



GENERAL TERMS AND CONDITIONS

APPLICABLE FOR CUSTOMER ACCOUNTS,
DEALINGS & TRANSACTIONS

HATTON NATIONAL BANK PLC PQ 82
GENERAL TERMS AND CONDITIONS - VERSION 2
Applicable for Customer accounts, dealings and transactions

1. APPLICATION

These general terms and conditions (hereinafter referred to as the "Terms and Conditions" where the context admits or requires and which term or expression shall include the terms, conditions and rules for Channel Banking Services, Current Accounts, Terms Deposit Accounts and Savings Accounts herein contained designated in Sri Lanka Rupees or otherwise) will apply to the Customer accounts, dealings and transactions with Hatton National Bank PLC (HNB) (Registration No: PQ 82) (also referred to as "HNB" or the "Bank") and its successors and assigns and which term shall include any of its branch.

These terms and conditions shall "*Mutatis Mutandis*" (with the necessary changes in points of details) apply to all Customers including but not being limited to Individuals, partnerships, incorporated and unincorporated bodies.

The Bank reserves the right to alter, amend or add to these Terms and Conditions, and such alteration, amendment, or addition shall be deemed to be binding on all Customers.

Every amendment to these Terms and Conditions shall be made available in the official WEBSITE of HNB.

2. BANK ACCOUNT

It is hereby agreed that the Bank shall be authorized to act on signed instruction or document drawn or accepted in accordance with the operating instruction given in the Account Opening Application Form (hereinafter referred to as the "**Mandate**") until such time as the Customer shall give the Bank written notice to the contrary:

- (i) for making payment of a cheque, bill of exchange, promissory note, standing order, direct debit, issue of draft, electronic fund transfer and telegraphic transfer, purchase and sale of securities and foreign currency and giving eff etc. to and any other instruction by debiting such account whether in credit or otherwise; and
- (ii) to accept any other instruction regarding such account including instruction for the closure of such account.

3. CHEQUE BOOK

- (i) The Bank may also in its absolute discretion issue a cheque book on a Current Account. Where a cheque book is issued, the Customer shall be responsible for its safe custody at all times and notify the Bank forthwith if such cheque book or any cheque leaf contained therein is lost, stolen or misused.
- (ii) The Bank at its absolute discretion accepts from the Customer any instruction for stop payment of a cheque leaf (either verbally or in writing) verbal request should be followed by a written confirmation on the same day.

4. OVERDRAFT

- (i) A Customer shall be liable for any overdraft or other facilities arising in connection with any of his accounts with the Bank and the Customer hereby specifically authorizes the Bank to debit any such account with all or any interest (including computed interest) commission and other Banking charges, cost and expenses (including any legal cost) incurred in connection therewith at such rates as may be determined by the Bank from time to time in its absolute discretion. The Customer shall also pay to the Bank such amounts of money in the manner and at such times as may be required by the Bank in its absolute discretion.
- (ii) Where any amount of money is so credited to such account whilst an overdraft or other Banking facilities in connection therewith is in force, such amount shall firstly be applied by the Bank to set-off any interest (including compound interest) payable until the interest due is paid in full. Thereafter any such amount so credited shall be applied to set-off the principal amount of any such overdraft or any other banking facilities.

5. DEPOSITS AND WITHDRAWALS

Deposit/s and the withdrawal/s are governed by the laws in force at present in Sri Lanka. The Bank has the discretion to allow withdrawal of monies at any branch in Sri Lanka, subject to the production of evidence of an identity, satisfactory to the Bank and on payment of any customary charges that may be levied by the Bank from time to time.

6. MAINTAINING ACCOUNTS

(i) Periodic Balance Statements

Unless otherwise agreed upon, the Bank will issue periodic balance statement on the Customer's account at such intervals to be determined by the Bank.

(ii) Time Allowed for Objection

Any objection a Customer may have concerning the correctness 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 on immediate receipt of such statement. In the absence of any objection within the period specified above, the periodic statement shall be deemed to be correct and binding.

7. JOINT ACCOUNT AND PARTNERSHIP ACCOUNT

- (i) 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 may be granted on such account together with all interest, commission and such other banking charges and expenses.
- (ii) In the event of the death of one or more of the joint account holders, the Bank shall pay, deliver to or to the order of the surviving account holder or account holders all the money, security, deeds, documents, and other property (including safe deposit lockers and other contents) whatsoever or held by the Bank for, or standing to the credit of any account in the joint account holders' name, without referring to the legal heirs or representatives of the deceased joint account holder/s.
- (iii) The Bank shall be fully discharged of its obligations towards the joint account holder/s upon receiving the notice of death of one or more of the joint account holder/s and on payment of or delivery to or to the order of the surviving joint account holder/s all monies, securities deeds, documents and other properties whatsoever standing to the credit of or held by the Bank for any account whatsoever.
- (iv) Partnership account holders are jointly and severally liable for all transactions processed by the use of the facilities permitted to be provided by the Bank.

8. TERMS AND CONDITIONS FOR SAVINGS ACCOUNT/s

- (i) Deposits may be made at any branch of the Bank. Withdrawals may also be made at any such branch of the Bank subject to the provisions of Section 5 of these Terms and Conditions.
- (ii) Customer hereby undertakes to immediately notify the Bank about changes to the material information provided to the Bank such as National Identity Card, Address/es, Mobile Number/s and E-mail Address/es etc.
- (iii) An account which is inactive for a period of more than 24 months will be classified as Dormant Account.
- (iv) An account which carries less than the required minimum balance and which is inactive for a period more than 24 months may be closed by the Bank, without prior notice. An active account which carries less than the required minimum balance will be levied with a monthly charge decided by Bank time to time. Such accounts may be closed at the discretion of the Bank after giving prior notice to customer.
- (v) Cheque/s/Draft/s and money orders may be accepted to the credit of Savings Accounts only at the sole discretion of the Bank.
- (vi) Interest on savings account will not be held for IBU customers.
- (vii) Savings Account holder has an option to request for E-Statement facility or Passbook, the safety of which will be the account holder's responsibility. The Bank must be notified in writing without delay if the Passbook is lost, stolen or misplaced.
- (viii) Any money deposited or withdrawn will be recorded in the Pass Book by the Bank where applicable if the pass book is presented at the counter. An Account holder shall examine the entries of his Pass Book carefully before leaving the Bank and satisfy himself that the entries made therein are correct. Any discrepancy must be notified to the Bank forthwith.
- (ix) The Pass Book should be presented at least once in every six (06) months to have all transactions recorded therein. Transactions carried out prior to three (03) years from the date of presentation of the Pass Book will not be available for recording in the passbook. The Bank will not retain records of transactions exceeding the period of statutory requirement.
- (x) Subject to paragraph (vii) of this section, the Bank reserves the right to mail by ordinary post, at its discretion the statement of transactions not recorded in the Pass Book.
- (xi) Withdrawal in cash can be made by the Account Holder from an Automated Teller Machine (hereinafter referred to as the "ATM") or at the Bank counter upon the production of the Pass Book and a correctly completed withdrawal form. When making an over-the counter withdrawal, a Savings Account holder may produce his Passbook and the NIC or any other identification accepted by the Bank together with the correctly completed withdrawal form.
- (xii) Any transaction through an ATM / Cash Deposit Machine (BDM or CDM) and other digital channels is subject to the terms and conditions for the use of such machine.
- (xiii) In an event the any Savings Pass Book issued by the Bank to an account holder is lost, same may be issued in duplicate at the discretion of the Bank upon the account holder making a written request with connected document and same is subject to a charge which will be levied by the Bank time to time.
- (xiv) The account holder/s deemed to have given consent to the prescribed officers of HNB verifying the authenticity of the particulars relating to the National Identity Card via the information system of the Department for Registration of Persons.
- (xv) The account holder/s deemed to have given the consent to the authorized officers of HNB to capture his / her photograph for the purpose of identification.

(xvi) Sri Lanka Deposit Insurance Scheme was implemented in terms of the Sri Lanka Deposit Insurance Scheme Regulations No. 1 of 2010 imposed by the Central Bank of Sri Lanka (the CBSL) under the Monetary Law Act No.58 of 1949. With the enactment of the Banking (Special Provisions) Act, No. 17 of 2023, the Deposit Insurance Scheme of Sri Lanka was legally instituted and named as the Sri Lanka Deposit Insurance Scheme. Further details relating to the said Sri Lanka Deposit Insurance Scheme is made available in the CBSL website.

9 TERMS AND CONDITIONS FOR A CURRENT ACCOUNT

- (i) Hours of business of the Bank will be as declared by the respective branches of the HNB.
- (ii) Interest will not be paid on any balance remaining in the Current Account.
- (iii) Customer hereby undertakes to immediately notify the Bank about changes to the material information provided to the Bank such as National Identity Card, Address/es, Mobile Numbers and E-mail Address/es etc..
- (iv) A cheque book will be provided on payment of a nominal charge for eligible Current Accounts. However, taxes and other charges levied by the Government of Sri Lanka and the Clearing House will be debited to the Current Account, at the time of processing the cheque book.
- (v) In using cheque/s, careful attention is required in respect of the following:
 - An unauthorized person should not be allowed to access a cheque book. The Bank shall not be held responsible in the event of a cheque being honored on a forged signature due to the negligence of the Customer in securing the cheque book issued to the Customer.
 - In issuing a cheque, the amount for which it is drawn must be clearly written both in words and figures, and no space shall be left facilitating the addition of any figure as the case may be or words thereafter.
 - Should it become necessary to make any alteration on a cheque, such alteration must be authenticated with the full signature of the drawer.
 - The Bank may decline to pay on any cheque bearing a date six (06) months or more prior to the date of presentation for payment validity. If specified validity period is not printed
 - The Bank does not accept any responsibility in the event of a postdated cheque being inadvertently paid and debited to the account of the Customer. A postdated cheque is one which bears a date subsequent to the date on which it is presented for payment.
 - The Bank is not bound to pay a cheque against unrealized proceeds.
 - The branch must be notified forthwith in writing, in the event of a loss of a cheque leaf or the cheque book issued to a Customer.
- (vi) A Customer is required to obtain the signature of an officer of the Bank to cash deposit into his account, on the relative counterfoil or receipt, unless printed by the Bank's Cash Teller machine or Cash Deposit Machine (CDM) provided for this purpose.
- (vii) A Customer in making a withdrawal from his account must not draw in excess of the available balance, unless a prior arrangement has been made with the Bank. In any event
the Customer is liable to pay interest at the applicable rate in respect of such sum paid in excess of the available cleared balance as at that date in his account.
- (viii) A Customer should take into account all the cheques that have been issued but have not been presented to the Bank for payment, in determining the balance available for the issuance of a further cheque.

- (ix) The Bank will furnish to each Current Account holder a statement of account at such intervals as may be requested by the Customer, or in the absence of any instructions by the Customer the statements shall be sent in such intervals as may be determined by the Bank. The statement of account should be carefully checked on being received and any discrepancy therein should be brought to the notice of the Bank immediately. The Customer also has an option of requesting for e-statements in lieu of the hard copy Hard copies issued by the bank on its standard format does not need to carry signatures of the Bank officers.
- (x) The Bank will charge commissions where applicable, for services provided. Further the Bank will impose a charge on every cheque dishonored or payment on which is stopped by the account holder. The Bank will also record instructions received from a drawer to stop payment on a cheque. However, the Bank shall not be held responsible in case it fails to follow such instructions.
- (xi) Any transaction through an ATM/Cash Deposit Machine (BDM or CDM) and other digital channel is subject to the terms and conditions for the use of such machine.
- (xii) No nomination will be accepted for the monies lying in the Current Account.
- (xiii) An account which is inactive for a period of more than 24 months will be classified as Dormant Account
- (xiv) The account holder/s deemed to have given consent to the prescribed officers of HNB verifying the authenticity of the particulars relating to the National Identity Card via the information system of the Department for Registration of Persons.
- (xv) The account holder/s deemed to have given the consent to the authorized officers of HNB to capture his / her photograph for the purpose of identification.
- (xvi) Sri Lanka Deposit Insurance Scheme was implemented in terms of the Sri Lanka Deposit Insurance Scheme Regulations No. 1 of 2010 imposed by the Central Bank of Sri Lanka (the CBSL) under the Monetary Law Act No.58 of 1949. With the enactment of the Banking (Special Provisions) Act, No. 17 of 2023, the Deposit Insurance Scheme of Sri Lanka was legally instituted and named as the Sri Lanka Deposit Insurance Scheme. Further details relating to the said Sri Lanka Deposit Insurance Scheme is made available in the CBSL website.

10. TERMS AND CONDITIONS FOR A DEPOSIT ACCOUNT

- (i) The Bank shall be under no obligation to release to a depositor the deposit or any part thereof during the tenure of the term of the deposit whether it is the original deposit or the renewed deposit.
- (ii) Any Term Deposit Certificate /Receipt issued by the Bank to a Depositor at the time of making the deposit is not transferable.
- (iii) The expiry of the term or period of the deposit whether it is the original deposit or the renewed deposit and the delivery to the Bank of the certificate / receipt duly discharged / customer request as per mandate are generally required to be release of any money lying in term deposit.
- (iv) Customer hereby undertakes to immediately notify the bank about changes to the material information provided to the Bank such as National Identity Card, Address/es, Mobile Number/s and E-mail Address/es etc.,.
- (v) No interest will accrue after the expiry of the date of maturity of a deposit or after demise of the deposit holder.

- (vi) Unless instructions to the contrary are given in writing by the depositor to the Bank at least seven (07) working days before the end of the current term of a deposit, the Bank has the right and authority, although it shall not be obligatory for the Bank to do so, to renew the term deposit together with the accrued interest, if any, for a further term at the discretion of the Bank, subject to the terms and conditions herein contained or such other and further conditions the Bank may deem necessary.
- (vii) In an event the any Term Deposit Certificate /Receipt issued by the Bank to a Depositor is lost, same may be issued in Duplicate at the discretion of the Bank upon the Depositor making a written request and same is subject to a charge which will be levied by the Bank time to time.
- (viii) The account holder/s deemed to have given consent to the prescribed officers of HNB verifying the authenticity of the particulars relating to the National Identity Card via the information system of the Department for Registration of Persons.
- (ix) The account holder/s deemed to have given the consent to the authorized officers of HNB to capture his / her photograph for the purpose of identification.
- (x) Sri Lanka Deposit Insurance Scheme was implemented in terms of the Sri Lanka Deposit Insurance Scheme Regulations No. 1 of 2010 imposed by the Central Bank of Sri Lanka (the CBSL) under the Monetary Law Act No.58 of 1949. With the enactment of the Banking (Special Provisions) Act, No. 17 of 2023, the Deposit Insurance Scheme of Sri Lanka was legally instituted and named as the Sri Lanka Deposit Insurance Scheme. Further details relating to the said Sri Lanka Deposit Insurance Scheme is made available in the CBSL website.

11. TERMS CONDITIONS FOR CHANNEL BANKING

(A) INTERNET BANKING

- (i) The Password/user ID OR the OTP (One Time Password) required for the use of **"Internet Banking"** facility is strictly confidential and should not be disclosed to any person at any time under any circumstances.
- (ii) The Password/s will be emailed to the Email Address/es given by the customer on the application. The Bank is not responsible once the password is emailed to the Email Address/es given by the customer.
- (iii) The Bank must be informed forthwith by the Customer where his Password/user ID has fallen into the hands of an unauthorized party.
- (iv) The Bank's records and statements of all transactions processed by the use of **"Internet Banking"** facility shall be deemed sufficient and conclusive proof of such transactions and would be binding on a user for all purposes.
- (v) The Bank reserves the right to accede, not process and/or delay processing any instruction given by a user through the use of **"Internet Banking"**.
- (vi) For avoidance of any doubt it is hereby confirmed that the terms and conditions governing a Current Account/Savings Account and such other applicable account would be binding on a user of **"Internet Banking"** facility.
- (vii) Usage of **"Internet Banking"** facility will be subject to scrutiny from time to time and the facility may be withdrawn by the Bank at its absolute discretion.
- (viii) **License for Software and Documentation** - When extending Electronic Banking Services (which shall include but not limited to **Internet Banking**) the Bank will grant the Customer a nontransferable non-exclusive license 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 Services 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 to access 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.

- (ix) The Bank will not assume any responsibility whatsoever, for the non-availability of the online balance of account immediately after the conclusion of a transactions through **Internet Banking**, due to any technical failure.
- (x) Availing of **Internet Banking** facility is subject to a service charge levied by the Bank time to time.

(B) MOBILE BANKING

- (i) The Passcode /user ID or the OTP (One Time Password) required for the use of **Mobile Banking** facility is strictly confidential and should not be disclosed to any person at any time under any circumstances. Also if your login from the same phone you can login with only user Id and passcode without the OTP, however you can logout completely to unsave your user ID from the mobile app
- (ii) I/We shall register with the Bank my/our mobile phone unit/s by disclosing my/our mobile phone number/s and/or any other information the Bank may require for the provision of this service to me/us as maybe requested by the Bank.
- (iii) In the event I/We agree to login to HNB Mobile Banking Service using biometrics ie. using facial measurements, finger print or voice, I/We authorize the Bank to save the facial measurements and the voice. However, I/We hereby acknowledge that the fingerprint will not be saved by the Bank but shall be saved on the mobile phone unit/s registered for HNB Mobile Banking Service. Therefore, I/We agree and acknowledge that I/We understand the importance of keeping the mobile phone unit/s with me/us at all times and not allow third party to access my mobile phone unit/s for any reason whatsoever.
- (iv) The Bank may assume that there is no change in the status, Income levels or KYC details as previously declared to the bank. If there is a change, I / We agree to inform bank immediately.
- (v) The Bank shall be entitled to assume that any instructions received by the Bank through my/our registered mobile phone unit/s and/or mobile phone number/s and/or through the use of my/our mobile PASSCODE/s have been originated by me/us and shall be entitled to act thereon without any further inquiry.
- (vi) The Bank shall not be liable or responsible for any losses, damages, expenses or detriment suffered or incurred by me/us as a result of the Bank acting upon instructions received through my/our mobile phone unit/s and/or mobile phone number/s and/or through the use of my/our mobile PASSCODE/s even if such instructions may not have originated from me/us provided the Bank has acted in good faith.
- (vii) I/We hereby authorize the Bank to debit my/our account and/or my/our relevant card account where applicable with the amount of any transaction effected through HNB Mobile Banking Service (the card account to be debited only in respect of transactions effected on the card) with the use of my/our mobile phone unit/s and/or mobile phone number/s and/or mobile PASSCODE/s whether with or without my/our knowledge or authority.

- (viii) I/We hereby authorize the Bank to debit my/our bank account and/or my/our relevant card account with all charges inclusive of legal fees or other statutory charges if any relating to the use of HNB Mobile Banking Service (the card account to be debited only in respect of charges relating to transactions effected on the card).
- (ix) At no time shall I/We use or attempt to use the HNB Mobile Banking Service for effecting transactions unless sufficient funds are available in my/our account for carrying out such transactions. I/We agree that the Bank is under no obligation to honor my/our payment instructions unless there are sufficient funds in my/our designated account at the time of receiving my/our payment instructions.
- (x) I/We understand and accept that transmission of data via the HNB Mobile Banking Service cannot be guaranteed to be error free due to the inherent nature of electronic transmissions. I/We accept and agree that this service is provided on an available basis and the Bank will not be liable or responsible for any losses, damages or inconvenience which I/We may incur or suffer by using the service including due to interruptions or non-availability of the service at any time or from time to time for any reason whatsoever or due to loss of data, data transmission errors or corruption that may occur in the use of the service or for any other reason whatsoever.
- (xi) I/We accept and agree that the Bank will not be responsible or liable for non-availability of this service due to any technical or other defect in the registered mobile phone/s and or disconnection of the mobile phone/s for whatsoever reason which will automatically disable me/us from using this service.
- (xii) I/We understand and agree that third party fund transfers maybe effected under HNB Mobile Banking Service subject only to conditions as maybe imposed by the Bank from time to time.
- (xiii) The HNB Mobile Banking Service will be available on all bank accounts maintained at the Bank, whether now opened or opened in the future. However, I/We understand and agree that the HNB Mobile Banking Service may be restricted to certain types of accounts and account operations at the sole discretion of the Bank of which the Bank may inform me/us from time to time
- (xiv) The use of HNB Mobile Banking Service shall be subject to the Banks prevailing General Business Conditions governing all services, facilities and transactions available under HNB Mobile Banking Service and specific terms and conditions governing such services, facilities and transactions.
- (xv) I/We confirm and assure the Bank that all data transmitted to the Bank including those for or in connection to HNB Mobile Banking Service is accurate complete conclusive and binding on me/us and I/We shall let the Bank know immediately of any errors, discrepancies or omissions which may have occurred inadvertently or otherwise.
- (xvi) If my/our bank account is a Joint bank account, I am/We are inter-alia jointly and severally bound by these terms and conditions and are jointly and severally liable for all transactions processed by the use of this service irrespective of whether the instructions have been given by one party or the other. In the event there are more than one signatory to the account all signatories will be jointly and severally bound for all transactions conducted by another signatory and until and unless all the relevant signatories to the bank account authorize the transaction on HNB Mobile Banking Service, such transaction shall not be processed.
- (xvii) I/We shall keep the mobile Personal Identity Number/s (PASSCODE) for Mobile Banking Services strictly confidential and undertake not to reveal such PASSCODE to any person at any time or under any circumstance. Mobile PASSCODE shall mean the original mobile Personal Identity Number/s (PASSCODE) confidentially generated for me/us by the Bank and any substitution effected by me/us thereon or PASSCODE generated solely by me/us at the time of registration for HNB Mobile Banking Service.

- (xviii) The Bank's records and statements of all transactions processed by the use of **Mobile Banking** facility shall be deemed sufficient and conclusive proof of such transactions and would be binding on a user for all purposes.
- (xix) The Bank reserves the right to accede, not process or delay processing any instruction given by a user through the use of **Mobile Banking**.
- (xx) Usage of **Mobile Banking** facility will be subject to scrutiny from time to time and the facility may be withdrawn by the Bank at its absolute discretion.
- (xxi) The Bank will not assume any responsibility whatsoever, for non-delivery of SMS due to technical failure. The Customer shall be responsible for the selection and maintenance of the equipment and the related transmission link used to engage in the **Mobile Banking**. Space should be provided
- (xxii) Only the "Approximate value" will be displayed via SMS ALERT when currency conversion rates are utilized for the processing of a transaction.
- (xxiii) Unless otherwise decided by the Bank, Mobile Banking facility will not be available for business entities including Corporate Customers which have more than one Director.
- (xxiv) Availing of **Mobile Banking** facility is subject to a service charge levied by the Bank time to time.
- (xxv) understand and accept that transmission of data via the HNB Digital Banking Service cannot be guaranteed to be error free due to the inherent nature of electronic transmissions. I/We accept and agree that this service is provided on an available basis and the Bank will not be liable or responsible for any losses, damages or inconvenience which I/We may incur or suffer by using the service including due to interruptions or non-availability of the service at any time or from time to time for any reason whatsoever or due to loss of data, data transmission errors or corruption that may occur in the use of the service or for any other reason whatsoever.

(C) ATM BANKING / DEBIT CARD

The Customer shall-

- (i) at all times regard the Card (for avoidance of any doubt the word "Card" herein used shall mean and include a debit card but shall exclude a credit card as the property of the Bank and surrender it unconditionally and without reservation upon demand by the Bank.
- (ii) at no time use or attempt to use the Card unless there are sufficient funds in the account to cover the withdrawal or transfer.
- (iii) use the Card exclusively as it is not transferable.
- (iv) not use or attempt to use the Card after a notification of its cancellation or withdrawal has been given to him by the Bank or by any person acting on behalf of the Bank.
- (v) not under any circumstances disclose/share the Personal Identification Number (**PIN**) allotted to the customer or the OTP (One Time Password) to any other person to facilitate the use of the Card in the Bank's ATM or online platform respectively.
- (vi) notify the Bank forthwith of the loss or theft of the Card and shall bear the replacement cost of the card as may be prescribed by the Bank.
- (vii) accept full responsibility for any transaction processed from the use of the Card except any transaction carried out after the Bank shall have confirmed to the Customer that it has received notice of loss or theft of the Card or of unauthorized acquisition of the PIN.
- (viii) subject to para (vii) above, accept the Bank's record of withdrawals and/or transfers as conclusive and binding for all purposes and authorize the Bank to debit his account with any amount withdrawn / transacted or transferred with or without his knowledge or authority.

- (ix) acknowledge that the amount stated on the ATM Screen or a printed inquiry slip or receipt advice shall not for any purpose whatsoever be taken as conclusive of the state of the Customer's account with the Bank.
- (x) not hold the Bank liable, responsible or accountable in any way whatsoever for any loss or damage howsoever arising or caused by any malfunction or failure of the Card, the ATM or the insufficiency of funds in the ATM.
- (xi) notwithstanding and without prejudice to the generality of the provisions of para (x) above, use of the Card at his own risk and the Customer shall assume any risk incidental to or arising out of the use of the Card.
- (xii) agree that the Bank will not be responsible for the transactions with the Card not being honored for any reason whatsoever.
- (xiii) return the Card for cancellation should it be no longer required or should the account with the Bank for any reason be closed.
- (xiv) agree that the Bank shall be at liberty to terminate the facility at any time without notice to the Customer by cancelling or refusing to renew the Card.
- (xv) agree that every Card Transaction effected in a currency other than the Sri Lankan Rupee will be debited to the Customer's Account after conversion into Sri Lankan Rupees at a rate of exchange determined on the exchange rate adopted by Visa International on the date of conversion and increased by an additional percentage levied by the Bank and any transaction fee charged by Visa International to the Bank, if applicable, which fee may be shared with the Bank.
- (xvi) not use his Card to make payment for purchases of Real Estate or Financial Assets overseas.
- (xvii) Use the Card as per Foreign Exchange Act, Payment and Settlement Act or any other regulation that may come into effect from time to time.
- (xviii) The card should be operated in accordance with the Foreign Exchange Act No 12. of 2017, Payment and Settlement Systems Act No 28 of 2005 (as may be amended from time to time) and any other regulation that may come in to account from time to time. The Debit/ Credit card should not be used for import of goods to Sri Lanka for commercial purposes.

(D) Using SSDs

The Customer hereby agrees to:

- (i) exercise caution and vigilance when using Self Servicing Machines such as Cash Recyclers/Cash Deposit/Cash Withdrawal and Cheque Deposit Machines (collectively referred to as "**SSMs**") and to report any inconvenience experienced by the Customer during use of such SSMs' including but not limited to SSM malfunction which shall include but not be limited to incorrect dispensing of cash, failures of digital and mechanical safe locks and malfunctions of software, firmware or hardware of the said SSMs', technical failure, or any suspicious activity involving the SSMs'(collectively referred to as "**Incidents**").
- (ii) adhere to the Guidelines given below in the event of the occurrence of such Incidents.

(E) Incident Reporting and Investigating:

The Customer shall

- (i) promptly report the incident to the Bank using the Bank's designated communication channels, including but not limited to phone, email or in-person by visiting the nearest branch of the Bank.

- (ii) In doing so the Customer is required to provide accurate details of the Incident, including time, date, location, device details and nature of the issue to facilitate timely investigation and resolution by the Bank.

(F) Turnaround Times for Determining the Cause, Response and Rectification:

- (i) Upon receipt of a complaint or notification regarding an Incident received through designated communication channels, the Bank shall acknowledge receipt within Three hours and provide updates on the progress of the investigation of the Incident and the expected Turnaround Times for determining the cause, Resolution and Rectification.
- (ii) The actual Turnaround Time may vary depending on the complexity and nature of the Incident, but the Bank will take every effort to resolve the issue expediently and keep the Customer informed throughout the process.

(G) Disclaimer:

Customer Admission to Use Bank Channels for Communication:

- (i) By using the Bank's services, including the use of SSMs, the Customer acknowledges and agrees to communicate with the Bank through designated communication channels for reporting incidents, feedback, inquiries, or complaints.
- (ii) The Customer is encouraged to utilize the bank's designated communication channels to ensure efficient handling and resolution of any issues or concerns. The use of unauthorized communication channels may result in delayed response or resolution.

12. OTHER TERMS AND CONDITIONS

(i) COST OF BANKING SERVICES

(a) Interest and Charges

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

(b) 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.

(c) Changes in Interest and Charges

In the case of a variable interest rate facility, 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.

(d) 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 under these General Conditions, any Special Conditions or any other agreement between the Bank and the Customer, including legal expenses.

(e) Taxes and other Levies

The Customer shall also be liable to reimburse the Bank all taxes stamp duties or other levies if applicable which may be payable on the transactions carried out by the Bank with the Customer.

(ii) 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 equivalent thereof) in form and substance acceptable to the Bank before the Bank permits the 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.

In an event of a Nomination is available to the monies lying in an account, releasing of funds will be done according to such nomination given and such nomination will supersede all other instructions including the provisions in a Last Will.

(iii) FOREIGN CURRENCY RISK DISCLOSURE

The Customer hereby declares that he/she is fully aware of the risks of losses involved in foreign currency investments and the Customer is willing and able to assume the financial and other risks involved and that the Customer will in no way hold the Bank responsible for any loss which the Customer may incur in connection therewith.

(iv) SET-OFF AND LIEN**(a) 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 documents required by the Bank for the purpose herein.

(b) Secured Claims

The lien and security right serve to secure all existing, future and contingent claims arising from the banking relationship (whether arising under these Terms and 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.

(c) Interest and Dividend Coupons

Where 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.

(v) BANKING SECRECY

The Bank has a 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 a 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.

(vi) DATA PRIVACY

By signing the Mandate for any account type opened by the customer and maintained at the Bank the customer hereby specifically agrees and grant consent to the following *:

- (i) Processing of customer's personal data for direct marketing messages through email and / or any other channel such as SMS, telemarketing etc.
- (ii) Exposing customer data to third party service providers for statement printing card embossing etc.
- (iii) To store such personal data ** outside Sri Lanka and to be subjected to non-Sri Lanka jurisdiction.

* subject to the right of withdrawal of such consent in terms of Sec 14 (1) of Personal Data Protection Act No 09 of 2022.

** "Personal Data" means any information that can identify a data subject directly or indirectly by reference to -

- (a) an identifier such as a name, an identification number, location data or an online identifier, or
- (b) one or more factors specific to the physical, physiological, genetic, psychological, economic, cultural or social identity of that individual or natural person.'

(vii) DISCLOSURE

The Customer hereby authorizes the Bank to disclose any information relating to him or his transactions or accounts to:

- (i) 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
- (ii) Any actual or potential assignee, participant or contractual party in connection with any rights or obligations of the Bank in relation to the Customer.

(viii) 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 Conditions), the principles of contributory negligence shall determine the extent to which the Bank and the Customer shall have to bear the loss.

(ix) INDEMNITY

The Customer shall indemnify the Bank against any or all claims, demands, actions, damages, liabilities, costs, losses, expenses and other sums which the Bank may incur or suffer 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.

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.

(x) PRESCRIPTION

Any monies due by the Customer to the Bank in respect of a 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.

(xi) FORCE MAJEURE

The Bank shall not be liable for any loss nor 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 learning/settlement agency or central depository).

(xii) INFORMATION AND NOTICES

- (a) The Customer shall notify the Bank without delay in writing of any changes in the Customer's name, address, email address, contact numbers and other particulars, as well as the termination of, or amendment to any powers of representation towards the Bank conferred on any person (in particular, a power of attorney) or the authority of any person. This notification duly also applies to any change 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.
- (b) All information regarding the trade, business or occupation and financial condition or any material change in respect thereto of the Customer will be furnished by the Customer to the Bank.
- (c) Particulars of any litigation or potential litigation which may tend to affect the Customer's financial capacity shall be disclosed by the Customer to the Bank.
- (d) 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 last known address, telex number or facsimile number or e-mail address of the Customer known to the Bank), and any such communication shall be deemed to have been received by the Customer two (02) 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).

13. TERMINATION**(i) Termination Right of the Customer**

Unless the Bank and the Customer have otherwise agreed in writing to a termination provision, the Customer may at any time, with reasonable prior written notice, terminate the business relationship as a whole or any particular business relation arising out of the duly signed and accepted Mandate. Provided however, that any such termination shall not affect the rights which have accrued to the Bank prior to such termination.

(ii) 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 any business relationship as a whole or any particular relation arising out of the duly signed and accepted Mandate, 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.

(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 any time by the Bank in its discretion without prior notice.

(c) Termination for reasonable cause without notice

Termination of the business relationship as a whole or of a particular relation arising out of the duly signed and accepted Mandate, without notice, is permitted if there is reasonable cause, which makes it unacceptable to the Bank to continue the business relationship after having given due consideration to the known legitimate concerns of the Customer.

(d) Settlement following termination

Upon termination of the business relationship 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 terminated early 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 may require.

(e) Saving Rights

Termination by the Bank of any business relationship as a whole or of a particular relation under any of the provisions above stated shall not affect the rights which have accrued to the Bank prior to such termination.

14. ASSIGNMENT

The Bank shall have the right to assign any or all its rights hereunder to another party without obtaining the prior approval from the Customer.

15. INVALIDITY OF PROVISIONS

If at any time, any provision hereof becomes illegal, invalid or unenforceable in any respect such illegality, invalidity, or unenforceability shall not impair or affect the remaining provisions hereof.

16. WAIVER

No forbearance, neglect or waiver by the Bank of any of these Terms and Conditions in respect of a particular instance or occurrence shall prejudice the Bank's rights thereafter to strictly enforce the same. No waiver by the Bank shall be effective unless it is in writing.

17. JURISDICTION GOVERNING LAW

(i) 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.)

(ii) Substantive Law

The business relationship, customer accounts, dealings and transactions envisaged herein and the Mandate shall be governed by the Laws of Sri Lanka.

18. DIGITAL WALLET AND OTHER DIGITAL PRODUCTS

The Terms and Conditions set out herein shall mutatis-mutandis applicable to the Digital wallet and other digital products and services offered by the Bank from time to time in addition to the terms and conditions that the product itself may require.

19. ANTY MONEY LAUNDERING (AML) AND KNOW YOUR CUSTOMER KYC) REQUIREMENTS

Customers are required to provide satisfactory information/documentation in order for the Bank to carry out customer due diligence from time to time.

20. COMPLAINT HANDLING PROCEDURE

In the event you have any complaint, please feel free to contact our Customer Experience Department on 0112661963 / 0112661979 or e-mail to us at customer.experience@hnb.lk. For more detailed information on our complaint handling procedure, please visit our webpage on www.hnb.net/feedback. We value your feedback and strive to ensure a positive customer experience at all times.

21. INTERPRETATION:

In this general Terms and Conditions, the words importing the singular number shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include corporations and companies.

The headings are inserted for convenience only and shall not affect the construction of this document.

Reference to any statutory provision, regulation, rule, order or direction shall include a reference to such provision, regulation, rule, order or direction as from time to time re-enacted, amended, extended, supplemented, or replaced.

