

ANNEX

MASTERCARD

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 Mastercard 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:

“Mastercard Email Instruction”	means an email instruction given or appearing to have been given to the Bank by two authorised signatories of Mastercard;
“Mastercard”	means Mastercard Europe SA;
“Mastercard Random Number”	means a number on the Mastercard Random Numbers List;
“Mastercard Random Numbers List”	means a random numbers list, supplied by the Bank to Mastercard for the purpose of authenticating Mastercard Email Instructions; and

“Mastercard System” means the payment network offered by Mastercard to facilitate the authorisation, clearing and settlement 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:

- (a) to act upon instructions which may be received via authenticated SWIFT message from Mastercard or other means agreed with the Account Holder or Mastercard to transfer funds to or from the Accounts for the purpose of settling the Mastercard System; or
- (b) in a contingency situation and provided the Bank has agreed to permit Mastercard to give instructions via email, to act upon Mastercard Email Instructions which are received by the Bank from Mastercard, including, but not limited to, Mastercard 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 Mastercard, the instructions given pursuant to paragraph 3.1.2 above shall be valid only if sent in a Mastercard Email Instruction, provided such Mastercard Email Instruction:

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

4 MASTERCARD EMAIL INSTRUCTIONS

4.1 Where the Bank considers that there is any doubt regarding whether a Mastercard Email Instruction is genuine, the Bank may, in its discretion, refuse to give effect to that Mastercard Email Instruction. In the case of such refusal the Bank agrees to use its reasonable endeavours to notify Mastercard 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 Mastercard 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 Mastercard Email Instruction which is not a genuine instruction emanating from two authorised signatories of Mastercard, 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

- 8.1 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 Mastercard 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

- 15.1 Notwithstanding clause 15 of the Terms and Conditions, the Account Holder hereby consents to the disclosure by the Bank to Mastercard 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]