

# Sri Lanka Product Terms

## 1. Introduction

- 1.1 These Product Terms are a Supporting Document as defined under the Master Services Agreement, and form part of the Relationship Documents. They should be read together with the Master Services Agreement and the Sri Lanka Country Conditions.
- 1.2 Unless otherwise defined in this document, all capitalized terms used here shall have the meanings given to them in the Master Services Agreement.

## 2. Accounts

### General

- 2.1 Each Account, if such Account is a Current Account, may be opened on production of a letter of reference from a commercial bank in Sri Lanka where a business account has been maintained by the prospective customer in such commercial bank.
- 2.2 The Bank does not recognize trusts. However, the Bank may, on exceptional cases and at the absolute discretion of the Bank, open Accounts in respect of trusts.
- 2.3 Every Account shall be given a number, which must be quoted by the Customer in all correspondence with the Bank and on all pay-in-slips.

### Deposits

- 2.4 The Bank shall decide whether a draft and/or other payment orders not drawn on the Bank are to be purchased or sent on collection. The Bank shall retain full recourse (including charges) in respect of all items purchased in the event of subsequent dishonouring by the paying bank and the Account shall be debited on receipt by the Bank of the notice of dishonour with notice to the Customer whether in writing or otherwise as the case may be.
- 2.5 Proceeds of cheques of other banks deposited and credited to the Account shall be available for withdrawal only upon realization of such cheques. Cheques drawn on other banks deposited for clearing/collection shall be subjected to the rules and regulations of Lanka Clear (Private) Ltd inclusive of all its amendments, any other relevant rules and regulations and/or legislations applicable from time to time. Any commission charges by drawee banks shall be debited to the respective Accounts with any surcharges thereon as may be applicable.
- 2.6 Deposits may be made to the Account as often as the Customer desires. All deposits made at teller counters of the Bank shall be acknowledged by validation of the deposit slip or manually under the signature of an authorized staff of the Bank on the deposit slip.
- 2.7 Notwithstanding the temporary advice issued by the cheque/cash (easy pay) deposit machine and Automated Teller Machines ("ATM/s") the Bank shall not under any circumstances or for any reason whatsoever, entertain any claims in respect of the cheques/cash said to have been deposited into cheque/cash deposit machine (easy pay) or ATMs unless cheques/cash so deposited have been credited to the Account. Cheques of other banks credited to the Account are accepted for collection only. The proceeds of such cheques shall not be available for withdrawal until cleared by the drawee bank. The funds available date shown in the Account is for indicative purposes only.
- 2.8 Cheques deposited up to the cut-off time specified at each branch of the Bank shall be taken for clearing on the same day. Cheques deposited after the cut-off time shall be taken for clearing on the next Business Day.

### Minimum balance

- 2.9 The Bank may change the initial deposit required for an Account with notice to the Customer, subject to clause 2.10. The Bank may however open Account/s with lower initial deposits at its discretion.
- 2.10 The Bank may with thirty (30) Business Days' notice introduce a minimum balance required to be maintained in the Account and where such requirement is not met by the Customer the Bank may levy transaction charges and/or service charges as provided in the Bank's prevailing standard fees and charges.

### Advices

- 2.11 The Bank shall not send separate Account advices to the Customer by post for cash deposits, cash cheque withdrawals, cheque deposits and other debit/credit transactions unless so done at the requirements of the Bank.

## 3. Cheques

### Cheque Books

- 3.1 On request, the Customer, where the Account is a Rupee Current Account, shall be supplied with a cheque book/s printed with Magnetic Ink Character Recognition. The Customer shall be charged for the cheque books, which includes the government stamp duty prevalent (if any) and the cost of printing of the cheque books as specified in the Bank's Tariff of Charges.
- 3.2 The Bank shall upon receipt of all cheque book application requests, deliver the required cheque book to the Customer by post, to the address recorded by the Bank. The Bank assumes no responsibilities for any delay or loss incurred by any mode of forwarding.
- 3.3 Upon receipt of a new cheque book, the Customer should verify the cheque serial numbers, Account number and the name of the Customer printed thereon as well as the number of cheques before use. Any irregularities should be promptly reported to the Bank.
- 3.4 Prior to drawing any cheques, the Customer must read the conditions of issue, printed on the inside of the front cover of the cheque book. The Customer is bound by such conditions or amendments to the conditions of issue, from time to time.
- 3.5 The Customer should ensure that the cheque books are kept in a safe place when not in use.
- 3.6 The Bank shall not issue Cheque Books to Customer where the type of the account to be opened does not permit the operation of the account by the use of a cheque book.

### Drawings

- 3.7 Customer should sign cheques in accordance with the mandate and specimen signature(s) given to the Bank. Any changes to the signature or signatories should be promptly advised to the Bank in writing by the Customers.
- 3.8 The cheques should be written clearly in permanent ink and only on cheque leaves supplied by the Bank. Each alteration should be confirmed by the drawer's full signature/s. The Customer acknowledges that the Bank shall not be liable for losses arising from alterations that cannot be readily detected.
- 3.9 The Customer should immediately instruct the Bank in writing if cheque leaves are lost, stolen or misplaced, in order to stop payment by providing the cheque number, date, amount and the payee's name. The Bank shall act on stop payment instructions received via fax for Customers who have empowered the Bank by providing an indemnity. All such instructions shall take effect only if the cheque/s concerned

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has/have not been paid up to the time of receipt of such instructions.

(b) any incorrect, wrongful, fraudulent or unauthorised payment made using the CEFTS Facility.

## 4. Time Deposits

- 4.1 Time Deposits may be uplifted only on maturity. Maturity proceeds of any Time Deposits will be made available only on the immediately succeeding Business Day from the maturity date provided instructions have not been given to re-invest the funds.
- 4.2 However, the Bank may release Time Deposits before maturity upon duly authorised (according to the mandate given to the Bank) written requests made by the Customer. Time Deposits released before maturity are subject to penalty charges as specified in the Bank's Tariff of Charges.
- 4.3 Any upliftment of the Time Deposits for consolidation with further deposit and re-depositing to increase amount of the existing Time Deposit before maturity shall also be subject to penalty charges as specified in the Bank's prevailing standard fees and charges.
- 4.4 In the absence of specific instructions to the contrary Time Deposits will on maturity be renewed for a similar period at the rate of interest prevailing on the day of maturity.
- 4.5 In the event the regulators impose restrictions on withdrawals and interest payments on Time Deposits the Customer shall be bound by such restrictions.
- 4.6 Subject to Clause 4.4 the contracted rate of interest of Rupee Time Deposits will not be varied until maturity.

## 5. The CEFTS Facility

- 5.1 The Customer may use "the CEFTS Facility" which is the 'Common Electronic Fund Transfer Switch' which is a payment platform operated by Lanka Clear (Private) Limited under the approval and guidance of the Central Bank of Sri Lanka in order to effect on-line real time fund transfers and/or payments from the Account.
- 5.2 The Customer when using the CEFTS Facility will be required to abide by the rules and regulations imposed by Lanka Clear (Private) Limited and/or the Central Bank of Sri Lanka and such rules and regulations as may be amended from time to time by such authorities.
- 5.3 For the avoidance of doubt the Bank shall be entitled to debit and/or credit as may be relevant the Account/s of the Customer on the immediately following Business Day for any transactions which fall within the category of 'time out' transactions under the rules and regulations of Lanka Clear (Private) Limited.
- 5.4 The Bank shall not be held responsible and/or liable by the Customer and or any third party claiming from the Customer in respect of any interruption, interception, suspension, delay, loss, unavailability and/or other failure whatsoever in providing the CEFTS Facility and/ or in transmitting instructions or information relating to the said CEFTS Facility, which is caused by any circumstance beyond the reasonable control of the Bank and/or LankaClear (Private) Limited.
- 5.5 The Customer shall indemnify the Bank indemnified against any liability, direct, indirect or consequential losses (whether loss of profit or otherwise), damages or expenses of whatsoever nature and all actions, proceedings, claims, losses, damages, costs and expenses which may be brought against the Bank or suffered or incurred by the Bank and its officers whether by the Customer or any third party in connection with ;
  - (a) the Bank providing the CEFTS Facility and/or failure or delay in providing the CEFTS Facility; or