

ANNEX

VISA SETTLEMENT

APPLICATION

This Annex to the RTGS Account Mandate Terms and Conditions (the *Terms and Conditions*) applies where the Account Holder is a member of the VISA System.

1 DEFINITIONS

In this Annex, except where the context otherwise requires:

1.1 terms defined in the Terms and Conditions or any other Annex have the same meaning; and

1.2 the following expressions shall have the following meanings:

"VISA Email Instruction" means an email instruction given or appearing to have been given to the Bank by 2 authorised signatories of VISA;

"VISA" means Visa Europe Limited;

"VISA Random Number" means a number on the VISA Random Numbers List;

"VISA Random Numbers List " means a random numbers list, supplied by the Bank to VISA for the purpose of authenticating VISA Email Instructions; and

"VISA System" means the UK National Net Settlement Service offered by VISA to facilitate clearing, settlement and reporting of sterling transactions in the United Kingdom.

2 OPENING AND OPERATION OF ACCOUNTS

[No additional provisions]

3 ACCOUNT HOLDER'S AUTHORITY TO THE BANK

3.1 Subject to the Terms and Conditions, and in addition to the authorities granted and requests made to the Bank in the Terms and Conditions, the Account Holder authorises and requests the Bank:

3.1.1 to act upon instructions which may be received via authenticated SWIFT message from VISA or other means agreed with the Account Holder or VISA to transfer funds to or from the Accounts for the purpose of the settling the VISA System; or

3.1.2 in a contingency situation and provided the Bank has agreed to permit VISA to give instructions via email, to act upon VISA Email Instructions which are received by the Bank from VISA, including, but

not limited to, VISA Email Instructions to transfer funds from the Accounts.

3.2 In a contingency situation and with the Bank's permission, unless otherwise notified by the Bank to VISA, the instructions given pursuant to paragraph 3.1.2 above shall be valid only if sent in a VISA Email instruction, provided such VISA Email instruction:

- (a) is in a form approved by VISA and the Bank;
- (b) bears a VISA Random Number which is the next unused VISA Random Number on the VISA Random Numbers List; and
- (c) is received via encrypted email.

4 **VISA EMAIL INSTRUCTIONS**

4.1 Where the Bank considers that there is any doubt regarding whether a VISA Email Instruction is genuine, the Bank may, in its discretion, refuse to give effect to that VISA Email Instruction. In the case of such refusal the Bank agrees to use its reasonable endeavours to notify VISA of such refusal and the reasons for it.

4.2 The Account Holder understands that email is not a secure method of communication and that messages so delivered may be intercepted, lost, destroyed, corrupted or delayed in transmission.

4.3 The Account Holder hereby agrees that:

- (a) neither the Bank, nor any of its representatives or agents shall incur any liability or be responsible for any Loss, that may arise as a result of the Bank giving effect, or failing to give effect, to any VISA Email Instruction, except to the extent that such Loss is shown to be attributable to wilful default or reckless disregard of the Bank's obligations on the part of the Bank or its representatives and agents; and
- (b) it shall on demand indemnify the Bank and keep the Bank indemnified against any Loss suffered or incurred by the Bank as a result of it acting upon any VISA Email Instruction which is not a genuine instruction emanating from two authorised signatories of VISA, or which contains any error or is intercepted, lost, destroyed, corrupted or delayed or otherwise distorted or altered during the course of transmission except to the extent that such Loss is shown to be attributable to wilful default or reckless disregard of the Bank's obligations on the part of the Bank or its representatives and agents.

5 **ACCOUNT HOLDER UNDERTAKINGS**

[No additional provisions]

6 **POSITION OF THE BANK**

[No additional provisions]

7 **PAYMENTS AND DELIVERIES**

[No additional provisions]

8 **DEFAULT**

In addition to the Events of Default specified in clause 8 of the Terms and Conditions, an Event of Default shall also be treated as having occurred if (a) the credit balance of the relevant Account is insufficient to enable settlement of the Account Holder's obligations in the VISA System at the time designated for such settlement, and that aggregate credit balance remains insufficient for one hour after such time and (b) the Bank serves a Default Notice.

9 **DISABLEMENT AND TERMINATION OF ACCOUNTS; SET-OFF**

[No additional provisions]

10 **INTEREST**

[No additional provisions]

11 **DEFAULT INTEREST AND CHARGES**

[No additional provisions]

12 **SUMS DENOMINATED IN DIFFERENT CURRENCIES**

[No additional provisions]

13 **OTHER ARRANGEMENTS**

[No additional provisions]

14 **VARIATION AND WAIVER**

[No additional provisions]

15 **CONFIDENTIALITY**

Notwithstanding clause 15 of the Terms and Conditions, the Account Holder hereby consents to the disclosure by the Bank to VISA of account balances and actual and anticipated payments and receipts.

16 **ASSIGNMENT AND OTHER DEALINGS**

[No additional provisions]

17 **SINGLE AGREEMENT; ENTIRE MANDATE**

[No additional provisions]

18 **NOTICES**

[No additional provisions]

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

[No additional provisions]

20 GOVERNING LAW

[No additional provisions]

21 JURISDICTION

[No additional provisions]

22 AGENT FOR SERVICE OF PROCESS

[No additional provisions]