipient’s bank account;
- the date on which payment is to be deducted from your account (also please note **Part 3** of this **Section 2** in respect of execution times);
- the recipient’s name;
- any reference you have which identifies the payment (this may include a reference to you or the recipient).

2.6.2.2 If you do not have the sort code and account number for the recipient’s account but have made a payment to the recipient before from your account and we have set up their information

on your account, we may make the payment in the absence of this information if, in our opinion, the circumstances justify this.

Part 2

2.7 When payments will and will not be made by us

2.7.1 We will make/authorise a payment from your account if you request it in any of ways set out in this **Section 2** and you have duly confirmed your request as provided for in this **Section 2** and:

- (i) there are cleared funds in your account; or
- (ii) the payment is covered by an agreed facility or overdraft (following a formal request from you for an Arranged Overdraft) or an increase to an existing overdraft limit (please see **Clause 3.2** in **Section 3** for more details).

We will carry out fraud prevention checks which may cause some delay in carrying out your instructions.

2.7.2 We may refuse to carry out a payment instruction if:

- (i) any of the conditions set out in this **Section 2** have not been met (this includes if we do not agree to an informal request for an overdraft to cover the amount of the payment); or
- (ii) the payment instruction is otherwise not clear and you have not provided us with the correct details; or
- (iii) we are not reasonably satisfied the transaction or the instruction is lawful; or
- (iv) there is a legal requirement or a court or other authority that tells us to act in that way; or
- (v) the payment seems unusual compared with the way you normally use your account; or
- (vi) we reasonably believe that acting on your instructions may cause us reputational harm; or
- (vii) we reasonably believe you or someone else may have rights over money in your account (in this case we can also ask, or require you to ask, a court what to do or do anything else we reasonably need to do to protect us); or
- (viii) we reasonably consider that your account has been or is likely to be misused; or
- (ix) fraud prevention purposes arise; or
- (x) any other reason set out separately in these Terms and Conditions applies.

2.7.3 If we refuse to make a payment that you have requested for a direct debit, we will write to you on the first occasion a payment to a recipient is refused (we will not write if a subsequent payment to the same recipient is refused). For other payments you would normally be told when you request the payment, unless we suspect fraud (please see **Part 4** for details about our fraud prevention measures). In all cases, if you telephone either the Corporate and Treasury Department or the Trade Finance and Payments Department (depending on circumstances) (please see Contact Details) we will tell you if a payment has been refused, the reasons for the refusal (if it is possible to do so) and the procedure for correcting any factual errors that led to the refusal. This information can be requested immediately after our refusal of your instruction. We cannot provide you with details in any of these ways if it is unlawful for us to do so.

2.7.4 *We may charge you for considering and returning an informal request for an overdraft or an increase to an existing overdraft limit. We may also charge for each occasion we notify you that your payment request has been refused.*

2.7.5 *Local requirements*

2.7.5.1 To make an international payment we may have to route it through other banks. If this is the case, we will use a bank that is chosen:

- by us; or
- by a bank in the country the payment is being sent to; and/or
- where you have asked us to make the payment in a foreign currency, by a bank in the country where that currency is the national currency.

2.7.5.2 In making an international payment we are acting for you. You must ensure that both you and the person receiving the payment comply with any local laws in relation to the payment. If you do not do this and, as a result, we have to pay any costs or expenses because we were acting for you in relation to the payment, you must reimburse us for them and for any losses or costs we incur, and take any steps necessary to put us in the position we would have been in had we not made the payment for you.

2.8 *Payments that involve a foreign currency exchange*

2.8.1 The exchange rate applicable to payments involving a currency exchange is the rate we provide or make available to you (including in our branches and on the telephone and, where applicable, by fax and/or e-mail) when you request us to make the payment.

2.8.2 If we make a payment for you that involves an exchange into a foreign currency and that payment is returned to us, we will convert the returned payment back to the original currency applying the Bank's, the Bank exchange rate applicable when we receive the returned payment.

2.8.3 We may deduct a charge from your account for foreign currency payments into your account. You will be provided with details of charges when you open your account.

2.9 *Interest on payments you make and receive*

2.9.1 Provided your account is in credit, you will receive interest (if applicable) up to the time the payment is deducted from your account.

2.9.2 You may be entitled to commence receiving interest on payments into your account(s). Interest (where it applies) will be calculated from when the payment has been added to your account and will be paid into your account in accordance with the terms agreed with you.

2.9.3 Sometimes a payment is recalled by the bank that made it (for example, because the bank's customer did not have enough money for the payment) and sometimes a payment is made into your account by mistake. If this happens we will take the payment out of your account, even if we allowed you

to make payment or to take cash on the assumption that the payment would not be recalled. In the event of your account going overdrawn when you do not have an **Arranged Overdraft** (see **Section 3**) you will have to pay our interest.

2.10 Charges

2.10.1 In addition to the charges referred to above and elsewhere in this Section 2 (for example, in connection with overdrafts) we will charge for other services you use.

2.10.2 When you open your account we will give you the relevant Tariff. You can also find out about these by contacting either the Corporate and Treasury Department or the Trade Finance and Payments Department.

2.10.3 We may change our charges for the day to day running of your account (please see **Clause 2.23 to 2.27**). As well as maintenance and administration charges, we charge for services including providing copies of statements and transaction charges on some types of payment. These charges may also be varied.

2.10.4 An administration charge may be debited to any Current Account (see **Section 3**) that has not had any activity on it for a period of six months. Details of such charges appear in the Tariff.

2.10.5 Where maintenance fees are applicable these will be notified to you at account opening and deducted from your account.

2.10.6 If you ask us to deal with a transaction which needs the services of any agent/correspondent bank abroad, you may have to pay their additional charges. These may not be calculated in the same way as our Tariff.

2.10.7 We may make a charge for any enquiries we receive in respect of each payment instruction, whether made by you or another person. We will not charge you if we have made an error. You will be advised of charges to be made before we commence investigations on your behalf.

2.10.8 There may be other taxes or costs that are not paid through us or imposed by us that you have to pay in connection with your account.

2.11 *Cut off times, execution times and when you can cancel an instruction to make a payment*

2.11.1 The cut-off time is the time before which on a working day (Monday to Friday except public holidays) a payment or a payment instruction is treated as received by us on that working day. This means that if we receive a payment or a payment instruction **after** the cut-off time, we will treat this as received by us on the following working day. If we receive a payment or a payment instruction on a day that is not a working day, we will treat this as having been received on the next working day.

2.11.2 Cut-off times vary for different payment types and for different ways in which payments can be requested (see also **Clause 2.2**). Information concerning cut-off times is set out in the table in **Clause 2.12**.

2.11.3 We will receive any instructions you give us by post when we open your letter. If you instruct us by e-mail (including scanned attachments) or fax we receive such instructions when they come to our attention during the Bank's opening hours or if sent on a non-working day on the next working day.

2.11.4 Some types of payment have currency cut-off times applicable to them. For these payments you must give your instructions before the earliest of the cut-off times enabling us to treat the instructions as received before the cut-off time.

For information about currency cut-off times please contact the Corporate and Treasury Department or the Trade Finance and Payments Department.

2.11.5 The maximum execution time (the time it takes for the payment to reach the recipient's bank) is set out in the table at **Clause 2.12** and in **Clauses 2.13**. The time at which this begins will depend upon whether your payment instructions were received by us before or after the relevant cut-off time. These refer to £, US Dollar or Euro payments only. Times for any other currency must be agreed with us in advance.

2.11.6 Where you have instructed us to make a payment *immediately*, we begin processing the instructions as soon as they are received and you cannot cancel your instructions once you have given them to us.

2.11.7 If you instruct us to make a payment on a future date we will begin to process the payment on the date you specify. If the payment falls due on a non-working day we will begin to process it on the next working day. In this case, whether you may cancel your instructions will vary according to the payment type and/or the way in which the payment is requested. Information about cancelling payments is set out in the table in **Clause 2.12**.

2.11.8 After the time limits for cancellation have expired, you may only cancel your instructions if we agree and, in the case of direct debits, if the person who receives the payment also agrees.

Part 3

2.12 Internal transfers, Electronic Fund Transfers and SWIFT payments

In the table “*BBT*” means banking by telephone.

Payment type	How you can request a payment	General cut-off time for giving instructions to us	Maximum execution time	Payment limit	Can you arrange for a payment to be sent on a future date?
Internal transfers between same name accounts in London	Fax E mail and scanned documents Post (BBT exceptionally)	4 pm UK time	Same day if same currency or next working day if transfer between accounts in different currencies	N/A	Yes up to one week in advance and you can cancel up to 4 pm on the day before we make the payment
Electronic Fund Transfers	Branch Post Fax* E-mail and scanned attachments* (BBT exceptionally) *provided there are agreed procedures in place	-CHAPS 2pm UK time	- CHAPS - same Day	N/A	No
SWIFT payments	Branch Post Fax* E-mail and scanned attachments* BBT (exceptionally) *provided there are agreed procedures in place	2pm UK time Currency cut-off times apply: 3pm US Dollars 12:30pm euro	- Next working day within the EEA although may take longer depending where the money is being sent (Note from January 2012 all EEA SWIFT payments will be next day) - Up to four working days outside the EEA	N/A	No

2.13 Direct Debits

2.13.1 To set up a direct debit you must complete a direct debit instruction form with the recipient business or organisation. If you give a business or other organisation (in the UK) authority to collect payments from your account on a regular basis, they will normally tell you at least 10 working days before changing the payment dates or amounts of money they ask us to pay from your account, unless you agree otherwise.

2.13.2 A direct debit can be set up in writing, over the phone or via the internet with the beneficiary (not with us). We allow direct debit payments to be collected from your account on the date specified in the direct debit instruction. The beneficiary may lodge the direct debit instruction electronically to your account but may send the original direct debit instruction you completed to us.

2.13.3 If you think that there has been an incorrect direct debit payment you should tell us immediately so that we can obtain a refund – even if the original error was made by the business or organisation which set it up. You should also contact them to inform them what you have done and why.

2.13.4 You can withdraw your agreement for direct debit payments to be made at any time by telling us by telephone, by post or at the Bank before the end of the day before that payment is due to be made by us. You should also tell the business or organisation which is the recipient that you wish to cancel the direct debit instruction.

2.13.5 The payment will be deducted from your account and received by the recipient's bank on the direct debit due date provided that we receive the request to make the payment from the recipient or the recipient's bank by close of business at least two working days before the due date and on the due date there are sufficient funds in your account or facilities available to you to make the payment.

2.14 Clearing Cheques

2.14.1 The '*clearing cycle*' of cheques is the time taken for money paid from or into your account to be deducted or added. This is normally three working days. This **Clause 2.17.17** applies to our normal clearing cycles for £ sterling cash and cheques drawn in £ sterling or euros paid into the Bank (for foreign cheques please refer to **Clause 2.15**). Payments may take longer through some financial institutions.

2.14.2 When you pay a cheque into your account, you will normally have to wait three working days after the date it has been paid in before you can withdraw the money unless we agree otherwise (for example, the proceeds of a cheque paid in on a Monday will normally be available for withdrawal on that Thursday). We may extend this time period if there are actual or potential credit or fraud prevention reasons for us to do so. When we refer to the day you pay a cheque into your account we mean the first day that we deal with it and process the cheque, so if you pay in a cheque after the cut-off time (10 am) we may not process your cheque until the following working day.

2.14.3 The cheque amount will be included in your balance *before* you can withdraw the money.

2.14.4 We treat cheques as being cleared for interest calculation purposes (if applicable) four working days after they have been paid in, for example, on Friday if paid in on Monday. If you withdraw money which is not cleared for interest calculation purposes (if applicable) you may be charged interest even though your account shows a credit balance.

2.14.5 *Cheques returned unpaid*

The bank on which a cheque is drawn may return it unpaid, even if we have let you withdraw the money and/or the amount on the cheque has been included in your available balance. When a cheque is returned unpaid it will usually happen three or four working days after the cheque has been paid into your account but it could be later (see **Clauses 2.14.7 to 2.14.9**). When you pay in a cheque at the Bank you can ask us to arrange to 'specially present it' to the bank on which it is drawn. We will arrange to send the cheque to the bank it is drawn on and when they receive it they will confirm whether the cheque will be paid. Special presentation does not affect the arrangements for interest payment (if applicable) (see **Clause 2.14.4**). A charge will be debited to your account for using this 'special presentation' service.

2.14.6 If a cheque which you have paid into your account is returned unpaid, the amount of the cheque will be deducted from your account. If you withdraw sums against a cheque which is later returned unpaid and the deduction of the amount of the unpaid cheque from your account balance would either make your account go overdrawn or exceed an existing overdraft limit, we will treat this as an informal request by you for an Unarranged Overdraft or increased overdraft as the case may be (see **Clause 3.2**).

2.14.7 **Clauses 2.14.8 and 2.14.9** apply to £ sterling cheques paid in at and drawn on English, Scottish, Welsh or Northern Ireland banks.

2.14.8 If a cheque paid into your account is returned to us unpaid, we will not debit your account beyond the sixth working day after it was accepted by us, however because our designated clearing agents process overnight, the debit to your account could appear up to 11 am on the seventh working day. For example, if you pay a cheque into your account on Monday, your account will not be debited after 11 am on Wednesday the following week.

2.14.9 A cheque you pay in may be returned more than six working days after the date we accepted it:

- (i) where you are, or we reasonably suspect you are, involved in a fraud concerning the cheque; or
- (ii) if you have given your consent.

2.14.10 **Clauses 2.14.7 to 2.14.9** do not apply to cheques drawn on certain smaller UK banks or Building Societies. In such a situation, a cheque could be debited later than six working days after you have paid it into your account. Because of this, we may require you to wait until we are certain that the cheque has been paid before you are able to draw against it.

2.15 Foreign Cheques

2.15.1 By 'foreign cheques' we mean cheques drawn in a foreign currency other than euros (whether on a bank in the UK, Channel Islands, the Isle of Man or abroad) or cheques drawn in sterling or in euros on a bank abroad. This also includes other forms of foreign payment.

2.15.2 We may agree to negotiate a foreign cheque although we are not obliged to do so. We will not normally add to your account the full amount of the converted amount until the cheque has cleared. If a cheque is returned unpaid, we will have 'recourse' against you (and anyone who has signed or endorsed it) and we can deduct from your account either the amount we added or, if we converted the cheque into another currency, the amount reconverted at the exchange rate applicable on the date we make the deduction.

2.15.3 For details of how we deal with interest following negotiation of a foreign cheque, please ask us.

2.15.4 For a foreign cheque negotiation, we will deduct our fees when we pay it in. If it is returned we will deduct a further fee. Agents' fees may be payable whether the cheque is paid or not.

2.15.5 We may decide or agree to send a foreign cheque for collection. We will either:

- o send it directly to the bank on which it is drawn and credit your account once we have received payment; or
- o pass it through the clearance system in the country where it needs to be presented for payment. We may appoint an agent in that country (which may be a Bank Mandiri Group company) to do this for us. We will credit your account with the amount of the foreign cheque (subject to **Clause 2.18.8**) when we or our agents have received the funds and are satisfied that they can be credited to your account. This may involve us or our agents waiting after receiving funds from the bank upon which the foreign cheque is drawn to be certain that it has been cleared and has not been returned before we credit your account.

2.15.6 If exchange restrictions or some other cause result in us receiving payment in a currency different from that of the cheque, we will not be responsible for any loss in exchanging the proceeds into the currency of your account.

2.15.7 The Uniform Rules for Collections, as published by the Chamber of Commerce, apply to any negotiation or collection of foreign cheques or other forms of foreign payment.

2.15.8 For a foreign cheque collection we will deduct a fee from the proceeds when we receive them or, if it is not paid, we will charge a fee when we receive the unpaid cheque. Our fees will include any charges made by our agents and/or the bank on which the cheque is drawn.

Part 4

2.16 *Accounts operated by more than one person*

2.16.1 Where an account is held in the name of more than one person (for example, a partnership account) then, unless we have agreed otherwise, the following conditions will apply:

- (a) Each of you is separately responsible for complying with the terms of the agreement and you are separately and jointly liable for money owed to us. This means that we have the right to demand repayment of the full amount owed to us, and not just a share of it, from all or any of you; and
- (b) If one of you dies, the survivor(s) may continue to operate the account and if there is more than one survivor, the provisions of this **Clause 2.16** will continue to apply to the account.

2.16.2 Where an account is held by an unincorporated association (such as a club, charity, society or other form of association) then, unless we have agreed otherwise, each authorised signatory is separately responsible for complying with the terms of the agreement and is separately and jointly liable for money owed to us. This mean that we have the right to demand repayment of the full amount owed to us, and not just a share of it, from all or any of the authorised signatories.

2.16.3 Where an account is operated by more than one account holder or authorised signatory then, unless we have agreed otherwise, the following conditions will apply:

- (a) Any of you can independently give us instructions in relation to your account, including giving payment orders, changing contact details or methods or applying for new products or services. Any instruction given by one of you will commit the rest of you.
- (b) If there is a dispute between you which we know about, we may insist that both or all of you authorise instructions to us.
- (c) We will contact only one of you unless there is a specific legal requirement to contact all of you. You can tell us which of you to contact, but if you do not do so, we will contact the first person listed on our records. The person we contact is responsible for sharing the information we send with the other account holders.

2.16.4 The authorised signatories and/or authorised persons to a Limited Company's or Limited Partnership's account are not responsible for money owed to us unless we have a separate agreement with them.

2.17 Statements and payments information

2.17.1 Unless you choose not to receive paper statements or to receive them less frequently, we will send you statements for each account at least every three months providing there has been movement on the account in that period. (Please see **Section 4** concerning Fixed Term Deposit accounts). The statement will show the transactions passing through your business current account.

You must carefully check your statements for all your accounts and tell us as soon as possible if there are entries which you do not agree with or which you think are mistakes.

If we make an incorrect entry on your account and either you tell us about it or we notice it, then we will correct it.

2.17.2 We will make information about individual payments into and out of your account available at all times. You can ask us to provide this information in writing, by telephone or by any other means we have agreed with you. The information will include details of any interest payable and the charges made or exchange rates used in relation to the transaction.

2.17.3 If you have asked us to, we will send you additional regular statements, for which a charge applies.

2.17.4 You must tell us if anyone else has a right to amounts paid in to any of your accounts, for example, if you are operating a client or trust account.

2.18 Balance information

We may provide you with details of:-

- (i) the balance on your account. ***This may include transactions that are still being processed and so may be subject to change.*** It may not include the amount of any agreed overdraft you have.
- (ii) the available balance on your account. This includes the amount of ***cleared funds*** in your account together with the amount of any arranged overdraft you have (please refer to **Clause 2.14** on 'clearing cheques').

Your account and the transactions passing through it may be affected by a court order. If so, the balance may change and transactions may not be processed or may be reversed.

2.19 Fraud prevention

2.19.1 We carry out checks on transactions on your account as part of our fraud prevention policies and procedures. We may contact you by telephone, post or e-mail, to say there appears to be suspicious activity on your account, or we may leave a message to ask that you call us. If we ask you, you must contact us as soon as possible. In respect of payments requested by telephone, if you do not respond to us we may assume you have not authorised the transaction and it will not proceed.

2.19.2 We, or the Bank Mandiri Group, may take whatever action we consider appropriate to meet any obligations, either in the UK or in Indonesia or elsewhere in the world, relating to the prevention of fraud, money laundering and terrorist activity and the provision of financial and other services to persons or entities who may be subject to sanctions. This may include, but is not limited to, investigating and intercepting payments into and out of your account(s) and investigating the source of or intended recipient of funds. The Bank routinely makes sanctions checks in respect of transactions sought by our customers. In some cases this may delay the carrying out of your instructions or the receipt of cleared funds but, subject to our legal obligations, where possible we will advise you of the reasons for, and likely length of, any delay. If we are not satisfied that a payment in or out of your account is lawful we may refuse to deal with it.

2.19.3 Neither the Bank nor any member of the Bank Mandiri Group shall be responsible to you or any third party for any loss incurred as a result of us or any member of the Bank Mandiri Group taking the actions set out in **Clause 2.19.2** above.

2.19.4 *Other delays*

We shall not be responsible to you for any loss you may incur if we or any of our agents or correspondents are prevented from or delayed in providing you with any banking or other services due to strikes, industrial action, failure of supplies or equipment or other causes beyond our reasonable control.

2.20 *Responsibilities*

2.20.1 *Consent to a payment transaction*

A **payment order** is to be treated as having been authorised by you only if you have given your ‘consent’ (instruction(s)) to/for it. In **Clause 2.5** we explained how you can give us instructions to make a payment transaction.

We understand that there will be times when you will wish to depart from previously agreed forms of notification of your instructions, for example, having previously instructed us by fax you wish to do so by e-mail (including scanned attachments). Subject to important security and anti-fraud considerations, we will endeavour to follow your instructions and for this reason, we have ‘opted-out’ of **Regulation 55(2)** of the *Payment Services Regulations* which sets out certain requirements in relation to ‘consent’ to payment transactions.

We therefore agree with you that we will follow the procedures set out in **Clause 2.5** in relation to ‘consent’ (instruction(s)) but that in exceptional circumstances we and you may depart from previously agreed procedures for giving instructions.

2.20.2 *Making payments*

2.20.2.1 In **Clause 2.6** we set out the information we require from you in order to make a payment and we make payments based upon such information. If you provide us with incorrect information we will not be responsible if the payment is not made, it is delayed or it is made incorrectly.

2.20.2.2 We have ‘opted-out’ of **Regulations 75, 76 and 77** of the *Payment Services Regulations* so our liability for non-execution or defective execution of payment transactions is as provided in the remainder of this **Clause 2.20.2**.

In the event that an incorrect payment is made, if you ask us we will make reasonable efforts to recover such payment(s).

2.20.2.3 If you provide us with additional/extra information to that specified by us as being required, we will only be responsible for making the payment based on the information we have informed you is required.

2.20.2.4 For payments to another bank account made within the EEA we will be responsible for making sure such payments are sent to the recipient’s bank. It is the recipient’s bank’s responsibility to ensure that the payment is credited to the recipient’s bank account with them.

2.20.2.5 We have ‘opted-out’ of **Regulation 60** of the *Payment Services Regulations* so if you deny having instructed us to make a payment to a recipient’s bank account in the EEA or claim that a payment transaction has not been correctly executed or that it was unauthorised, it is not our sole responsibility to show that it was.

2.20.2.6 If it can be demonstrated to our satisfaction that a payment you authorised has been made incorrectly and has not reached the recipient’s bank and this is not because you provided us with incorrect information to make the payment and we are unable to show that the payment was received by the correct recipient we will, without undue delay, refund your account with either:

- the payment; or
- in the case of an overpayment, any excess amount incorrectly deducted so that you do not thereby incur any loss and we will restore your account to the position it would have been in had the incorrect payment or overpayment not been made.

We will not do this if the reasons why the payment transaction was incorrectly made were due to abnormal and unforeseen circumstances beyond our control.

2.20.2.7 If you ask us we will make prompt efforts to trace a payment and tell you the outcome.

2.20.3 *Unauthorised transactions*

As stated in **Clause 2.19.1** you must read your statements and other account information which we provide to you. To help us prevent fraud you must tell us immediately by calling the Corporate and Treasury Department or the Trade Finance and Payments Department if you do not recognise any transaction shown on your statement, in advices or other account information or if you think any payment you have authorised has been executed incorrectly. We have ‘opted-out’ of **Regulation 59(1)** of the *Payment Services Regulations* and therefore if you do not tell us promptly (at the latest within 6 months

of the date the transaction was deducted from your account) you may not be entitled to have any errors corrected.

2.20.4 *Liability for unauthorised transactions*

2.20.4.1 We have ‘opted-out’ of **Regulation 62** of the *Payment Services Regulations* so there is no limit on your liability for losses incurred from an unauthorised payment transaction arising:

- (i) from the use of a lost or stolen **payment instrument**; or
- (ii) where you have failed to keep the personalised security features of the **payment instrument** safe or from the misappropriation of the **payment instrument**.

In any event we will not be liable for unauthorised transactions as provided for in **Clauses 2.20.4.2 and 2.20.4.3**. Subject to **Clauses 2.20.4.2 and 2.20.4.3** we will be responsible for any unauthorised transactions you tell us about in accordance with **Clause 2.20.3** (if we suspect fraud or that you have been grossly negligent we will investigate the transaction and we will be responsible only if/when we have concluded that there has been no fraud and that you have not been grossly negligent). Where we are responsible we will refund the amount of the unauthorised transaction and any resulting interest and charges. We will have no further liability to you.

2.20.4.2 You will be responsible for all losses if you act fraudulently or if you allow another person other than an “authorised person” known by us to operate the payment account(s) or a person operating the account(s) in accordance with **Clause 2.18** to use passwords or **security devices** on your account.

2.20.4.3 You will be responsible for all losses arising from unauthorised transactions on your account as a result of:

- (i) you acting fraudulently; or
- (ii) you intentionally or with gross negligence failing to use a security device with which you have been issued, banking by telephone passwords or other security information, security devices or information or any other security or personalised details in accordance with these Terms, including keeping all of the same safe;
- (iii) you intentionally or with gross negligence failing to notify us in accordance with **Clause 1.5** of the loss or theft of any data, item, device, security details or information referred to in **Clause 1.5**.

2.20.5 We will not be responsible to you if we fail to comply with any of the terms in **Section 2** of these Terms and Conditions (‘Payment Services’):

- (i) due to abnormal and unforeseen circumstances beyond our control, the consequences of which would have been unavoidable despite all efforts to the contrary; or
- (ii) where our failure to comply is due to our obligations under EC or national law.

2.20.6 *Refunding pre-authorised payments*

2.20.6.1 We have ‘opted-out’ of **Regulations 63 and 64** of the *Payment Services Regulations*.

2.20.6.2 If you authorise a transaction and the exact amount of the payment is not specified when you give the authority (for example, a direct debit) then you are responsible for ensuring that the amount of the payment does not exceed the amount you could reasonably have expected to pay.

If you ask for a refund we will investigate the circumstances but such investigation does not indicate any acceptance of liability on our part to refund you.

In any event no refund will be made if you have agreed with us for the particular payment to be made and, where appropriate, details of the payment are provided or made available to you by any means at least four weeks before the payment is made from your account.

If, at our sole discretion, we make a refund in respect of such pre-authorised payments, we will do so only if you ask for a refund within four weeks of you becoming aware of the payment being charged to your account.

2.20.7 *Payments into your account*

2.20.7.1 We can only accept responsibility for payments into your account after we have received and checked them.

2.20.7.2 If you pay two or more items into your account you must take care to add these up correctly. If, when we process the payments in, we notice that the total amount of the items is added up incorrectly and the difference is over £1 we will add the correct amount to your account. We will tell you we have done this. If the correct amount is £1 or less we may not carry out the correction or tell you.

2.20.7.3 If a payment is fraudulently or mistakenly paid into your account, the amount of the payment may subsequently be deducted. This may happen even if the funds are included in the balance of your account, you have used them to make a payment or have transferred or withdrawn all or part of them. If the deduction of the payment from your account would either make your account go overdrawn or go over an existing overdraft limit we will treat this as an informal request for an Unarranged Overdraft (please refer to **Clause 3.2** in **Section 3** for further details).

2.20.8 *Suspension of some services*

2.20.8.1 We may at any time suspend your use of banking by telephone (BBT) if we have reasonable grounds which relate to:

- (i) the security of or the suspected unauthorised or fraudulent use of BBT or banking by electronic means; or
- (ii) if we consider there is a significantly increased risk that you will be unable to repay any overdraft on your account.

2.20.8.2 We will normally give you advance notice (either in writing or by telephone or in Branch) if we are going to suspend your use of BBT or banking by electronic means. We will tell you why we are taking this action but we will not provide you with notice or our reason(s) if to do so would compromise our security measures or if it is unlawful to do so.

2.20.8.3 We may suspend your use of BBT or banking by electronic means without notifying you where we have been unable to contact you in advance.

2.20.8.4 We may also suspend your use of BBT or banking by electronic means due to national or European legal obligations that apply to us.

2.20.8.5 You can ask us to lift any suspension of your use of BBT or banking by electronic means by calling us.

2.21 Changing the Terms and Conditions

2.21.1 We may change interest rates and other Terms in accordance with this **Clause 2.21** and **Clauses 2.22 to 2.25**.

2.21.2 For products and services that you receive which have particular terms that are fixed, please see **Clause 2.27** and **Section 4** for information on the circumstances in which we may make changes to those terms. If there is a conflict between this **Clause 2.21** or **Clauses 2.22 to 2.25** and **Section 4** the terms and conditions in **Section 4** will apply.

2.21.3 When we tell you about a change personally we may do this by post, e-mail, a message on your statement or in any other way that will be sent to you individually.

2.22 Interest Rate Changes

2.22.1 When you borrow from us:

2.22.1.1 We may change interest rates that apply to money you have borrowed from us on which we charge interest based on the BMEL Lending Rate. Changes will be notified in advance on our web-site www.bkmandiri.co.uk and notified to you in person.

2.22.1.2 We may base interest rates we charge on money you borrow from us on our assessment of your ability to meet your financial commitments (which may include considering your credit history and information held about you by credit reference agencies) and how you conduct your account. This means that the interest rate we apply to money you borrow from us may be different to the interest rate we apply to money borrowed by other customers. We follow

these procedures to ensure that there is a fair allocation of the risks and the costs of borrowing between different customers.

2.22.1.3 Where the interest rate you have to pay when you borrow from us is not based on our assessment of your ability to meet your financial commitments and how you conduct your account, we may change it so that it is based on such an assessment. We will make such a change in accordance with **Clause 2.22.1.1**.

2.22.1.4 Where the interest rate you have to pay when you borrow from us is based on our assessment of your ability to meet your financial commitments and how you conduct your account, we may change the interest rate applied if our assessment changes. We will give you advance personal notice of any such change.

2.22.2 *Rates which apply to money you have with us in your account(s)*

We may change interest rates applied (if applicable) to money you have with us in your account(s) as follows:

- (i) if the change is favourable to you, by within 30 days of the date of the change telling you about it personally.
- (ii) if the change is not favourable to you, by notifying the change on our web-site www.bkmandiri.co.uk and telling you about it personally as soon as possible after the change is notified.

2.23 *Other changes to the Terms and Conditions*

2.23.1 We may make changes to this **Section 2** (Payment Services) including changes to the basis on which we charge for providing products or services, by giving you at least 30 days' personal advance notice.

2.23.2 We may make changes to any charges in the tariff sheets or additional conditions or to the basis on which we charge for operating/providing product(s)/service(s) by giving you at least two months' advance personal notice.

2.23.3 We may make other changes to the Terms and Conditions, including changes to the basis on which we charge for providing products and services, in the following ways:

- (i) if the change is favourable to you, by within 30 days of date of the change telling you about it personally or putting Rates and Charges Notices in the Bank in respect of the change;
- (ii) if the change is not favourable to you, by giving you at least 30 days' advance personal notice.

2.24 *Reasons for Changes*

2.24.1 We may make any change to the Terms and Conditions under **Clauses 2.21 to 2.23** for all or any of the reasons set out in this **Clause 2.24** that apply:

- If the change is favourable to you;
- Following, or in reasonable anticipation of, and to reflect a change or anticipated change in relevant law or regulation or to reflect a change in industry guidance or code of practice or good banking practice;
- To reflect the making of a relevant recommendation, requirement or decision of any court, ombudsman, regulation or similar body;
- To reflect the costs or consequences of any event beyond our control that may impact our provision of accounts, services or facilities to you;
- To make the Terms and Conditions clearer;
- To reflect any change in our systems and procedures, including any change arising from any reorganisation of our business as a result of it being acquired by or by our acquiring another bank or organisation;
- To reflect any change in the BMEL Lending rate as notified on our web-site www.bkmandiri.co.uk
- To reflect changes or anticipated changes in costs associated with relevant technology, the costs we pay to others in respect of the product in question, inflation and/or in our costs of providing accounts, services or facilities;
- To reflect any changes or anticipated changes in money market rates or the cost to the Bank of the money we lend;
- To improve the services we provide;
- To reflect our internal policies on competitiveness, market share and/or the profitability of our business as a whole, where we are not acting dishonestly, for an improper purpose, in a manner which inappropriately discriminates against a particular customer or as an unreasonable financial institution would.

2.24.2 To the extent the Terms and Conditions do not apply for a fixed term (see also **Clause 2.25** and **Section 4**) we may also make a change to the Terms and Conditions under **Clauses 2.21 to 2.23** for any other valid reason that applies and that is not described in **Clause 2.24.1**. We will always give you personal notice of any such change.

2.24.3 Some of the conditions in **Clauses 2.21 to 2.24.1** are based on expected regulatory requirements that will not be made until after these Terms and Conditions are prepared for printing. If any condition turns out to be inconsistent with a regulatory requirement, we will not rely on it but will treat it as if it did reflect the regulatory requirement and we will make any changes to these conditions that are required to reflect that requirement when they are next revised.

2.25 Your options concerning changes

2.25.1 When we give you advance notice of a change we intend to make in accordance with **Clauses 2.21 to 2.23** before the change takes effect or for changes that are not favourable to you made in accordance with **Clause 2.23**, up to **60** days after the date of the notice to you may end this framework contract and close your account in accordance with **Clause 2.26**.

There will be no charge for this. If you do not tell us that you want to end this framework contract, and if we do not hear from you as described in **Clause 2.25.2** before the date each change is to take effect, then you will be deemed to have accepted the change and it will take effect automatically.

2.25.2 If you do not accept a change made under **Clauses 2.21 to 2.24** then you must tell us before the change takes effect and we will treat this as notice from you to end this framework contract and close your account immediately in accordance with **Clause 2.26**. There will be no charge for this.

2.26 Ending this framework contract and closing your account

2.26.1 You can end this framework contract (**Section 2** of the Terms and Conditions) with us at any time, by writing or telephoning us or by going into the Bank.

2.26.2 If this framework contract is ended in accordance with this **Clause 2.26**, your account will be closed and, other than **Clause 1.5** and where terms/products/services are expressly stated to continue, your agreement with us, consisting of the Terms and Conditions, will also end.

2.26.3 You must repay any money owed to us before we close your account.

2.26.4 We can end this framework contract with you and close your account immediately in the following situations:

2.26.4.1 If you have significantly breached any of the Terms and Conditions; or

2.26.4.2 There has been or we suspect there has been fraud involving any of your accounts; or

2.26.4.3 If there has been, or we suspect, suspicious activity on your account; or

2.26.4.4 If we have reasonable grounds for believing you have committed or are about to commit a crime in connection with your account; or

2.26.4.5 If you have not satisfied any requirement(s) associated with anti-money laundering; or

2.26.4.6 If we have demanded that you repay an overdrawn balance on your account to us and you fail to do so; or

2.28.4.7 If you are or we reasonably consider you may be behaving improperly (for example, in a threatening or abusive manner); or

2.26.4.8 If we reasonably consider that by continuing the agreement the reputation of the Bank and/or the Bank Mandiri Group would be harmed.

2.26.5 We may end this framework contract and close your account for other reasons by giving you at least two months' written notice. This does not apply to any account you have with us during a fixed term.

2.26.6 If we close your account we will repay any credit balance to you.

2.26.7 In the event of the death of a sole account holder, we may require a grant of probate or grant of representation issued by the authorities before releasing any monies in your account to your personal representatives.

Section 3

Current Accounts

3. Current Accounts Terms and Conditions ("Current Account Terms")

These Current Accounts Terms apply to our current accounts made available to eligible customers.

The Current Account Terms are in addition to the General Terms set out in **Section 1**.

Where these Current Account Terms differ from our General Terms these terms will apply.

3.1 Eligibility

3.1.1 Eligibility criteria apply to our current account services. We will tell you what the eligibility criteria are when you enquire about or apply for a particular current account. You will not be able to apply if you fail to meet the eligibility criteria.

3.1.2 If you no longer meet the eligibility criteria for a particular current account service once you have taken out the account then we will give you two months personal notice (by post or e-mail) that we will be converting your current account to another specified in the notice.

3.1.3 We may change the eligibility criteria for any of our current accounts from time to time. If you hold a current account affected, we will give you notice of changes in accordance with **Clauses 2.21 to 2.23** of these Terms and Conditions. You can close your account if you are not happy with the changes proposed.

3.2 Borrowing from us.

The Bank generally lends to customers based on negotiating loans governed by agreed terms and only exceptionally lends on overdrafts.

3.2.1 If you think that you may need to borrow on your current account, you must ask us whether you can set up an overdraft facility.

3.2.2 You can request an overdraft or an increase to an existing overdraft, on our current accounts which offer an overdraft service based on eligibility criteria.

An "overdraft" is where we lend you money when you would not otherwise have available funds to make a payment out of your current account.

You can make the 'request' in one of two ways, either:

- (i) as a formal request where you ask us for and we agree to provide you with, an overdraft or an increase to an existing overdraft limit before you authorise any payments or withdrawals in excess of available funds (an "Arranged Overdraft"); or
- (ii) by way of an 'informal' request that is, where you authorise a payment or withdrawal to be made from your account which, if made by us, would cause your account to go overdrawn or over an existing overdraft limit without having agreed with us in advance to meet such payment(s) or withdrawal(s) in excess of available funds (an "Unarranged Overdraft").

When working out "available funds" we do not include any regular or recurring payments that we are aware may be paid into your account.

3.2.2.1 An overdraft is always repayable "on demand". This means that we can ask you to repay all or part of your overdraft (and any interest charges) at any time, even if we have agreed a period for the overdraft with you. We can also reduce your overdraft limit at any time. If we demand repayment or reduce your limit, this will usually be due to a change or anticipated change in your personal circumstances. If we can reasonably do so without prejudicing our interests we will give you at least **30 days** notice before making the change.

3.2.2.2 The amount you have to pay for an overdraft depends on whether it is an **Arranged Overdraft** or an **Unarranged Overdraft**.

3.2.2.3 Where you have an **Arranged Overdraft** up to a limit which we have agreed we will provide you with the terms of the Arranged Overdraft, including how long the Arranged Overdraft will apply, by writing to you. An arrangement fee may be charged. We may agree to

provide you with another Arranged Overdraft at the end of your facility and, if we do so, an arrangement fee may be payable.

If we do not specify a period then your Arranged Overdraft will be for a period of 12 months and we may at our discretion agree to keep renewing it for further periods, which will also be for 12 months unless we tell you otherwise.

3.2.2.4 When your account goes into *Unarranged Overdraft* we will at our discretion, inform you and if applicable confirm our charges for the Unarranged Overdraft. We will ignore any Unarranged Overdrafts that are repaid by the end of that day when our accounting systems are updated (this is not usually before 5 pm). We only provide Unarranged Overdrafts for a limited period and we will tell you when you must repay one. Your Unarranged Overdraft will in any event end as soon as you have available funds again in your account.

3.2.2.5 If we do not agree to an informal request for an Unarranged Overdraft or an increase to an existing overdraft limit, then we will not make any payment authorised by you that would cause your account to go overdrawn or over any agreed overdraft limit. We will charge you for considering and returning these informal overdraft requests.

If you do require an overdraft or an increase to an existing overdraft it would be in your interest to contact us to discuss your borrowing requirements as it would probably be cheaper for you to have an Arranged Overdraft rather than several Unarranged Overdrafts.

3.2.2.6 We may charge interest whenever your current account goes overdrawn, on the amount by which it is overdrawn. We may continue to charge interest until there is a cleared credit balance on your account.

3.2.2.7 Whenever your account is overdrawn you should make regular payments into it. You must tell us if you are unable to do this.

3.2.2.8 Each day, we will calculate the interest you owe us (if applicable) on the cleared debit balance of your account. It will be deducted from your account monthly or depending on the terms we have agreed with you, or if we demand that you pay any money you owe us immediately.

3.2.2.9 Unless we have agreed other terms with you in writing and subject to **Clause 3.2.2.1** we may at any time end or reduce your overdraft and demand in writing that you pay any money you owe us immediately.

3.2.2.10 If you borrow or may borrow from us we may give details of your business to the CRAs. This includes the name of your business account, the people authorised to operate it, and how you use and manage it.

3.3 Responsibility for borrowing

3.3.1 **Sole Trader (not being a micro-enterprise)** you are personally responsible for any money your business owes us.

3.3.2 Partnership, personal representatives and trustees (**not being** micro-enterprises). As well as the account holders being jointly liable for monies owed to us, each partner, personal representative or trustee is individually liable for any such monies, even if he or she has subsequently ceased to be a partner, personal representative or trustee, unless we have agreed otherwise in writing. We have the right to demand repayment from all or any account holders for all or part of such monies.

3.3.3 **Company, club, society, association charity (not being a micro-enterprise or small charity).** The signatories are not normally liable for monies owed to us.

3.4 Interest

As stated in **Clause 3.2.2.9** we calculate interest daily on the cleared balance and we pay it monthly on eligible current accounts.

3.5 Cancellation of an overdraft facility

You have 14 days within which to cancel your facility. The cancellation period begins on the first date on which you receive our confirmation of the terms of an Arranged Overdraft (please see **Clause 3.2.2.3**) or our confirmation of acceptance of an Unarranged Overdraft (Please see **Clause 3.2.2.4**). If you do wish to cancel you must write to us (please see **Clause 1.12**) or explain your intentions by telephone to the Corporate and Treasury Department or the Trade Finance and Payments Department (please refer to the contact details in **Section 10**). If you exercise your right to cancel you will be required to repay us the full amount drawn down under the facility. In addition you will be required to pay us interest on the outstanding balance until its repaid in full. Your right to cancel will end on the expiry of the cancellation period but you are still free to end your overdraft facility at any time by paying back all amounts.

3.6 Repayment

3.6.1 As stated in **Clause 3.2.2.9** we may at any time withdraw or reduce your borrowing limit and/or demand that you immediately pay all the money you owe us. However, we would only do so after serious consideration of the circumstances.

Without limiting our rights at any time to withdraw or reduce your borrowing limit or make demand, the following is a list of some of the more common situations where we might take such action:

- (i) if you have failed to pay money into your account when we have asked you to do so;
- (ii) if you trade or continue to trade at a loss, or there is a worsening of your business viability as mentioned in other ways;

- (iii) if you use the facility for purposes for which it was not agreed;
- (iv) if you fail to make loan repayments or repay interest that is due;
- (v) if you fail to keep other conditions relating to your borrowing;
- (vi) if you cease to trade or dispose of a significant business asset;
- (vii) if there is a reduction in value, a restriction or material adverse change in or of any security we are holding for your borrowing;
- (viii) if insolvency proceedings are commenced against you or a receiver is appointed.

3.6.2 If we make demand for repayment, we may debit interest and/or accrued fees and charges to your account(s) on the day the demand is made. We may also change the charging date. After demand you will still have to pay interest until you have repaid us in full, at the same rates as before demand, on the amount demanded and any other sums debited to your account, unless we agree otherwise with you.

Section 4

Fixed Deposit Accounts

The terms and conditions in this **Section 4** and in the rest of the Terms apply to your Fixed Term Deposit Account. If there is any conflict between these terms and the General Terms in the rest of the Terms, these terms will apply.

4.1 This product is a fixed deposit and is only available to individuals aged 18 years or over. Only one deposit can be made into the Account. No withdrawals of capital are permitted during the term for which the deposit is made.

4.2 If you require to withdraw your deposit before the end of the term you must not request this product since no withdrawals are permitted.

4.3 The interest rate you receive is fixed for the term you have chosen.

4.4 When you make the deposit into the Fixed Deposit Account you will receive a Confirmation. This states the amount due at maturity (the end of the fixed term) which is the total of your deposit and the interest earned on it during the fixed term. The Confirmation identifies the deposit by reference to an account number.

4.5 The Confirmation serves as your confirmation of the interest you will earn to maturity. You will not receive any other Statements in connection with this type of account.

4.6 We will only accept cleared funds to open a Fixed Deposit Account. A cheque used as a deposit must be placed in an account held with us until it has cleared. We will then open your Fixed Deposit Account by transferring the cleared funds. You will receive the interest rate applicable on opening.

4.7 Although you cannot make additions to your initial deposit, you may be able to open more than one Fixed Deposit Account. Each one will receive interest to maturity at the rate applicable at the time of opening and you will receive separate Confirmation in respect of each such deposit.

4.8 If you die, we will repay your deposit at the end of the term to your personal representative(s). If the deposit is made in joint names, we will only make repayment to the surviving depositor(s) or the personal representative(s) of the last survivor.

4.9 You should not make a fixed deposit if you may require access to your funds before the end of the term. As stated in **Clause 4.1** no partial withdrawals are permitted and if you withdraw the entire deposit early you will be charged a fee representing our administration costs and you may lose some interest on your money.

Section 5

General liability

5.1 If we break this agreement:

- (i) we will not be liable for losses or costs caused by abnormal and unforeseeable circumstances outside our reasonable control, which would have been unavoidable despite all efforts to the contrary, for example delays or failures caused by industrial action, problems with another system or network, mechanical breakdown or data-processing failures; and
- (ii) we will not be liable to you in any circumstances for:
 - o loss of business, loss of goodwill, loss of opportunity, loss of profit; and
 - o any type of special, consequential or indirect loss whatsoever.

5.2 Nothing in this agreement limits our liability for acting fraudulently or very carelessly or otherwise excludes or limits our liability to the extent we are unable to exclude or limit by law.

Section 6

Closing your Account

6.1 Whether or not we provide you with payment services you or we can end the agreement between us as described in **Clause 2.26**

6.2 If an account is inactive for a period of 3 months or longer we may at our discretion:

- close the account and should the balance of such account be less than £200.00 (or its currency equivalent as determined by us), we may deduct such balance as a closing administration fee; or
- continue to leave the account open and charge an additional administration fee. This will not preclude us from closing the account in future in accordance with these conditions. For the avoidance of doubt any activity in the account(s) resulting from us deducting our charges or interest is not considered as activity in the account(s).

6.3 You must repay any money you owe us, including payment instructions you have made which have not been taken out of your account.

Section 7

How are we regulated?

7.1 We offer a range of financial services. We lend money and accept deposits offering fixed terms deposits and other financial services to our customers.

7.2 Our OFT licence number is 473570/5.
You can call the OFT on 020 7211 8608 to find out more

7.3 Our FSA Register number is 204424. To find out more about us see the FSA Register: www.fsa.gov.uk/register or call the FSA on 0300 500 5000.

7.4 The Bank is registered with the Registrar of Companies for England and Wales 3793679

7.5 If you think you have dormant accounts with other banks you can visit: www.mylostaccount.org.uk

Section 8

Definitions

“charity” - as defined in the relevant legislation in England and Wales, Scotland or Northern Ireland and your annual income is more than £1 million

“club, society, association etc” (including personal representative, charity, trustee or other group) – person, group or body providing a service for the benefit of others.

“corporate customer” - means an incorporated entity (a Company or LLP in the UK) holding an account with the Branch.

“partnership” – two or more people operating an unincorporated business together with a view to making a profit from their activities.

"micro-enterprise" is defined in the Payment Services Regulations 2009 as: 'an enterprise which at the time at which the contract for payment services is entered into, is an enterprise as defined in Article 1 and Article 2 (1) and (3) of the Annex to Recommendation 2003/361/EC (OJ NoL 124, 20.5.2003, p.36)'.
For the purposes of this Agreement a micro-enterprise is such an enterprise which at the time at which the banking service is provided fits that definition.

“security details” – data, including data personal to the customer which is stored by the Branch and used to identify or verify the identity of the customer in connection with a payment service or other banking service which may include a “unique identifier” for the purposes of the Payment Services Regulations.

“security device” - means an instrument or contrivance of any kind used individually or in conjunction with security details now or in the future as part of the Branch’s security policies and procedures

“sole trader” – a person operating a business in his or her own name, or under a trade name.

“small charity” – as defined in the relevant legislation in England and Wales, Scotland or Northern Ireland and with an annual income of less than £1 million.

Section 9

Other information

9.1 We will communicate with you in English
(please refer to **Clause 1.16** concerning payment services and communications with existing customers).

9.2 Our charges will include our delivery costs (if any) and any tax you have to pay through us. You may have to pay other taxes or costs which you do not pay us or pay through us.

9.3 We will keep a copy of this agreement, which will be available on request.

Section 10

Contact Details

You can write to us at Bank Mandiri (Europe) Limited, 6 Thomas More Square, London E1W 1YW or call the Corporate and Treasury Department or the Trade Finance and Payments Department on 020 7553 8688. Call costs may vary depending on your service provider.

To tell us of a change of address please write to the Bank or notify us by other agreed means.

If your Security Details are lost, stolen or you think someone has discovered what they are, please call the Corporate and Treasury Department or the Trade Finance and Payments Department during working hours.