

## GENERAL BUSINESS CONDITIONS

### 1. SCOPE OF APPLICATION

#### 1.1 SCOPE

These General Business Conditions (hereinafter referred to as "General Conditions" where applicable and which term shall include the terms, conditions and rules for Electronic Banking Services, Current Accounts, Term Deposit Accounts and Savings Accounts contained herein) will apply to the Customers' accounts, dealings and transactions with the Pan Asia Banking Corporation PLC (Reg. No. PQ 48) and its successors and assigns and which term includes any branch office (hereinafter referred to as 'the Bank'), save and except those in respect of which separate agreements are entered into by the Customer with the Bank without reference to these presents. These General Conditions govern the entire business relations (including, without limitation, forward contracts, swaps, options and any derivative transactions) between the Customer and the Bank.

In addition, particular business relations (including but not limited to securities transactions, use of cheques, current, savings or deposit accounts) may be governed by Special Conditions, which may be agreed between the Customer and the Bank from time to time. In the event of any conflict between these General Conditions and such Special Conditions, the Special Conditions shall prevail.

#### 1.2 AMENDMENTS

Any amendments of these General Conditions and any Special Conditions will be notified to the Customer in writing. They shall be deemed to have been approved unless the Customer objects thereto in writing within a period of thirty (30) days from the date of such notification. The notification of such amendments by the Bank shall expressly draw the Customer's attention to this consequence.

### 2. KEEPING OF ACCOUNTS

#### 2.1 PERIODIC BALANCE STATEMENTS

##### 2.1.1 Issue of periodic balance statements

Unless otherwise agreed upon, the Bank will issue periodic balance statements for the Customer's account(s) at such intervals to be determined by the Bank.

##### 2.1.2 Time allowed for objections

Any objections a Customer may have concerning the incorrectness or incompleteness of a periodic balance statement received by the Customer must be raised promptly, but in any event must be received by the Bank in writing within thirty (30) days following receipt of such statement. In the absence of any objections within the period specified above the periodic statement shall be deemed to be correct and binding on the Customer.

#### 2.2 REVERSE ENTRIES AND CORRECTIONS MADE BY THE BANK

Incorrect credit entries to any accounts may be reversed, corrected or cancelled by the Bank through a debit entry ("reverse entry") whether prior to or after the issue of the next periodic balance statement. The Bank will without undue delay notify the Customer of any reverse entry made. With respect to the calculation of interest (or other return), the Bank shall effect the entries retroactively as of the day on which the incorrect entry was made.

#### 2.3 OVERDRAWN AMOUNTS

The Bank may at its discretion (without being obliged to do so) extend credit, grant financial accommodation or advance moneys to the Customer for the purpose of meeting any payment or carrying out any Instruction, in which event any liabilities owing pursuant thereto (i) shall be repayable by the Customer on the Bank's demand (unless otherwise agreed to by the Bank in writing) and (ii) shall bear interest at such mutually agreed rate (or in the absence of such agreement, at such rate as the Bank may reasonably determine in accordance with its internal procedures).

### 2.4 COLLECTION ORDERS

#### 2.4.1 Conditional credit entries effected upon presentation of documents

If the Bank credits the counter value of cheques, other instruments and direct debits prior to their payment, this is done on condition of punctual payment in full, even if these items are payable at the Bank itself. If the Customer submits or surrenders other items, instructing the Bank to collect an amount due from a debtor (e.g., interest coupons), and if the Bank effects a credit for such amount, this is done on condition that the Bank will obtain the amount in good funds. This condition shall also apply if the items are payable at the Bank itself. If cheques, instruments, items or direct debits are not paid or if the Bank does not obtain the amount under the collection order the Bank will be entitled to cancel the conditional credit entry and/or debit any account of the Customer (including for interest and costs) regardless of whether or not a periodic balance statement has been issued in the meantime.

#### 2.4.2 Payment of direct debits and cheques made out by the Customer

Direct debits and cheques are paid if the debit entry has not been cancelled in accordance with the Bank's normal procedures. Cheques payable in cash are deemed to have been paid once their amount has been paid to the presenting party. Cheques are also deemed to have been paid upon the Bank honoring them or as soon as the Bank dispatches an advice of payment (whichever shall occur first). The aforesaid procedures may be subject to change by the Bank from time to time.

### 2.5 RISKS INHERENT IN FOREIGN CURRENCY ACCOUNTS AND TRANSACTIONS

#### 2.5.1 Execution of orders relating to foreign currency accounts

Foreign currency accounts of the Customer serve to effect the cashless settlement of payments and disposals by the Customer in foreign currency. Disposals of credit balances on foreign currency, accounts (e.g. by means of transfer orders to the debit of the foreign currency credit balance) are settled through or by banks in the home country of the currency unless the Bank (at its discretion) executes them directly within its own organization

#### 2.5.2 Credit entries for foreign currency transactions with the Customer

If the Bank concludes a transaction with the Customer (e.g. a forward exchange transaction) under which it is obliged to pay an amount in a foreign currency, it will discharge its foreign currency obligation by crediting the account of the Customer in the respective currency, unless otherwise agreed upon.

#### 2.5.3 Remittance

- (a) A remittance/draft is to be dispatched entirely at the applicant's risk,
- (b) The Bank will normally convert the remitted funds into the currency of the remittance on the day such funds are actually received at the Bank's selling rate. However, the dates of conversion and transfer are entirely at the Bank's discretion.
- (c) In case of cancellation of a remittance, refund is to be made only on the basis of the amount actually received from the correspondents, and at the Bank's buying rate on the day of refund. The Bank is entitled to reimbursement for the expenses so incurred on itself and its correspondents or agents. All cancellation/postage charges, stamp duty, turnover tax or any such levies and commissions collected are not refundable.
- (d) The Bank shall not be liable for any loss or damage due to delay in payment, or in giving advice of payment, loss of items in transit or otherwise, mutilation, error, omission, interruption, or delay in transmission or delivery of any items, letter, telex, telegram or the action of the Bank's correspondents or agents.

#### 2.5.4 Temporary limitation of performance by the Bank

The Bank's duty to execute a disposal/ payment / transfer order to the debit of a foreign currency credit balance (under paragraph 2.5.1) or to discharge a foreign currency obligation (under paragraph 2.5.2) shall be suspended to the extent that and for as long as the Bank cannot or can only restrictedly dispose of / pay / transfer the currency in which the foreign currency credit balance or the obligation is denominated, due to any event beyond the Bank's control, including force majeure. to the extent that and for as long as any such measure or event persists, the Bank is not obligated either to perform at some other place outside the country of the respective currency, in some other currency (including local currency) or by providing cash (though the Bank may in its discretion choose to do so). The right of the Bank to set off claims due in the same currency against each other shall not be affected by the above provisions.

#### 2.5.5 Customer's risk

The Customer enters into each foreign currency transaction with full awareness that foreign currency transaction could involve foreign exchange risks for which the Bank shall not be responsible.

### 3. DUTIES OF THE CUSTOMER

#### 3.1 CLARITY OF ORDERS

Orders of any kind must be timely, clear and unequivocal in their contents. The Bank may but shall not have an obligation to make inquiries and verify any unclear orders and will not be liable for any delay caused by such inquiries. In particular, when giving orders to credit an account (e.g. transfer orders), the Customer must ensure the correctness and completeness of the name of the payee, as well as of the account number and, where applicable, the payee's bank code number. Amendments, confirmations or repetitions, of orders must be designated as such.

#### 3.2 SPECIAL REFERENCE TO URGENCY IN CONNECTION WITH THE EXECUTION OF ORDERS

If a Customer requires particularly prompt execution of an order (e.g. because a money transfer must be credited to the payee's account by a certain date), the Customer shall notify the Bank of this requirement separately. For orders given on a printed form, such a notice must be given separately from the form.

#### 3.3 EXECUTION OF, AND OBJECTIONS TO, NOTIFICATIONS RECEIVED FROM THE BANK

The Customer must immediately examine statements of account (other than the periodic balance statement which would be governed by paragraph 2.1.1) transaction statements, statements of securities and of investment income, other statements, advices of execution of orders, and information on expected payments and consignments as to their correctness and completeness and immediately notify the Bank in writing of any objection and in the absence of any objection in the manner set out above the aforesaid statements, advices and information shall be deemed to be correct and binding on the Customer.

#### 3.4 NOTICE TO THE BANK IN CASE OF NON-RECEIPT OF STATEMENTS

The Customer must notify the Bank immediately in writing if any periodic balance statement referred to in paragraph 2.1.1 and/or any other statement or advice or information is not received.

#### 3.5 COMMON LAW AND STATUTORY DUTIES

The aforesaid duties are in addition to the duties, which may be imposed upon a Customer by the Common Law or any Statutory Provision.

### 4. COST OF BANK SERVICES

#### 4.1 INTEREST, CHARGES AND OUT-OF-POCKET EXPENSES

##### 4.1.1 Interest and charges

The Customer shall pay interest on moneys due to the Bank and charges on services provided by the Bank at such rate(s), on such basis or bases and at such time(s) as shall be agreed in writing with the Bank from time to time or, in the absence of such written agreement, as determined by the Bank.

##### 4.1.2 Interest on overdue amounts

The Bank shall be entitled at its discretion to charge a higher rate of interest on amounts not paid when due or amounts overdrawn without prior agreement and such interest may be compounded periodically as determined by the Bank.

##### 4.1.3 Changes In Interest and charges

In the case of variable interest rate loans, the interest rate will be adjusted in accordance with the terms of the respective agreement. Charges for services may be changed by the Bank at its reasonable discretion unless otherwise agreed in writing.

##### 4.1.4 Costs and expenses

The Customer shall pay or reimburse to the Bank immediately upon demand and the Bank shall be entitled to debit any of the Customer's account(s) with all commissions and other charges usually charged by the Bank whether or not previously notified to the Customer and all other costs, charges and out of pocket and other expenses incurred by the Bank in connection with these General Conditions, any Special Conditions or any other agreement between the Bank and the Customer, including legal expenses.

##### 4.1.5 Taxes and other levies

The Customer shall also be liable to reimburse the Bank all Turnover Tax, National security Levy, Goods and Services Tax or any other similar turnover based tax, stamp duties or other levies which may be payable on the transactions carried out by the Bank with the Customer.

### 5. DEATH, INCAPACITY OR BANKRUPTCY

On the death, incapacity or bankruptcy of the Customer, the Bank is entitled to require the production of documentary evidence thereof (such as letters of administration, relevant court orders or any equivalents thereof) in form and substance acceptable to the Bank before the Bank permits disposal to or by any person who is designated as executor, administrator or other personal representative of the Customer or deceased, and trustee or receiver of assets or any purported beneficiary of the assets. The original of any documentary evidence must, if the Bank so requests, be submitted together with an English translation (where applicable) acceptable to the Bank. The death, incapacity or bankruptcy of any joint account holder shall not bind the Bank until it receives written notice of such fact from a source which it considers to be reliable. Upon receipt of the relevant notice, the Bank shall be entitled to freeze the account(s) until it receives to its satisfaction, the evidence as mentioned above.

### 6. SECURITY

#### 6.1 PROVIDING OR INCREASING SECURITY

##### 6.1.1 Right to the Bank to request security

The Bank shall be entitled at any time when it deems necessary to require the Customer to provide security for any liabilities of the Customer (whether present, future, unmatured, conditional or contingent) to the Bank and where any security has been provided by the Customer, the Bank shall be entitled to require substitute or additional security if in its opinion (a) the security provided ceases to be in full force and effect or shall become or threatens to become unenforceable or inadequate in value or be in jeopardy, or (b) any circumstance occurs or becomes known which justifies a higher risk assessment of the claims against the Customer or a greater security margin.

##### 6.1.2 Changes in the risk

If the Bank, upon the creation of claims against the Customer, has initially dispensed wholly or partly with requiring that security be provided or increased, it may nonetheless make such a demand at a later time.

##### 6.1.3 Setting a time period for providing or increasing security

The Bank will allow a reasonable time (as determined by the Bank) to provide or increase security.

## 6.2 SECURITY INTERESTS IN ITEMS FOR COLLECTION AND DISCOUNTED BILLS OF EXCHANGE

### 6.2.1 Transfer of ownership by way of security

The Bank acquires ownership by way of security of any cheques and bills of exchange deposited for collection at the time such items are deposited. The Bank acquires absolute ownership of discounted bills of exchange at the time of the purchase of such items; if it re-debits discounted bills of exchange to the account, it retains the ownership by way of security in such bills of exchange.

### 6.2.2 Assignment by way of security

The claims underlying the cheques and bills of exchange shall pass to the Bank simultaneously with the acquisition of ownership in the cheques and bills of exchange; the claims also pass to the Bank if other items are deposited for collection (e.g. direct debits, documents of commercial trading).

### 6.2.3 Special-purpose Items for collection

If items for collection are deposited with the Bank expressly and clearly under the reserve that their counter value may only be used for a specified purpose, the transfer or assignment of ownership by way of security does not extend to these items.

### 6.2.4 Secured claims of the Bank

The ownership transferred or assigned by way of security serves to secure any claims which the Bank may be entitled to against the Customer arising from the Customer's account when items are deposited for collection or arising as a consequence of the re-debiting of unpaid items for collection or discounted bills of exchange. Upon request of the Customer, the Bank re-transfers to the Customer the ownership by way of security of such items and of the claims that have passed to it if it does not, at the time of such request, have any claims against the Customer that need to be secured or if it does not permit the Customer to dispose, of the counter value of such items prior to their final payment. Nothing herein shall be construed as imposing on the Bank any obligation to discount cheques/bills of exchange.

## 6.3 LIMITATION OF THE CLAIM TO SECURITY AND OBLIGATION TO RELEASE

If the realisable value of all Security exceeds the amount required by the Bank the Bank may at its sole discretion release specific security Items so as to eliminate such excess.

## 6.4 REALISATION OF SECURITY

If the Customer fails to or does not pay any sum or provide cash cover or security, then whether or not any contingent or other obligation or liability owing by the Customer to the Bank shall have actually matured, the Bank may without demand for payment or notice to any person, sell, realise or otherwise dispose of (including making any currency conversion) any of the Customer's assets in such manner and on such terms as the Bank may in its absolute discretion think fit. Neither the Bank nor any of its agents shall be responsible in any way for any loss which may be occasioned in exercising the aforesaid power of sale or disposal, and the Bank shall not be liable for the actions or omissions of any broker, auctioneer, agent or other person employed by the Bank in connection with such sale or disposal.

The net proceeds of any sale or disposal, after payment of all expenses, charges and other disbursements in connection therewith and any prior claims, shall be applied towards payment of the moneys then owing or to become owing by the Customer to the Bank.

A statement made by any of the Bank's officers that the power of sale or disposal has become exercisable shall be conclusive evidence of such fact.

## 6.5 MAINTENANCE OF SECURITY

It is the duty of the Customer himself to see to the maintenance and protection of any things or rights serving the Bank as collateral security, as well as to the collection of any claims or charges and annuities serving the Bank as collateral security, and to advise the Bank as appropriate.

## 7. SET-OFF AND LIEN

### 7.1 AGREEMENT ON LIEN/SET-OFF

The Customer and the Bank agree that the Bank acquires a lien and/or security right on any securities and properties which have come or may come into the possession of the Bank. The above is without prejudice to any general or banker's lien or right of set-off or other right to which the Bank may be entitled. The Customer undertakes to do such act or sign such document required by the Bank for the purpose herein.

### 7.2 SECURED CLAIMS

The lien and security right serves to secure all existing future and contingent claims arising from the banking relations (whether arising under these General Conditions, any Special Condition or in respect of any agreement or transaction, whether actual, future or contingent, as principal, surety or otherwise, and in whatever currency) which the Bank is entitled to against the Customer.

### 7.3 INTEREST AND DIVIDEND COUPONS

The securities are subject to the Bank's lien/right, the Customer is not entitled to demand delivery of the interest and dividend coupons pertaining to such securities.

## 8. BANKING SECRECY

### 8.1 BANKING SECRECY

The Bank has the duty to maintain secrecy about any Customer-related facts under the Common Law and a similar obligation is imposed upon its officers under section 77 of the Banking Act No. 30 of 1988. However, the Bank may disclose information concerning the Customer or its transactions or accounts when it is required to do so by a Court of Law or when it has been authorized by the Customer or in the performance of its duties or in order to comply with any provision of law.

### 8.2 DISCLOSURE

The Customer hereby authorises the Bank to disclose any information relating to the Customer or its transactions or accounts to:

- (a) any guarantor of, or third party provider of security for, the Customer or its account(s) with the Bank in respect of any banking facility or service provided by the Bank to the Customer: or
- (b) any actual or potential assignee, participant or contractual party in connection with any rights or obligations of the Bank in relation to the Customer.

## 9. TERMINATION

### 9.1 TERMINATION RIGHT OF THE CUSTOMER

#### 9.1.1 Right of termination

Unless the Bank and the Customer have otherwise agreed in writing to a termination provision, the Customer may at anytime, with reasonable prior written notice, terminate the business relations as a whole or any particular business relation. Provided however, that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.

#### 9.1.2 Termination for reasonable cause

If the Bank and the Customer have agreed on a term or a termination provision for a particular business relation, such relation may only be terminated with reasonable prior written notes if there is reasonable and material cause there for which makes it clearly unacceptable to the Customer to continue the business relation, after having given due consideration to the legitimate concerns of the Bank. Any termination by the Customer as aforesaid shall not affect in any manner the Bank's right to claim for damages that it may suffer or incur (including fund breaking cost and damages for breach of contract).

#### 9.1.3 Termination rights of the Bank

- (a) Termination upon notice  
Upon giving a notice, which in the Bank's opinion is reasonable, the Bank may at any time terminate the business relations as a whole or any particular relation for which neither a term nor a termination provision has been agreed in writing. In determining the notice period, the Bank will whenever practical take into account the known legitimate concerns of the Customer. Provided however, that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.

- (b) Termination of loans and facilities with no fixed term  
Loans, or credit or banking facilities / commitments for which neither a fixed term nor a termination provision has been agreed in writing may be terminated at anytime by the Bank in its discretion without prior notice. When exercising this right, the Bank will whenever practical give due consideration to the known legitimate concerns of the Customer. Provided however, that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.
- (c) Termination for reasonable cause without notice  
Termination of the business relations as a whole or of particular relation without notice is permitted if there is reasonable cause, which makes it unacceptable to the Bank to continue the business relations after having given due consideration to the known legitimate concerns of the Customer. Such cause is present in particular (a) if the Customer has made incorrect statements as to the Customer's financial status, provided such statements were of significant importance for the Bank's decision concerning the granting of the credit or other operations involving risks of the Bank, or (b) if a substantial deterioration occurs or threatens to occur in the Customer's financial status, jeopardizing the discharge of obligations towards the Bank, or (c) if the Customer fails to comply with any obligation (including the obligation to provide or increase security within the required time limit and according to these General Conditions or to the provisions of some other agreement) or (d) if there occurs any circumstance or event which in the Bank's opinion (entered into reasonably and in good faith) would materially affect its willingness to carry on any relationship with the Customer. Provided however, that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.
- (d) Settlement following termination  
Upon termination of the business relations or facilities, all amounts and obligations owing by the Customer to the Bank shall become due and payable immediately on demand and all foreign exchange and other derivative transactions between the Bank and the Customer shall be terminate at the Bank's discretion and become due and payable at the then market value as determined by the Bank. In respect of any outstanding future or contingent liability of the Customer to the Bank, the Customer shall immediately provide sufficient cash cover for the same on such terms, as the Bank shall require.

## 10. LIMITATION OF LIABILITY

### 10.1 PRINCIPLES OF LIABILITY

In the performance of its obligations, the Bank shall only be liable for the willful default or gross negligence on the part of its staff. In the event that the Customer has contributed to the occurrence of the loss by the Customer's own fault (e.g. by violating the duties as mentioned in these General Conditions), the principles of contributory negligence shall determine the extent to which the Bank and the Customer shall have to bear the loss.

### 10.2 ORDERS PASSED ONTO THIRD PARTIES

If the contents of an order or transaction are such that the Bank typically entrusts or considers it expedient to entrust a third party with its further execution, the Bank performs the order or transaction by passing it on to the third party in its own name. This applies, for example, to obtaining banking information from other credit institutions or to the custody and administration of securities in other countries. In such cases, the liability of the Bank shall be limited to the careful selection and instruction of the third party.

### 10.3 LOSS OF INTEREST

If delays or misdirections in connection with the execution of orders or with any advices in respect thereof occasion any loss, the Bank is liable only for loss of interest. No liability is assumed for any loss based merely on a change of value of the currency or medium of payment.

## 11. INDEMNITY

- 11.1** The Customer shall indemnify the Bank against any and all claims, demands, actions, damages, liabilities, costs, losses, expenses and other sums which the Bank may incur or suffer however in connection with or arising from giving credit or other banking facilities to the Customer or performing any banking service for the Customer, and shall reimburse the Bank upon demand for any such payment which may be made or incurred by the Bank by reason thereof.
- 11.2** The Customer will indemnify the Bank for any loss incurred by the Bank resulting from the fact that the Bank without any willful default on its part does not obtain

knowledge of any restrictions of the Customer's or his representative's legal capacity.

## 12. PRESCRIPTION

Any monies due by the Customer to the Bank in respect of loan and interest thereon shall be recoverable from the Customer notwithstanding the Prescription Ordinance (Cap. 68) and the Customer agrees that he shall not plead the Prescription Ordinance (Cap.68) as a bar to the Bank suing the Customer for the recovery of the said monies.

## 13. FORCE MAJEURE

The Bank shall not be liable for any loss or inability to perform caused by or in connection with any event of force majeure including but not limited to riot, war, natural disaster, any circumstance beyond the Bank's control or other occurrences for which the Bank is not responsible [e.g. strikes, lock-outs, traffic hold-ups, civil commotion, acts of domestic or foreign governmental or other authorities (whether *de jure* or *de facto*), requirements of any law or regulation, market disruption, or any act of a clearing/settlement agency or central depository].

## 14. INFORMATION AND NOTICES

**14.1** The Customer shall notify the Bank without delay in writing of any changes in the Customer's name, address and other particulars, as well as the termination of, or amendment to, any powers of representation towards the Bank conferred to any person (in particular, a power of attorney) or the authority of any person. This notification duty also applies to any changes to the particulars of the Customer in any public register and also exists where the powers of representation are recorded in such public register and any termination thereof or any amendments thereto are entered in that register.

**14.2** All information regarding the trade, business or occupation and financial condition or any material change in respect thereof of the Customer will be furnished by the Customer to the Bank.

**14.3** Particulars of any litigation or threatened litigation which may tend to affect the Customer's financial capacity shall be disclosed by the Customer to the Bank.

**14.4** The Bank is entitled at its discretion and without liability to send any notice, correspondence, instrument or document to the Customer by ordinary post, hand, telex or facsimile or e-mail (to the address, telex number or facsimile number or e-mail address of the Customer last known to the Bank), and any such communication shall be deemed to have been received by the Customer two days after posting (if local), five days after posting (if overseas), at the time of transmission (if by telex or facsimile or e-mail), or upon delivery (if by hand).

## 15. GOVERNING LAW

### 15.1 PLACE OF JURISDICTION

Without prejudice to the Bank's right to proceed against the Customer in any other country or in any other Court, the Customer irrevocably submits to the non-exclusive jurisdiction of the District Court of Colombo. (The Bank itself may be sued only before the courts of Sri Lanka.)

### 15.2 SUBSTANTIVE LAW

This Agreement shall be governed by the Laws of Sri Lanka.



## 16. MISCELLANEOUS

### 16.1 PRUDENCE

The Customer shall exercise care to ensure that all relevant information (for example its signature) and documents (for example the cheques) relating to any account and/or transaction are properly kept and guarded so that they could not be used by any other party for any unauthorised purpose. The Customer shall inform the Bank promptly if it is aware of or suspects any unauthorised use of its accounts, information or documents, and shall do such act and sign such document as the Bank may reasonably require in connection with these General Conditions. If bills of exchange are debited to the Bank by reason of forged signatures or of alteration to other parts of the instruments, the Bank may in turn debit the Customer.

### 16.2 STATEMENT OF INDEBTEDNESS, ETC.

A statement or certificate issued by the authorised officer(s) of the Bank as to the sums and liabilities (including the currency/is thereof) for the time being owing by the Customer to the Bank or as to any matter relating to any transaction/relation shall, in the absence of manifest error, be conclusive against and binding on the Customer.

### 16.3 CURRENCY INDEMNITY

If the Bank receives payment for any amount owing by the Customer and such payment is in a currency other than the currency in which such amount is owing to the Bank (the 'currency of account'), the Bank shall be entitled at any time as its discretion without notice to convert such payment into the currency of account on such term(s) and rate(s) of conversion as the Bank may determine, and the Customer shall fully indemnify the Bank in respect of all losses, costs and expenses which the Bank may suffer at any time as a result thereof. No payment to the Bank (whether under any judgment or court order or otherwise) shall discharge the amount in respect of which it was made unless the Bank shall have received payment in full in the currency of account, and to the extent any payment shall on conversion in the manner aforesaid into the currency of account falls short of such amount expressed in the currency of account, the Bank shall have a separate cause of action against the Customer to recover the shortfall.

### 16.4 DOCUMENTS

If the Bank has to receive or deliver any documents, it will examine them with reasonable care. The Bank may rely on any document which appears to the Bank to be prima facie in order, and is not responsible for the genuineness, validity, effectiveness, appropriateness or completeness of the documents, nor for their correct interpretation or translation, nor for the nature, quantity or condition of any goods mentioned in the documents.

### 16.5 MARKET LOSSES

Unless an agreement to the contrary has been expressly made in writing, the Bank does not undertake any administrative duties other than those mentioned in these General Conditions. In particular, the Bank does not undertake to inform the Customer of any losses which may threaten owing to changes in market quotations, of the value or worthlessness of articles deposited, or of any circumstances which might prejudice or otherwise impair the value of those articles.

### 16.6 DEALINGS IN SECURITIES

Where securities are dealt with on more than one stock exchange or in the over-the-counter-market, the Bank will in the absence of contrary instruction, select the place of execution.

### 16.7 CRIB/NIC VALIDATION

I/we hereby give my/our consent that the bank to access the System managing by the Department for Registration of Persons (DRP) to get any details and/or any information about my/our NIC and validate same and to generate CRIB reports, to assess my/our eligibility for services the Bank has offered/may offer to me/us in future.

## 17. JOINT ACCOUNTS

**17.1** In the event of a Customer Account being a Joint Account the Joint Account holders shall be jointly and severally liable for any overdraft, loan or other credit facilities or accommodation which shall be granted on any account together with all interest, commission and other banking charges and expenses.

### 17.2 PROCEDURE OF DEATH OF CUSTOMER

In the event of the death of either or any or both or all (or as appropriate) of the Customers the Bank is to pay, deliver to or to the order of the survivor or survivors of the Customers all money, security deeds, documents, and other property (including security boxes and other contents) whatsoever standing to the credit or held by the Bank for any account or accounts in the Customers joint names.

### 17.3 NOTICES

Notices are to be sent to the first of the names in the list of the joint account holders where necessary.

## 18. BANKING HOURS

**18.1** Cheques may be deposited for clearing at any Branch and will be processed according to the next available Central Bank clearing schedule.

**18.2** Cheques issued by Branch account holders if presented by the account holder or a third party may be also encashed at any Branch during business hours advertised at each Branch.

## 19. ELECTRONIC BANKING SERVICES

The Customer may request the Bank to provide Electronic Banking Service provided by the Bank to the Customer on the following terms and conditions when those services are available from the Bank and the Bank may in its absolute discretion extend such services.

### 19.1 DEFINITIONS

**Bank Scale of Charges** means the Bank's scale according to which charges are levied by the Bank for the Electronic Banking Services from time to time and which may be varied by the Bank in its absolute discretion from time to time as provided herein.

**Computer** means any device the functions of which include the storing and processing of information.

**Computer Statement** means a statement produced by a single computer or several computers or any combination of computers or different computers operating in succession in any combination or different combinations of computers operating in succession in any order whether:-

- (i) directly or otherwise; or
- (ii) with or without human intervention,
- (iii) by means of any appropriate equipment or otherwise,
- (iv) derived or reproduced from information supplied to a computer or by calculation, comparison or by any other process whatsoever of which a computer is capable of

**Authenticated user** means a user who has authenticated to the electronic system using user credentials.

**User Credentials** means a user name and a password which is only and only known to the user.

**Customer Instruction** means any request or instruction to the Bank effected through Electronic Banking by an authenticated user.

**Customer Password** means a string of characters, which is used to authenticate to the electronic banking system.

**Electronic Banking** means the Bank's computer controlled Electronic Financial Services system (by whatever name as may be decided by the Bank).

**Electronic Banking Services** means any electronic financial service using Electronic Banking and ancillary services such as installations, training and maintenance services provided by the Bank from time to time to the Customer.

**Institution** means any branch of the Bank or any company which is a subsidiary or an associate of the Bank or any Customer Service center thereof or any financial institution or company so designated by the Customer from time to time.

**Intellectual Property Rights** means any and all rights of copyright design right know-how patent design trade mark and any other intellectual property rights of any description whatever whether rights of the Bank therein were by way of acquisition assignment or other mode.

### 19.2 CUSTOMER'S APPLICATION AND GUIDE

**19.2.1** The Customer may apply for Electronic Banking Services of the Bank and obtain those services subject to the terms and conditions herein contained which shall come into operation and application upon the Bank allowing the Customer's application or request for the Electronic Banking Service.

**19.2.2** The application or request for the Electronic Banking Services by the Customer may be refused by the Bank without assigning any reason.

**19.2.3** The Customer agrees to follow the procedures and to observe the terms and conditions and restrictions as set out by the Bank. The Customer acknowledges that any of the Electronic Banking Services for which compliance with conditions precedent is required by the bank (including the signing of any documentation), whether by the Customer or by any third party, or the giving of further instructions by the Customer through Electronic Banking shall not be available to the Customer prior to such compliance.

### 19.3 BANK CHARGES

- 19.3.1 The Customer shall obtain from the Bank a copy of the Bank Scale of Charges before obtaining the Electronic Banking Services.
- 19.3.2 The Bank may in its absolute discretion vary any item in the Bank Scale of Charges after thirty (30) days notice to the Customer.
- 19.3.3 The Customer agrees and undertakes to pay all charges to the Bank as per Bank Scale of Charges for the provision of Electronic Banking Services as advised from time to time to the Customer by the Bank.

### 19.4 SECURITY CONTROL

- 19.4.1 It shall be the Customer's responsibility to establish and maintain the Management Control features and security as advised by the Bank. The Customer shall ensure that such features and procedures together with Electronic Banking encryption system if any which enciphers information from the Customer's computer to Electronic Banking are acceptable security procedures.
- 19.4.2 The Customer undertakes to keep all customer passwords strictly confidential at all times. The Customer shall ensure that security measures within the Customer's control are both adequate and properly maintained.
- 19.4.3 The Bank may accept any Customer instruction as authentic and properly authorized and the Bank shall be under no obligation to investigate the authority of persons effecting Customer Instructions or verify the accuracy and completeness of any Customer Instruction.

### 19.5 CUSTOMER INSTRUCTIONS

- 19.5.1 The Customer shall be responsible for all Customer Instructions and he/ she shall not be entitled to disclaim any responsibility even if a Customer password was used by a third party without the Customer's knowledge for authority.
- 19.5.2 The Bank shall not be responsible for any consequences whatsoever of any Customer Instruction being inaccurate or incomplete.
- 19.5.3 The Customer undertakes to notify the Bank immediately of any known or suspected unauthorized access to Electronic Banking or unauthorized transactions and in the event of such notification the Bank shall take necessary steps to avoid loss or damage to the Customer by such unauthorized access or transaction. Provided however that the Bank shall not be liable for any loss or damage caused to the Customer in the absence of any willful default on its part.

### 19.6 CONFLICTING INSTRUCTIONS

The Bank shall be entitled and not obliged to accept Customer Instructions as instructions which have been properly authorised by the Customer, notwithstanding that such instructions conflict or may conflict with or are in any way inconsistent with any other instructions received under any other mandate given by the Customer to the Bank relating to any of the Customer's accounts. However the Bank may in its absolute discretion reject or refuse to act on any Customer Instruction without notice and without assigning any reason to the Customer. The Bank is under no obligation to cancel or amend any payment or other transactional Instruction after it has been transmitted to the Bank. However the Bank may use its reasonable efforts to act on a request by the Customer for cancellation or amendment of a payment or other transactional instruction prior to the Bank's execution of such instruction, but the Bank shall not be liable in any manner howsoever if such cancellation or amendment is not effected.

### 19.7 OBLIGATIONS OF THE CUSTOMER

The duties obligations liabilities and covenants of the Customer shall be in addition to, and not in substitution or derogation of, the other provisions of these presents or any other agreements mandates or other documents of whatsoever nature entered into made or executed by the Customer in favour of the Bank and the rights and entitlements of the Customer under these presents shall always be subject to the performance of the Customer of all his duties obligations liabilities and covenants under these presents and the said all other agreements mandates and other documents.

### 19.8 LICENSE FOR SOFTWARE AND DOCUMENTATION

When extending Electronic Banking Services the Bank will grant the Customer a non-transferable non exclusive licence to use the Electronic Banking software and documentation, and any revisions thereof provided by the Bank to the Customer in connection with Electronic Banking ('the Electronic Banking Materials') on the computer equipment selected by the Customer to access Electronic Banking service of the Bank. The Customer shall be responsible for such equipment and related transmission links. The Customer shall keep the Electronic Banking Materials strictly confidential at all times and shall not copy such Materials, (except the Electronic Banking software for security purposes), or allow any other person access to them without the Bank's prior written consent. The Electronic Banking Materials and all copies thereof and

all Intellectual Property rights therein shall remain the exclusive property of the Bank at all times.

### 19.9 CONFORMITY OF SOFTWARE

The Bank warrants that the Electronic Banking software will conform at the date of supply in all material respects with the current specifications as set out by the Bank, provided the Electronic Banking software is used properly. The foregoing warranty is in place of and to the exclusion of any condition or warranty, express implied or otherwise in respect of the fitness, suitability or performance of Electronic Banking, the Electronic Banking Services or the Electronic Banking Materials. The Bank does not warrant the operation of Electronic Banking will be uninterrupted or error free.

### 19.10 AGENT OF THE CUSTOMER

The Customer hereby appoints the Bank as the Customer's agent for the purpose of:

- (a) Instructing on the Customer's behalf any relevant Institution to transmit or otherwise communicate to the Bank and/or Electronic Banking any information concerning the Customer and the Customer's account(s) (whether now in existence or opened hereafter) with any such Institutions.
- (b) Opening continuing and conducting accounts with any Institution in order to give effect to any Customer Instruction and the Customer agrees that any such account will be opened and conducted on such terms and conditions as that Institution shall reasonably consider appropriate; and
- (c) agreeing on the Customer's behalf with any relevant Institution that the provisions of this Agreement shall mutatis mutandis apply as between the Customer and such Institution (references in these Clauses to the Bank being deemed to be references to such Institution and references in these Clauses to Electronic Banking Service being deemed to include references to any similar services provided by such Institution).

### 19.11 INFORMATION TO THIRD PARTIES

Without prejudice to the general provisions in respect of disclosure the Customer authorises the Bank to provide third parties with such information relating to the Customer and the Customer's account(s) in order to process the transaction of the Customer or which in the Bank's reasonable opinion, is necessary to give effect to a Customer Instruction or in order to comply with the order of any court, government agency or lawful authority in any jurisdiction:

### 19.12 DELAY & FAILURE TO PROVIDE SERVICE

The Customer agrees that the Bank shall not be liable to the Customer for any loss or damage whatsoever which the Customer may suffer if the Bank is delayed or prevented from providing the Customer with the Electronic Banking Service or any other service by reason of strikes, industrial dispute, failure or suspension of power supplies or telecommunication system or other system or equipment or any other causes beyond the Bank's control whether such cause constitutes force majeure or not.

### 19.13 LIABILITY FOR LOSS

Under no circumstances shall the Bank be liable to the Customer (whether in contract, tort, strict liability or otherwise) for any consequential or indirect loss including without limitation loss of profits or contracts (whether foreseeable by the Bank or not) arising out of or related to the Customer's use of Electronic Banking.

### 19.14 VALIDITY AND ENFORCEABILITY OF INSTRUCTIONS

The parties agree not to contest the validity or enforceability of any message including Customer Instructions transmitted electronically between the parties as part of the provision and use of Electronic Banking Services under the provision of any applicable law relating to whether certain agreements be in writing and signed by the person to be bound thereby. Any messages, if introduced as evidence on paper in any judicial or other proceedings, will be admissible as between the parties to the same conditions as other records are maintained in documentary form and the parties shall not bring into question the admissibility as evidence of messages exchanged and stored on the basis of this Agreement.

## 19.15 ALTERATIONS TO AGREEMENT & CUSTOMER GUIDE

The Bank reserves the right to alter or add to or delete or otherwise amend the terms and conditions contained herein, on fourteen (14) days' notice to the Customer or a shorter period if the Bank is of the opinion that a shorter period of notice is necessary for the effective operation and use of Electronic Banking. If the Customer objects to any change, the Customer may terminate these services with the effective date of change by giving written notice prior to the effective date of the change. In the absence of any objections within the period specified above it shall be deemed that the Customer has accepted the amendments

## 19.16 TERMINATION

**19.16.1** Either party may terminate this Agreement on thirty (30) days' notice to the other provided that the Bank shall be entitled to terminate this Agreement immediately in the event of a material breach of it by the Customer or upon closure of the Customer account(s) with the Bank. Provided however that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.

**19.16.2** Upon termination for any reason the Customer's licence to use the Electronic Banking Materials shall cease forthwith and the Customer shall immediately return to the Bank the Electronic Banking Materials, including all copies thereof, and erase the contents of any Electronic Banking software held on hard or floppy disk and destroy all Customer Passwords.

## 20. PHONE BANKING SERVICE

**20.1** When the phone banking service ('the Service') is made available by the Bank to the Customer on the latter's application in which the Customer will notify the Bank of the accounts of third parties with the Bank or any other Banks or other financial institutions to which the Customer wishes to be able to transfer funds from time to time ('Pre-designated Accounts') the Bank will then arrange for the Customer to have access to the phone banking system of the Bank and thereby facilitate the Customer creating a confidential Telephone Personal Identification Number (TPIN) without even the knowledge of the Bank and a Telephone Identification Number (TIN).

**20.2** The Bank offers such facilities through the Service as it shall from time to time decide and may at its absolute discretion revoke or modify the right given to the Customer to use the service without prior notice.

**20.3** The amount which the Customer may transfer by use of the service to any Pre-designated Account which is not maintained in the Customer's name or which the Customer maintains at another Bank or institution shall be limited to such sum as the Bank may from time to time specify.

**20.4** The Customer agrees to keep his TPIN confidentially and to exercise all due care to prevent its disclosure to any third party ('third party' means anyone other than those authorised by the Customer to give instructions on the system).

**20.5** The Customer declares that he is aware that the Bank's phone banking system will be acting upon the instructions received by any person using the TPIN.

**20.6** The Customer shall take every internal control and procedural measure to ensure that TPIN is not used by any unauthorised person or in any unauthorised manner howsoever.

**20.7** The Customer shall also ensure that its other employees or agents or third parties cannot and do not use the TPIN. The Customer shall bear all risks arising from the use of the service and agrees to perform and ratify any contract entered into with or action taken by the Bank as a result of any use by the Customer of the service and agrees to keep the Bank indemnified against any loss whatsoever which it may suffer thereby.

**20.8** The Customer shall keep the Bank indemnified at all times against all claims, demands, actions, proceedings, damages, losses, costs and expenses which may be brought against or incurred by the Bank and which arise directly or indirectly out of or in connection with the service consequent to any failure breach negligence commission or omission on the part of the Customer or its agents or servants unless due to the willful default of the Bank and this indemnity shall continue notwithstanding any termination of these presents.

**20.9** The Customer agrees to follow the procedures and observe the terms, Conditions and restrictions as specified by the bank.

## 21. CURRENT ACCOUNTS

**21.1** The hours and days of business will be as advertised.

**21.2** No interest is allowed on Current Account balances.

**21.3** Cheque books are supplied on a nominal charge and the Bank reserves the right to refuse to pay drawings made on any other form.

**21.4** In the use of Cheques, Customers are requested to give careful attention to the following:

- (a) No unauthorised person should be allowed access to Cheque books. The Bank will not be held responsible in the event of a cheque being paid on forged signature/s through the negligence of the Customer in handling the Cheque Book/s issued to him/her or otherwise.
- (b) Signatures to Cheques should be in the identical style as the specimen signature appearing on the Specimen Signature Card left with the Bank.
- (c) The amount drawn must be written in the cheque in words as well as in figures and both words and figures should start as close as possible to the printed "Rupees" and "Rs" respectively.
- (d) Should it become necessary to make any alteration to a cheque such alteration must be authenticated by the full signature of the Drawer.
- (e) The Bank may decline to pay Cheques bearing a date that is six months or more previous to the date of presentation for payment.
- (f) The Bank does not accept any responsibility in the event of a postdated cheque being inadvertently paid and debited to the account of a Customer. A postdated cheque is one which bears a date subsequent to the date on which it is presented for payment.

**21.5** The Bank will supply free of charge Pay-in-Books or Pay-in-Slips which should be used in making all payments into an account and Bank requires that instructions printed on the covers of these Pay-in-Books or on Pay-in-Slips be observed.

**21.6** In making payments into the Bank, Customers are asked to give careful attention to the following:

- (a) That for each payment into their account they obtain the signature, in full, of an officer of the Bank, on the relative counterfoil or receipt unless, overprinted by the Bank's Cash Teller Machine provided for this purpose.
- (b) The Bank does not undertake to honour Cheques drawn against unrealised effects. The definition of 'unrealised effects' is Cheques or orders for which the Bank has not realised payment from Banks, Mercantile Houses, Government Offices, and credited to the Customer's account.

**21.7** Orders on Government and Mercantile Offices, Postal Orders and Money Orders etc., are subject to delay in realisation and should not be drawn against until Customers have ascertained that proceeds have been credited to their accounts.

**21.8** The Bank will not be held responsible in the event of any cheque being returned not paid as a consequence of funds being deposited on the day of presentation of the Cheque.

**21.9** Under no circumstances and at no time should aggregate of the amounts of the cheques drawn by any Customer exceed the amount standing to the credit of the account of that Customer and available to him for withdrawal less the total of the amounts of all cheques issued by the Customer and not yet presented to the Bank for payment.

**21.10** The Bank reserves the right to refuse payment of any cheque drawn in contravention of these and other Rules of the Bank for the time being in force.

- rate to be fixed by the Bank having regard to the Bank's usual course of business.
- 21.11** When payment of a cheque is countermanded it is agreed that the account holder will (i) indemnify the Bank against any loss resulting from non-payment of the cheque on presentment (ii) notify the Bank Promptly in writing if the cheques is/are recovered or destroyed or if the Stop Payment order is to be Canceled (iii) not hold the Bank responsible should the items be paid or certified by the Bank through inadvertence or oversight or through misdirection of the item; (iv) notify the Bank before issuing a REPLACEMENT cheque and to inscribe on the face of such cheque the word 'REPLACEMENT' and a date different from that of the cheque stopped. A countermand will not be accepted unless it is in writing and contains the correct particulars of the cheque required to be stopped. Cancellation in the countermand should also be in writing and will not take effect until a reasonable time has elapsed between the time of receipt of the cancellation and the Presentment of the cheque stopped. A stop payment order shall be effective only for six months unless renewed in writing. A charge (fixed at the discretion of the bank) will be made on each cheque for recording by the Bank of a request by a Customer to Stop payment of a cheque.
- 21.12** Credit entries relating to cheques deposited may at the Bank's discretion be reversed on the business day following the date of such entries in respect of any cheques not realised.
- 21.13** Customers shall not overdraw their accounts except by arrangement previously made with the manager.
- 21.14** The Bank will review each Current Account periodically and will make a charge, for keeping the account. In addition, the Bank will charge commissions on cheques returned unpaid for lack of funds.
- 21.15** Customers are required to maintain a minimum balance specified by the bank from time to time.
- 21.16** The Bank reserves the right of altering. Amending, or adding to these Rules and such alterations amendments or additions shall be deemed to be binding on all Customers.
- 21.17** Subject as hereinafter set out the Bank acts only as the Customer's agents for collection of the terms deposited with the Bank. It is understood and agreed that all transmission and Carriage of such items by post or otherwise to or from the drawee Bank or other paying organisation whether through the Clearing House or otherwise shall be at the sole risk and responsibility of the Customer, the Bank not being liable for any loss of, or damage to the items, under any circumstances except such as are directly attributable to any intentional wrongful act or omission of the Bank or its officers. Proceeds of cheques and other instruments so deposited will not be credited to the Customer's account until receipt of Payment by the Bank, in case where the Bank does immediately credit the Customer's account with the amounts of a collection item, the said credit so given before realisation shall always be with recourse to the Customers for the amount so credited should the item be dishonoured, the Bank being holder for value of that item. In all cases of collection items any charges paid or incurred by the Bank will be for the account of the Customers.
- 21.18** Cheques drawn in any office or branch of a Bank which is Coming within the Colombo Clearing area shall be credited to the Customer's account when paid in but, except by special arrangement may not be drawn against until the proceeds have in fact been received by the Bank.
- 21.19** Notice of dishonour of cheques or other items deposited for collection shall be given by the Bank as soon as possible after receipt thereof by the Bank.
- 21.20** Customer shall indemnify the Bank, as Collecting banker for any loss which the Bank may incur by reason of its guaranteeing any endorsements, discharge or discharges, on any cheque, bill, note, draft, dividend warrant or other instrument presented by a Customer for collection, and every such guarantee given by the Bank shall be deemed to have been given at the Customer's express request in every case.
- 21.21** The bank does not accept responsibility for any loss or damage suffered or incurred by any Customer due to any strikes, labour action, government order, law, levy, tax, embargo, moratorium, exchange restriction or any other cause of any kind whether similar to the foregoing or not which may be, or may reasonably be beyond the control of the Bank.
- 21.22** Accounts may not be overdrawn, even temporarily, unless prior written arrangements have been made with the Bank. Should an account become overdrawn, the Customer shall pay interest on the amount overdrawn at a
- 21.23** Any reference to funds herein is only to the credit balance of the account on which the cheque is drawn and I or on which credit facility is granted by the Bank.
- 21.24** The Bank may terminate all business relations with Customers who draw uncovered cheques. In this case the Bank will report the name of such void cheque drawer to the competent local authority in accordance with any rules, directions or policies in force for the time being.
- 21.25** Upon the closing of an account either by the Customer or by the Bank, all cheque forms previously issued to the Customer and remaining unused shall be the property of the Bank and the Customer shall forthwith return them to the Bank.
- (a) Loss of blank cheque forms should be immediately reported to the Bank.
- (b) Subject to the other rules set out herein in case several cheques or bills, the total amount of which exceeds the amount of the available funds, are presented simultaneously to the Bank, the Bank is entitled to choose which cheques or bills would be paid from the funds available on the account on which the drawing is made.
- 21.26** The funds in a Current Account as in all other accounts of a Customer would be considered by the Bank to be a security for all the obligations, present or future, of the Customer to the Bank and in the event of the dishonor of such obligations the Bank is entitled without notice to the Customer to utilise such funds against the obligations of the Customer to the Bank and consequently refuse payment of cheques already drawn.
- 21.27** These Rules are in addition to the rules set out on the covers of the cheque books and on paying-in-slips and cash receipts and the Bank's General Conditions and other rules posted in the lobby of the Bank.
- 21.28** The Laws and Regulations of the Government of Sri Lanka and the usual customs and procedures common to Banks in Sri Lanka will apply to and govern the conduct of Current Accounts opened by the Bank and the realisation for items lodged to the credit of each account.

## 22. RULES FOR SAVINGS ACCOUNTS

- 22.1** Deposits may be made at any branch of the Bank. Withdrawals may also be made at any of the Bank's branches, but entirely at the Bank's Discretion. Withdrawals may not be made by means of cheques.
- 22.2** Interest at such rates shall be announced by the Bank will be allowed on daily credit balances and will be credited to the depositor's account monthly, Interest will not be allowed on average credit balances as may be determined by the Bank from time to time.
- 22.3** All cheques and other monetary instruments accepted for deposit are credited subject to final payment. The Bank reserves the right to charge the depositor's accounts with items which are subsequently returned unpaid.
- 22.4** All transactions through the Automatic Teller Machines are subject to the Terms and Conditions of using those machines.
- 22.5** Any number of deposits will be allowed.
- 22.6** No interest will be paid if there are more than four withdrawals a month.
- 22.7** The Bank reserves the right to revise the rules without giving notice to the depositors.

## 23. TERM DEPOSIT ACCOUNTS.

- 23.1** There is no obligation on the part of the Bank to release to the depositor/ s the deposit or any part thereof during the currency of the term of the deposit whether original or subsequent.
- 23.2** The Term Deposit Receipt issued by the Bank to the Depositor/s at the



time of the deposit is not transferable and until the same is duly discharged by the depositor/s and delivered to the Bank by the depositor/s the deposit will not be released by the Bank.

- 23.3** The expiry of the term or period of the deposit whether original or subsequent and the delivery to the Bank of the Term Deposit Receipt duly discharged as aforesaid are to be together conditions precedent to the release of any money lying in the term deposit.
- 23.4** No interest will accrue after expiry of the date of maturity of the deposit
- 23.5** Unless, instructions are given in writing by the depositor/s to the Bank to the contrary at least seven working days before the end of any current term of the deposit, the Bank has the right and authority although it shall not be obligatory on the Bank so to do, to renew the term deposit, exclusive/inclusive (as the case may be) of the accrued interest, if any, for a further term and for successive period or terms at the end of each term for which such deposit may be lying or placed and at the sole discretion and convenience of the Bank and subject to the conditions herein contained and such other conditions (including the rate of interest and term of withdrawal) as may be prescribed by the Bank from time to time.
- 23.6** Where the term deposit or any renewal thereof is in joint names in the event of the death of any of the depositors, the survivors of such depositors will be, entitled to all the rights and powers which the depositor/s so dying had at the time of such death in respect of the term deposit.
- 23.7** So long as any monies whether in Sri Lanka Currency or any Foreign Currency may now or hereafter from time to time and at any time become due and owing whether actually or contingently primarily or collaterally or jointly or severally or as principal or surety by the depositor/s or any or either of the depositor/s the Bank shall be entitled without making any previous demand of the same from the depositor/s or any or either of the depositor/s and notwithstanding anything to the contrary in any law or contract now in force or hereafter to come into effect or existence at any time and without previous notice to the depositor/s or any or either of the depositor/s to set-off, realise, utilise, apply and appropriate the monies or currencies lying or placed in the said term deposit and any renewal thereof and the accrued interest on such monies in deposit against and in pro tanto satisfaction of all monies whether in Sri Lanka Currency or in any Foreign Currency which may be or become due or owing to the Bank as aforesaid and the authority given to the Bank in that behalf being of valuable consideration now given or hereafter to be given by the Bank to the depositor/s shall be irrevocable.
- 23.8** These rules may be amended, altered or added to by the Bank and enforced notwithstanding that the same may not have been individually notified to each depositor.

## 24. MINOR ACCOUNTS

- 24.1** The beneficiary of the Minor's Savings Account shall be the Minor who shall be termed as the Account Holder. In the event of incapacity or death of the Account Holder (Minor) moneys held in the Account will be disbursed to the parent(s) or legal guardian irrespective of the guardian to the Account.

- 24.2** The Minor in whose name the Account is opened will be the beneficiary of all the deposits / credit transactions made to the Account. Hence no withdrawals will generally be permitted from the Account until the Minor attains the age of 18 years. On reaching the age of 18 years, the account holder may opt for the following;
- Claim the funds held in the Account by surrendering the Passbook/Certificate issued on the Account and acceptable identification documents (NIC / valid Passport etc.) as required by the Bank
  - Make a written request to the Bank to transfer balance to an existing Account maintained in his/ her name.
  - Open a new Account and request to transfer balance in the Minor's Account to new Account. In such an event, minor
  - Account Holder is required to complete and submit a new Account opening form, identification documents and other documents requested by the Bank. Thereafter, if satisfied with the documents submitted, the Bank will open a new Savings Account and funds held in the Minor's Account will be transferred to the new Account. The Minor's Account will be closed upon release of funds in the Minor's Account by any of the above methods.
- 24.3** The production of the original Birth Certificate of the minor for perusal by the Bank is mandatory for opening of Minor's Accounts.
- 24.4** Any changes in Parent's / Guardian's name, address, contact information etc should be immediately notified to the Bank
- 24.5** All rates of interest are subject to fluctuations and the Bank reserves the right to vary the interest rate from time to time with or without notice to the customer
- 24.6** Balance lying to the credit in Minor's Account cannot be assigned to the Bank as security for bank advances
- 24.7** In the event the Passbook/Certificate issued is lost, stolen, misplaced or damaged, on receiving a satisfactory explanation and submission of a sufficient indemnity, the Bank may issue a fresh Passbook at a fee

**PABC Bank**  
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