

TERMS AND CONDITIONS FOR ANZ BANK ACCOUNT

SECTION II

TERMS AND CONDITIONS FOR BANKING ACCOUNTS

1. INTERPRETATION

1.1 This Section shall also be known as the Bank's "Terms and Conditions For Banking Accounts" and shall be read together and as one with the General Provisions and, where applicable, the Terms and Conditions for Internet Banking and Terms and Conditions for 24-hour Banking and any other applicable Section of these Terms and Conditions.

1.2 Unless otherwise defined in this Section, terms and references defined or construed in the General Provisions shall have the same meaning and construction in this Section.

1.3 In this Section, unless the context otherwise requires:

"Dual Currency Investment" means any deposit or investment whereby the Bank has the option to repay the investment amount placed with the Bank either in the currency of deposit or investment or in an alternate currency.

"Structured Deposit" includes any deposit under which any interest or premium is payable, or is at risk, in accordance with any formula based on the performance of any securities or financial instrument or basket of financial instruments or any index or the occurrence of any credit event.

2. DEPOSITS - GENERAL

2.1 An applicant to open an Account is required to complete all relevant documentation as requested by the Bank.

2.2 Unless the Bank otherwise permits, you must use the deposit slips of the Bank in making a deposit. Your copy of the deposit slip is not a valid receipt unless it is validated by the Bank's computer terminal or machine stamp or is signed by an authorised officer of the Bank. If the amount indicated on the receipt ticket differs from that of the Bank's later cash count, the Bank's count shall be final and conclusive. The Bank may alter any incorrect entry in a deposit and shall advise you of such alteration. If you do not object to such alteration within 7 days of the date of such advice, you shall be deemed conclusively to have accepted the altered deposit slip as true and accurate in all respects. The Bank shall not be responsible for any delay or error in crediting you Account(s) in the event of any malfunctioning or breakdown of the Bank's computer.

2.3 Deposit(s) received by the Bank for an Account(s) through telephone or telex confirmation from other bank(s) in Singapore or elsewhere are accepted subject to final payment and the Bank will in addition not permit withdrawal(s) until it has received a written authenticated advice of payment or other evidence satisfactory to it.

2.4 Deposits by way of cheque or draft shall only be deemed effectively made when the cheque or draft is honoured and funds thereunder actually received by the Bank. In the event of dishonour of the said cheque or draft, all credit Advices relating thereto shall be null and void and no deposits shall be deemed to have been in pursuance thereto. The Bank reserves the right to debit your Account(s) or claim against you for any charges, expenses or loss incurred should the cheque or draft be returned unpaid.

2.5 Deposits placed with the Bank are non-negotiable and non transferable, unless otherwise agreed by the Bank.

2.6 Where a deposit matures on a day other than a Business Day, it shall become due on the next succeeding day which is a Business Day.

3. CURRENT ACCOUNTS / MILLENNIUM ACCOUNTS / SGD ANZ BANK ACCOUNTS

3.1 The Bank shall pay tiered interest at the prevailing interest rates on all Millennium and SGD ANZ Bank Accounts. The minimum monthly interest earned to be credited to a Millennium and SGD ANZ Bank Account holder shall be SGD 1.

3.2 The Bank will impose a minimum service charge if the minimum monthly average balance falls below the minimum deposit amount or such sums as the Bank may determine from time to time.

3.3 If an Account is closed within six (6) months of account opening, an administrative fee shall be levied on the Account holder.

3.4 Current, Millennium and SGD ANZ Bank Accounts inactive for a period of 365 days or more shall be re-activated by the Account holder(s) personally at the Bank's premises or through cheque deposits. Alternatively, the Bank shall at its sole discretion terminate the aforesaid Account and levy an administrative fee.

4. SAVINGS ACCOUNTS (SGD)

4.1 Deposit transactions will be conducted by the Bank at its premises in Singapore during normal banking hours. All deposits will be received and withdrawals paid only in Singapore Dollars (SGD).

4.2 The minimum opening deposit shall be such sum as the Bank may from time to time notify to you. Unless the Account is to be closed, a minimum monthly balance of such sum as the Bank may from time to time notify to you in writing must be kept in the Account at all times.

4.3 The Bank will impose a minimum service charge if the minimum monthly average balance falls below the minimum deposit amount or such sums as the Bank may determine from time to time.

4.4 The Bank will pay interest on all savings account balances with the Bank on a daily basis. Then interest earned will be credited to your Account(s) at the beginning of each subsequent month. The minimum monthly interest earned to be credited to the account holder shall be SGD 1.

4.5 Savings accounts inactive for a period of 365 days or more shall be re-activated by the Account holder(s) personally at the Bank's premises or through cheque deposit. Alternatively, the Bank shall at its sole discretion terminate the Account and levy an administrative fee.

5. SAVINGS ACCOUNTS (USD) / USD ANZ BANK ACCOUNTS

5.1 Deposit transactions will be conducted by the Bank at its premises in Singapore during normal banking hours. All deposits will be received and withdrawals paid only in United States Dollars (USD) or equivalent in other currencies.

5.2 The minimum opening deposit shall be such sum as the Bank from time to time may notify to you. Unless the Account is to be closed, a minimum monthly balance of such sum as the Bank may from time to time notify to you in writing must be kept in the Account at all times.

5.3 The Bank will impose a minimum service charge if the minimum average balance falls below the minimum deposit amount or such sums as the Bank may determine from time to time.

5.4 Interest shall be paid on all savings Account above the minimum average balance at such rate as the Bank may determine from time to time.

5.5 If an Account is closed within six (6) months of account opening, an administrative fee shall be levied on the account holder.

5.6 Savings and USD ANZ Bank accounts inactive for a period of 365 days or more shall be re-activated by the account holder(s) personally at the Bank's premises or through cheque deposit. Alternatively, the Bank shall at its sole discretion terminate the Account and levy an administrative fee.

6. TIME DEPOSITS

- 6.1 The minimum amount for fixed and call deposit accounts ("**Time Deposits**") shall be such amount as determined by the Bank from time to time. Time Deposits in foreign currencies will be effected 2 Business Days after the date of receipt of your instructions by the Bank. At the initial placement of a time deposit and upon subsequent deposits, an advice or confirmation may be issued to you stating the principal sum deposited, the maturity date and the rate of interest paid at maturity. The interest rate applicable for fixed deposits shall in-principle be fixed by the Bank 2 Business Days in advance and will generally depend on market conditions for the relative currency at the time the deposit is made or renewed. The interest rate applicable to call deposits shall be fixed by the Bank from time to time and is calculated on a daily basis but shall be paid monthly.
- 6.2 Instructions to place funds on fixed or call deposit with the Bank must expressly and clearly stipulate the currency of deposit, the fixed or call deposit account number and the duration for which the deposit is to be placed. In the absence of clear instructions, the funds received shall be placed on fixed or call deposit account in the currency of receipt by the Bank on such terms and conditions as the Bank may at its discretion decide. If funds received are not in the currency of the deposit to be made as per your instructions, the funds will be converted into the currency of the deposit at the Bank's then prevailing rate of exchange on the value of the deposit on the date of receipt.

7. FOREIGN CURRENCY DEPOSITS

- 7.1 Foreign currency deposits will usually be credited to your Account(s) only after actual receipt by the Bank of the proceeds but the Bank may (but shall have no obligation) to allow you to draw on or make use of the uncleared funds (whether such drawing is in the original foreign currency deposited or in the Singapore dollar equivalent) on condition that you shall fully indemnify the Bank of any loss (including both of interest and loss resulting from foreign exchange fluctuation) which the Bank may suffer as a result of its failure to receive payment subsequently and in connection therewith you hereby authorise the Bank to reverse the credit entries and to take any other necessary steps without notice to you and agree that any such reversal of entries and such action taken by the Bank shall be binding on you.
- 7.2 Upon your application to the Bank to credit your Account(s) with the Singapore dollar equivalent of the foreign currency deposits, the Bank will have the right to use such rate of exchange for conversion as it may determine and shall be entitled to recover any losses (including exchange losses and interests) if the Bank fails to receive the requisite payment(s) subsequently or if the payment(s) in foreign currency deposits received by the Bank is/are less than the Singapore dollar equivalent credited by the Bank.

8. DUAL CURRENCY INVESTMENTS / STRUCTURED DEPOSITS

- 8.1 A Dual Currency Investment or Structured Deposits may be placed in any currency which is acceptable to the Bank. A Dual Currency Investment or Structured Deposit shall be in an amount not less than the minimum prescribed by the Bank from time to time.
- 8.2 Before placing a Dual Currency Investment or Structured Deposit, you must have signed an acknowledgement that you have received and read the Bank's "Risk Disclosure Statement" and understand the risks involved in placing a Dual Currency Investment or Structured Deposit. Amongst the risks you should take note of is the fact that earnings on Dual Currency Investments depend on exchange rates prevalent at the time of maturity. Adverse exchange rate movements could erase interest earnings completely and/or cause principal loss measured in Local Currency terms.
- 8.3 You shall not place any Dual Currency Investment or Structured Deposit with the Bank unless you have sufficient funds or liquidity to keep the Dual Currency Investment or Structured Deposit until maturity and you accept that the Dual Currency Investment or Structured Deposit may remain illiquid until maturity.

- 8.4 No advice of deposit will be issued to you upon receipt and acceptance by the Bank of any Dual Currency Investment or Structured Deposit, although a copy of the confirmation of the Dual Currency Investment or Structured Deposit may be given to you.
- 8.5 You are required to give clear and specific Instructions in writing with regard to the withdrawal and disposal of any Dual Currency Investment or Structured Deposit. Such instructions should reach the Bank at least 2 Business Days before maturity.
- 8.6 Partial and premature withdrawal of a Dual Currency Investment or Structured Deposit is not permitted. The Bank may, in its absolute discretion, permit a premature withdrawal of a Dual Currency Investment or Structured Deposit upon payment of all pre-termination costs. Such pre-termination costs will be conclusively determined by the Bank and will be deducted from the Dual Currency Investment or Structured Deposit. You should be aware that you may only receive back part of the Dual Currency Investment or Structured Deposit in view of the costs deducted by the Bank and you shall accept any sum paid by the Bank upon such premature withdrawal as the amount due and repayable in respect of the Dual Currency Investment or Structured Deposit.
- 8.7 All mail or telegraphic or electronic transfers and negotiable instruments accepted for deposit will be placed on Dual Currency Investment or Structured Deposit on receipt of funds and the agreement shall be deemed to have been breached or broken by you if such proceeds are not received by the Bank and you shall pay to the Bank the damages or loss suffered by the Bank as determined by the Bank. Such determination shall be conclusive and binding on you.
- 8.8 You shall not place any Dual Currency Investment unless you have use for the currencies set forth in the relevant agreement with the Bank as the currencies in which the deposit may be repaid on maturity.
- 8.9 The agreement between you and the Bank at the time of the placing of a Dual Currency Investment will specify the currencies in which the Bank may make repayment on maturity at the absolute discretion of the Bank. You shall accept such payment in such currency as determined by the Bank, in its absolute discretion, as full and final payment of the deposit on maturity.
- 8.10 You should also be aware that in a Dual Currency Investment, the Bank will pay to you the original deposit or investment currency or the alternate currency of the Bank's choice and the decision of the Bank depends upon which payment would be most favourable and profitable to the Bank and least favourable and profitable to you. Further, the amount of foreign currency agreed upon at the point of deposit or investment for payment at maturity date for the deposit may be less than the principal amount of the deposit or investment if converted at the rate of exchange prevailing on the maturity date.
- 8.11 Interest payable by the Bank on a Dual Currency Investment will be calculated with reference to the original currency of deposit or investment on the basis of a 360-day year or a 365-day year in accordance with the Bank's usual practice concerning the relevant currency (as determined by the Bank which determination shall be conclusive and binding on you) and the actual number of days elapsed. Interest will be calculated up to but excluding the maturity date. The Bank shall not be obliged to pay you interest from and after the maturity date.
- 8.12 A Structured Deposit is Principal upon Maturity provided that there is no termination of the Structured Deposit before the maturity date. You will be entitled to the interest (if any) in accordance with the pay-out table or formula set out in the confirmation for the Structured Deposit only on the maturity date and not before that date.
- 8.13 The provisions of this Section shall, unless the context otherwise requires, apply to any Dual Currency Investments as they do to any other deposits, whether or not such Dual Currency Investment have been or may legally be described as a deposit.

9. WITHDRAWALS

- 9.1 The Bank will only accept withdrawal Instructions in form and substance satisfactory to it.
- 9.2 The Bank shall be entitled (but not bound) to require the production and surrender to the Bank of the deposit receipt/certificate/advice concerned for the withdrawal of any deposit.
- 9.3 Unless otherwise agreed by the Bank, at its discretion and on such terms as the Bank may specify (including the imposition of charges for early withdrawal), a Time Deposit or Dual Currency Investment or Structured Deposit may not be withdrawn in whole or in part prior to maturity. Withdrawals from a call deposit Account can be made on demand subject to bank charges being levied depending on the nature of transaction.
- 9.4 Withdrawals of principal and/or interest from fixed or call deposit Accounts with the Bank shall be in the form of the Bank's drafts, telegraphic transfers or S.W.I.F.T., mail transfers, cash and/or transfers to other accounts opened with the Bank, provided always that withdrawals in cash in the currency of deposit are subject to prior arrangement being made. Cheques cannot be drawn on a deposit account.
- 9.5 Withdrawal or disposal instructions must be in writing and received by the Bank at least 2 Business Days (Saturdays, Sundays and Public Holidays excluded) prior to the date on which the withdrawal or disposal instruction is/are to be effected. Such instructions must bear the duty authorised signatories signature(s) in strict accordance with the specimen signature(s) available on the Bank's record. In the event of discrepancies in such signatures, the Bank reserves the right to disregard such instructions and shall not be liable or responsible for any loss, damage or adverse consequences arising therefrom.
- 9.6 In the absence of withdrawal or disposal instructions in accordance with these Terms and Conditions, interest on deposits will cease to accrue after the maturity date and the total funds will be held in a non-interest bearing account, provided that the Bank may at its absolute discretion extend the deposit on the same terms and conditions as the maturing deposit with the exception of the interest rate applicable, which interest shall be determined in accordance with these Terms and Conditions.
- 9.7 No Account(s) may be overdrawn, even temporarily, except by prior written arrangement with the Bank and such arrangement shall be subject to these Terms and Conditions. The Bank may, in its absolute discretion, permit your Account to become overdrawn. The Bank reserves the right to charge interest on overdrawn Accounts at such rate as it considers appropriate.
- 9.8 Paying-in and withdrawal slips will be supplied to you who when paying-in or withdrawing should follow the instructions therein mentioned. Except for manifest error, the receipt is valid only when the figures printed by the Bank's computer terminal or machine are identical with the total amount paid-in or withdrawn. Any material alteration of this receipt will invalidate it unless it bears the full signature of the Bank's authorised officer. You should carefully examine entries made on any paying-in or withdrawal slip before leaving the Bank to ensure that the entries are correct. Your signature(s) on any withdrawal slip or other documents pertaining to the Account(s), must be the same as the specimen held by the Bank.

10. CHEQUES

- 10.1 Application for cheque forms should be made personally or on the printed application forms. Cheques for operating an Account(s) may be supplied by the Bank in its discretion.
- 10.2 Any cheque drawn on the Bank must be on the Bank's cheque form issued to you for that Account. The Bank may refuse to honour any cheque where in the opinion of an officer of the Bank, the signature differs from the specimen furnished to the Bank. The Bank may refuse to make a cash payment where the word "bearer" has been cancelled on the cheque presented for payment. The conditions printed on the cheque book cover are to be strictly observed.
- 10.3 Cheques drawn on banks in Singapore will generally be credited to your Account(s) on the same day within the stipulated hours but you may not draw against the same until the proceeds thereof

- have been received by the Bank, unless there is a special arrangement with the Bank to the contrary. Cheques drawn on banks outside Singapore, postal and money orders may also be received for collection but the proceeds thereof will only be credited to your Account(s) after Bank's receipt of the same. If any unpaid or uncleared cheque or other items credited to your Account is subsequently dishonoured and/or the Bank is for any reason called upon to repay to any person an amount credited to your Account, you shall indemnify the Bank and you authorise the Bank to debit the amount of any unpaid or unclear items and/or the amount so repaid by the Bank from your Account.
- 10.4 All cheques and drafts which are deposited are received by the Bank as your agent for collection only, and the Bank assumes no responsibility for the realisation of such cheques and if payment of the amount of any cheque is not received by the Bank for any reason whatsoever, the Bank reserves the right to charge back or claim reimbursement for such amount, including amount of any cheque drawn on the Bank which cannot be paid because of insufficiency of funds, forgery, stoppage of payment or any other reason and whether or not such cheque is returned to you. The Bank may collect any item through one or more sub-agents selected by it. Any such collecting agent shall be deemed your agent. The Bank may at its discretion and without liability either:
 - (a) route any cheque directly or indirectly for collection to the maker, drawee or other payee, for handling in accordance with their regulations and for payment in cash, bank draft or otherwise; or
 - (b) refrain from dealing with respect to any such cheque on any Saturday, Sunday or other holiday.
 - 10.5 All cheques for deposit are accepted by the Bank on the understanding that you assume full responsibility for the genuineness, validity and correctness of all signatures, endorsements and particulars appearing thereon. All cheques may be charged to you at any time unless full and final payment is received by the Bank.
 - 10.6 The Bank may refuse to accept for collection cheques drawn to the order of third parties.
 - 10.7 Any alteration on a cheque must be confirmed by the drawer's full signature. The Bank may, in its absolute discretion, dishonour, refuse or return cheques. In particular, the Bank may dishonour and/or return any cheque(s) which are altered, ambiguous or suspicious in any way, or if received for payment more than six months after the date they are drawn.
 - 10.8 The Bank reserves the right to levy service charge for cheques and other items which are subsequently returned unpaid. Cheques and other items deposited by you which have been dishonoured may be returned by messenger or by post to you at your last recorded address with the Bank at your risk and expense unless prior arrangement has been made for collection.
 - 10.9 You may countermand a cheque within six months of its date of issue by notice in writing signed by you specifying the serial number of the cheque, the date of issue, the payee's name (if any) and the amount. Any stop payment instructions or countermand of payment made otherwise than in writing shall not be binding on the Bank. You shall indemnify the Bank from or against all claims, demands, actions, damages, loss, costs and expenses including legal costs on a full indemnity basis which the Bank may incur or sustain from or by reason of the dishonour or non-payment of the cheque so countermanded. The Bank shall not be responsible or liable for any loss or damage suffered by you due to any oversight of any such countermand or payment or stop payment instructions and the Bank shall be entitled to debit the full amount of any cheque paid contrary to such instructions or notice of countermand of payment. Any stop payment instructions or notice of countermand of payment shall be valid and subsisting for a period of six months from the date of the giving of such instructions or notice. The Bank shall be entitled to ignore any such instructions or notice after the expiry of six months from the date thereof.
 - 10.10 The Bank will not be responsible if it prematurely honours a post-dated draft or cheque.

10.11 Upon the closing of any Account(s) either by you or by the Bank, all unused cheques issued to you shall become the property of the Bank and you shall immediately return the same to the Bank.

11. BILLS OF EXCHANGE/PROMISSORY NOTES

11.1 If any bills of exchange, promissory notes or negotiable instruments in respect of which you are liable to the Bank as drawer, acceptor, endorser or otherwise shall not be paid on the due date, the Bank shall be at liberty forthwith or at any time thereafter to debit the relevant Account(s) without prejudice to the rights and remedies of the Bank against you or any other parties under the said bills, promissory notes of negotiable instruments or other documents and without prejudice to the rights of the Bank to realise any other securities or goods held by the Bank in respect of in connection with or as security for such bills, promissory notes, negotiable instruments or other documents held by the Bank in respect of in connection with or as security for such bills, promissory notes, negotiable instruments or other documents.

12. CHEQUE TRUNCATION SYSTEM - INTERPRETATION

12.1 Paragraphs 12 to 14 (inclusive) of this Section (the "CTS Terms") shall also be known as the Bank's "Terms and Conditions in respect of Clearing and Settlement under the Cheque Truncation System" and shall apply to clearing and settlement of cheques under the Cheque Truncation System. In the event of any conflict or inconsistency between the CTS Terms and any other Terms, the CTS Terms shall prevail with respect to the subject matter hereof and the Terms and Conditions as supplemented by the CTS Terms, shall be deemed to have been amended to the extent necessary to give effect to the CTS Terms.

12.2 In the CTS Terms, unless the context otherwise requires:

"**Bank Agreement**" means the agreement between the Bank and an Operator relating to provision to the Bank of Services relating to the Cheque Truncation System.

"**Clearing Account Agreement**" means the agreement between the Bank and the relevant Settlement Bank relating to the provision of Services for Settlement, as defined in the CTS Bye-Laws (Non-SGD Clearing).

"**CTS Agreements**" means the Bank Agreements, Settlement Arrangement, the Clearing Account Agreement and any and all agreements between the Bank and any other persons or persons relating to Services for CTS and/or the CTS Clearing and/or Settlement.

"**CTS Article**" means any SGD CTS Article and any Non-SGD CTS Article.

"**CTS Bye-Laws**" means the Bye-laws of the Singapore Clearing House Association in respect of Cheque Truncation System (SGD Clearing and Settlement) and includes all additions, amendments and revisions thereto effected from time to time.

"**CTS Bye-Laws (Non-SGD Clearing)**" means the Bye-laws of the Singapore Clearing House Association in respect of Cheque Truncation System (Non-SGD Clearing and Settlement) and includes all additions, amendments and revisions thereto effected from time to time.

"**Customer**" means the person on whose application and in whose name an Account with the Bank is established.

"**Customer CTS Article**" means any CTS Article (including any cheque or bill of exchange) which appears or purports to have been signed, issued or drawn by or on behalf of a Customer on the Bank or on any Account and including any instruction which purports to have been signed, issued or drawn by or on behalf of a Customer to make payment of or transfer any sum to any person out of any Account.

"**MAS**" means the Monetary Authority of Singapore.

"**Non-SGD CTS Articles**" shall mean 'Articles' as the term is defined in the CTS Bye-Laws (Non-SGD Clearing).

"**Operator**" means any person defined or regarded as 'Operator' in the CTS Bye-Laws or in the CTS Bye-Laws (Non-SGD Clearing).

"**Services for CTS**" means any one or more of the services or

activities constituting 'Services for CTS' as defined in the CTS Bye-Laws and in the CTS Bye-Laws (Non-SGD Clearing).

"**Settlement**" means settlement of the Bank's position resulting from CTS Clearing.

"**Settlement Arrangement**" means the arrangement made between the Bank and the MAS and the Banking (Clearing House) Regulations made pursuant to the Banking Act and all other arrangements made between the Bank and the MAS with respect to the clearing and settlement of the SGD CTS Articles.

"**Settlement Bank**" has the same meaning as defined in the CTS Bye-Laws (Non-SGD Clearing).

"**SGD CTS Articles**" shall mean 'Articles' as the term is defined in the CTS Bye-Laws.

12.3 "**CTS Clearing**", "**CTS Image File**", "**CTS Image Item**", "**CTS Item**" and "**IRD**" shall:

- (a) in relation to or in the context of an SGD CTS Article, have the meanings as defined in the CTS Bye-Laws; and
- (b) in relation to or in the context of a Non-SGD CTS Article, have the meanings as defined in the CTS Bye-Laws (Non-SGD Clearing).

13. CHEQUE TRUNCATION SYSTEM - COLLECTION AND PAYMENTS

13.1 The Bank may (but shall not be obliged to) submit all CTS Articles presented to the Bank for collection for CTS Clearing and/or Settlement and payment in accordance with:

- (a) the CTS Bye-Laws and Settlement Arrangement for SGD CTS Articles; and
- (b) the CTS Bye-Laws (Non-SGD Clearing) and Clearing Account Agreement for Non-SGD CTS Articles.

13.2 The Bank shall not be obliged to return any CTS Article presented to it for collection notwithstanding that such CTS Article or the CTS Image Item of such CTS Article has been dishonoured or that payment thereon has been refused in accordance with the CTS Bye-Laws or the CTS Bye-Laws (Non-SGD Clearing) provided that:

- (a) in the event any such CTS Article has been dishonoured after presentation by the Bank for CTS Clearing and/or Settlement, the Bank may provide you with an IRD of the CTS Article; and
- (b) in the event that the Bank returns the CTS Article to you, you shall pay the Bank such fee as the Bank may reasonably prescribe and return the IRD to the Bank.

13.2 The Bank shall not be obliged to replace any IRD of any CTS Article provided to you which has been misplaced or lost.

13.3 You shall not present any IRD of any CTS Article to any person (other than the Bank) for collection or payment. The Bank may reject any altered, mutilated or defaced IRD presented by you to the Bank for collection or payment.

13.4 Subject to Clause 13.6 of this Section, where the Bank credits any Account with the amount of any CTS Article presented to the Bank for collection:

- (a) the amount credited shall not, unless otherwise agreed, constitute the available balance on the Account before the Bank receives full payment of the amount; and
- (b) the Bank shall be entitled to debit the Account with the amount so credited regardless of whether the amount so credited has become part of the available balance on the Account in the event that the CTS Article or the CTS Image Item of the CTS Article presented for CTS Clearing and/or Settlement is dishonoured for any reason or if the Bank is required by or liable under the CTS Bye-Laws, any CTS Agreements or any law or regulation to refund or make any payment to any person in respect of any payment on the CTS Article or the CTS Image Item of the CTS Article.

- 13.5 The Bank may retain for such period as the Bank considers appropriate the CTS Articles presented to the Bank and may destroy them or cause them to be destroyed at any time and shall not be liable to you for any loss, damage or destruction of any of those CTS Articles howsoever caused whilst in the custody of the Bank or any contractor or service provider of the Bank.
- 13.6 Where the currency in which the CTS Article is denominated and the currency of the Account to which the amount of the CTS Article is to be credited is not the same:
- (a) the Bank may convert the amount of the CTS Article into the currency of the Account at the rate of exchange it determines in its absolute discretion and credit the Account with the converted amount; and
 - (b) the amount debited by the Bank under Clause 13.4(b) of this Section shall be that of the CTS Article converted at the rate of exchange it determines in its absolute discretion.
- 13.7 The Bank shall not be obliged to give any person any notice of the non-payment or dishonour of any CTS Article presented to the Bank for collection.
- 13.8 The Bank shall be entitled to:
- (a) honour and make payment on any Customer CTS Article or a CTS Image Item of the Customer CTS Article which it is obliged to do so under, or which is presented in accordance with, the Bills of Exchange Act, the CTS Bye-Laws, the CTS Bye-Laws (Non-SGD Clearing), the Clearing Account Agreement or any CTS Agreements; and
 - (b) to debit any Account or to require you to reimburse it (in which event you shall reimburse immediately) the amount paid on the Customer CTS Article.
- 13.9 The Bank shall not be obliged:
- (a) to require the delivery to the Bank of any Customer CTS Article or a CTS Image Item of the Customer CTS Article presented for CTS Clearing and/or Settlement before or after the Bank honours or makes payment on it; and
 - (b) to return to you any Customer CTS Article or a CTS Image Item of the Customer CTS Article presented for CTS Clearing and/or Settlement which the Bank had honoured or on which the Bank had made payment. Where you request for the return of any Customer CTS Article on which the Bank has made payment, the Bank may (but shall not be obliged to) request the Presenting Bank to retrieve the Customer CTS Article and you shall pay the Bank the fee prescribed by the Bank for making the request and shall reimburse the Bank all fees and expenses incurred by the Bank in securing the return of the Customer CTS Article.
- 13.10 Notwithstanding any agreement, instruction or mandate to the contrary, the Bank shall be entitled to honour and pay on any Customer CTS Article which has been signed without your stamp or seal and shall be entitled to dishonour and reject any Customer CTS Article which bears your stamp or seal.
- 13.11 The Bank may dispatch to you any IRD, any CTS Image Item or any Customer CTS Article in any manner as the Bank may consider appropriate and at your sole risk and without liability to the Bank.
- 14. CHEQUE TRUNCATION SYSTEM - EXCLUSIONS OF LIABILITY**
- 14.1 The Bank shall not be liable to you for any loss, damage or liability caused by or arising from any one or more of the following events or matters, howsoever caused or occurring:
- (a) any virus, default, defect, deficiency or malfunction in and/or any breakdown, disruption or failure of any telecommunications, computer or other electronic equipment or system (whether or not owned, operated or maintained by the Bank or any person) for the purpose of or in connection with the CTS Clearing and/or Settlement;
 - (b) the cessation or interruption of the availability or operation of services provided by the Operator and/or the MAS and/or the Settlement Bank in respect of CTS Clearing and/or Settlement;
 - (c) any act, neglect or omission of the Operator, the MAS, and/or any person providing any equipment or service required for or in connection with CTS Clearing and/or Settlement;
 - (d) any payment by the Bank on any Customer CTS Article or any CTS Image Item of the Customer CTS Article presented for CTS Clearing and/or Settlement which has been altered or forged in any way and or any debit by the Bank of any Account in respect of the amount of such payment; and
 - (e) the failure or refusal of the Bank to accept, honour and or make payment on any Customer CTS Article or any CTS Image Item of such Customer CTS Article.
- 14.2 Without prejudice to the generality of the foregoing and notwithstanding any provision to the contrary in this CTS Terms or in any other agreement between the Bank and you, the Bank shall not in any event be liable to you for any indirect or consequential loss or damages, or for punitive damages, whether arising from any breach of the Bank's obligations to you or otherwise.