
**RTGS ACCOUNT MANDATE
TERMS AND CONDITIONS**



BANK OF ENGLAND

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RTGS ACCOUNT MANDATE TERMS AND CONDITIONS

BACKGROUND

(A) These RTGS Account Mandate Terms and Conditions (the *Terms and Conditions*) set out the terms and conditions on which The Governor and Company of the Bank of England (the *Bank*) is willing to offer an Account Holder (as defined below) an Account or Accounts (as defined below) in RTGS.

(B) These Terms and Conditions consist of:

- (i) a set of common terms and conditions which apply to any Account Holder who holds an Account or Accounts; and
- (ii) one or more Annexes which contain terms and conditions which apply only to an Account or Accounts used for a particular purpose.

(C) The Annexes which currently may apply are:

- (i) for Reserves Account Participants (as defined below), the Reserves Accounts Annex;
- (ii) for members of CHAPS Sterling, the CHAPS Sterling Payments Annex;
- (iii) for settlement members of BACS (as defined below), the BACS Settlement Annex;
- (iv) for members of FPS (as defined below), the FPS Settlement Annex;
- (v) for settlement members of C&CC (as defined below), the C&CC Settlement Annex;
- (vi) for settlement members of the LINK System, the LINK Settlement Annex;
- (vii) for members of the VISA System, the VISA Settlement Annex;
- (viii) for members of NCS (as defined below) (or for a Settlement Agent for a member of the NCS), the NCS Payments Annex;
- (ix) for RTGS settlement banks, the IDL Loans Annex;
- (x) for members of NCS or CREST Settlement Banks who are not participants in the Bank's Sterling Monetary Framework, the Collateral Annex (where a member of NCS (or a Settlement Agent for a member of NCS) or a CREST Settlement Bank is also a participant in the Sterling Monetary Framework, it will be required to provide collateral in accordance with the Sterling Monetary Framework Terms and Conditions).

The Bank may issue further Annexes, setting out additional terms and conditions for further purposes, as and when necessary.

1. DEFINITIONS AND INTERPRETATION

1.1 In these Terms and Conditions, except where the context otherwise requires:

- (a) unless defined otherwise in these Terms and Conditions, expressions defined in the RTGS Reference Manual shall have the same meanings in these Terms and Conditions;
- (b) where the Account Holder is a participant in the Sterling Monetary Framework, terms defined in the Sterling Monetary Framework Terms and Conditions have the same meaning;
- (c) expressions defined in an Annex shall, in that Annex and these Terms and Conditions (including the other Annexes), have the meaning specified in that Annex; and
- (d) the following expressions shall have the following meanings:

Accounts shall have the meaning specified in clause 2.1;

Account Holder means a person who agrees to accept these Terms and Conditions, either by entering into a Sterling Monetary Framework Admission Letter or as otherwise agreed between the Bank and the Account Holder;

Annex means an annex to these Terms and Conditions;

Authorised Person means a person authorised to give instructions of the type in question for and on behalf of the Account Holder (as included in the Authorised Persons List);

Authorised Persons List means the list of signatories authorised to give instructions for and on behalf of the Account Holder, provided by the Account Holder to the Bank and authorised in accordance with clause 4.2;

Available Balance means, in respect of each of the Accounts, the amount which is available to the Account Holder for the purpose of making payments or transfers from an Account, expressed in the currency of that Account, and calculated in accordance with the RTGS Reference Manual;

Banking Directive means Council Directive 2006/48/EC relating to the taking up and pursuit of the business of credit institutions (recast);

Business Day means:

- (a) in relation to any obligation to make a payment, any day on which RTGS is operational to effect such a payment;
- (b) in relation to any transfer of securities, a day on which the Securities Settlement System through which the transfer is to be made is open for

business in the place where the transfer of the relevant securities is to be effected; and

(c) in any other case, a day on which the RTGS System is operational;

BACS means the BACS system for the automated clearing and settlement of payments;

C&CC means the Cheque and Credit Clearing system for the clearing and settlement of bulk paper cheque obligations and paper credit claims;

CHAPS means the Clearing House Automated Payment System for the clearing and settlement of high value sterling payments;

CHAPS Sterling means the CHAPS Sterling system for making real-time payments in sterling;

Collateral Annex means the annex to these Terms and Conditions relating to the provision of collateral as published by the Bank from time to time;

Collateral Management Portal means the Bank's web-based collateral management portal for Account Holders and participants in the Bank's Sterling Monetary Framework;

Collateral Management Portal User Guide means the external users' guide for the Collateral Management Portal published by the Bank and available at <http://www.bankofengland.co.uk/markets/Pages/money/Single-Collateral-Pool-Implementation.aspx>;

Credit Institution means a credit institution as defined in the Banking Directive;

CREST means the computer-based system and associated clerical procedures established by Euroclear UK & Ireland Limited to facilitate the transfer of gilt-edged securities and other uncertificated securities, or any other system which may replace that system;

Covered Agreement means any agreement, deposit made by the Account Holder with the Bank, payment arrangement or obligation (other than these Terms and Conditions) between the Bank and the Account Holder;

Default Notice means a written notice served by the Bank on the Account Holder under clause 8.1 stating that an event shall be treated as an Event of Default for the purposes of these Terms and Conditions;

Early Termination Date means the date designated as such in a Default Notice;

Email Instruction means an email instruction given or appearing to have been given to the Bank by an Authorised Person or Authorised Persons of the Account Holder;

Enquiry Link Connections and Software means the network connections and graphical user interface software used by the Account Holder to access Enquiry Link functions;

Enquiry Link Equipment means Enquiry Link Terminals and the associated Enquiry Link Connections and Software used by the Account Holder;

Event of Default has the meaning given in clause 8;

FPS means the Faster Payments Service for the clearing and settlement of low value sterling payments;

FSMA means the Financial Services and Markets Act 2000;

Group means a group as defined in section 421 of FSMA (s421) provided that the Bank may determine from time to time (i) whether or not the Account Holder and another person (“P”) are members of the same Group under s421 (ii) that the Account Holder and P are not in the same Group notwithstanding that they may be persons who would otherwise be in the same group under s421;

IDL Advance means any or all of a loan advance made by the Bank to the Account Holder by way of intra-day liquidity in connection with RTGS pursuant and subject to these Terms and Conditions;

Income means, with respect to any securities, at any time, any interest, dividend or other distribution on such securities (but excluding distributions which are a payment or repayment of the capital or principal in respect of such securities);

Irregular Instruction has the meaning given in clause 6.1(e);

LINK System means the UK’s cash machine network;

Loss means any liability, loss, damage, claim, cost, charge or expense of any nature whatsoever, whether direct or indirect;

Minimum Balance means, with respect to the Accounts, the minimum credit balance which the Account Holder is required by the Bank to maintain in respect of the Accounts taken as a whole, in the currency or currencies specified by the Bank, and calculated in accordance with the RTGS Reference Manual;

NCS means the Bank’s Note Circulation Scheme;

NCS Payments Annex means the annex to these Terms and Conditions relating to the Account Holder’s participation in the NCS, whether as a member or a Settlement Agent, as published by the Bank from time to time;

NCS Transaction means any obligations of the Account Holder under the NCS Annex;

Overdraft Rate means the rate applicable to overdrafts in RTGS, as determined by the Bank from time to time;

Parent means a parent undertaking within the meaning of section 1162 of the Companies Act 2006;

Parties means the Account Holder and the Bank (each a Party);

Potential Event of Default means any event or circumstance specified in clause 8 which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing) be an Event of Default;

Random Number means a number on the Random Numbers List;

Random Numbers List means a Random Numbers List, supplied by the Bank to the Account Holder, or a third party authorised under these Terms and Conditions to give settlement, payment or other instructions on behalf of the Account Holder, for the purpose of authenticating email instructions;

Repayment Amount (i) means, with respect to any IDL Advance as at any date, the amount owing from the Account Holder to the Bank as at that date; or (ii) in the case of a NCS Transaction, any amount payable by the Account Holder to the Bank under or in connection with that NCS Transaction or otherwise under the NCS Rules (as defined in the NCS Annex);

Repayment Date means the date on which the Account Holder must pay to the Bank a particular Repayment Amount and if such day is not a Business Day, the next Business Day thereafter;

Repayment Time has the meaning given in the IDL Loans Annex;

Reserves Account Participant has the meaning given to it in the Sterling Monetary Framework Documentation;

RTGS means the Bank's Real Time Gross Settlement system;

RTGS Reference Manual means the RTGS Reference Manual published by the Bank;

RTGS Rules means all requirements of the RTGS arrangements for the time being applicable to the Account Holder including without limitation the obligations of the Account Holder under these Terms and Conditions, the RTGS Reference Manual and any Specified Document;

Specified Document means a document specified for such a purpose in an Annex or Annexes to these Terms and Conditions;

Spot Rate means, where an amount in a currency other than sterling is to be converted into sterling at any time, the rate of exchange determined by the Bank;

sterling means the lawful currency for the time being of the United Kingdom;

Sterling Monetary Framework Admission Letter means the letter from the Bank signed or otherwise accepted by the Account Holder by which the Account Holder is

admitted as a participant in the Bank's Operations under the Sterling Monetary Framework;

Sterling Monetary Framework Documentation means the Sterling Monetary Framework Terms and Conditions, the Sterling Monetary Framework Operating Procedures, the Sterling Monetary Framework Eligibility Criteria and the Sterling Monetary Framework Admission Letter;

Sterling Monetary Framework Eligibility Criteria means the criteria specified by the Bank for participation in the Bank's Operations under the Sterling Monetary Framework;

Sterling Monetary Framework Operating Procedures means the procedures published by the Bank relating to the Bank's Operations under the Sterling Monetary Framework;

Sterling Monetary Framework Terms and Conditions means the terms and conditions published by the Bank relating to the Bank's Operations under the Sterling Monetary Framework;

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and, in relation to financial statements of a Group, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006 and, in relation to a building society, any undertaking which is an associated undertaking as defined in section 119(1) of the Building Societies Act 1986;

SWIFT Equipment means equipment and software used by the Account Holder for the purposes of sending and receiving SWIFT messages;

SWIFT Key means the secret cryptographic information which controls the operation of the SWIFT cryptographic algorithms, used by SWIFT Equipment for sending and receiving SWIFT messages;

Termination Balance means:

- (a) in respect of Accounts denominated in sterling, the aggregate balance (whether credit or debit) in respect of such Accounts taken as a whole upon the termination of such Accounts under these Terms and Conditions expressed in sterling; and
- (b) in respect of Accounts denominated in euro, the aggregate balance (whether credit or debit) in respect of such Accounts taken as a whole upon the termination of such Accounts under these Terms and Conditions expressed in euros,

in each case calculated in accordance with the RTGS Reference Manual;

Terms and Conditions means the RTGS Account Mandate Terms and Conditions setting out the terms and conditions on which the Bank offers accounts in RTGS;

Value means:

- (a) in relation to an amount of cash its nominal amount; and
- (b) in relation to any securities, the fair value of the securities as determined by the Bank, using observed market prices or reference prices published by the UK Debt Management Office or having regard to such pricing sources and methods (which may include, without limitation, available prices for securities with similar maturities, terms and credit characteristics as the securities) as the Bank considers appropriate, plus the aggregate amount of Income which, as at the relevant date, has accrued but not yet been paid in respect of the securities (other than in the case of securities which are ex dividend) to the extent not included in such determination.

The Operating Procedures may also make further provisions in relation to valuation. The Value of any cash or securities shall be stated in sterling and any amounts which would otherwise be expressed in another currency shall for this purpose be converted into sterling at the Spot Rate as determined by the Bank as applying at the relevant time;

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

Written Instruction means a written instruction given or appearing to have been given to the Bank by an Authorised Person or Authorised Persons of the Account Holder which is received in hard copy form.

1.2 In these Terms and Conditions, unless the context otherwise requires:

- (a) references to clauses, sub-clauses, schedules and Annexes are to clauses and sub-clauses of, and schedules and Annexes to, these Terms and Conditions;
- (b) headings are inserted for convenience of reference only and do not affect the interpretation of these Terms and Conditions;
- (c) use of the singular includes the plural and vice versa;
- (d) use of any gender includes the other genders;
- (e) any reference to persons includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations and trusts (in each case whether or not having separate legal personality);
- (f) an enactment or statutory provision or Council Directive or Regulation, international convention or any other legislative provision includes a reference to it as it may have been, or may from time to time be, amended, modified, replaced, extended, consolidated or re-enacted, and any subordinate legislation

made or other thing done under the statutory provision whether before or after the date the Account Holder agreed to these Terms and Conditions;

- (g) any reference to an English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to what most nearly approximates in that jurisdiction to the English legal term;
- (h) any reference to these Terms and Conditions includes the schedules and Annexes to these Terms and Conditions;
- (i) any reference in these Terms and Conditions to these Terms and Conditions or any other document or agreement shall be construed as a reference to these Terms and Conditions or such other document or agreement as amended, varied, novated or supplemented from time to time;
- (j) any reference to a liquidator or administrator includes a bank liquidator and a bank administrator appointed under the Banking Act 2009 and an investment bank special administrator appointed under the Investment Bank Special Administration Regulations 2011, as the context may require.

2. OPENING AND OPERATION OF ACCOUNTS

2.1 The Bank is requested to open in the name of the Account Holder the accounts or groups of accounts specified in Schedule 1 (together the *Accounts*), and, subject to these Terms and Conditions, to act upon all instructions given by or on behalf of the Account Holder in accordance with these Terms and Conditions.

2.2 As conditions precedent to the opening of the Accounts, the Account Holder shall supply to the Bank on request and in a form and substance satisfactory to the Bank:

- (a) copies of its certificate of incorporation, together with (if applicable) evidence of its good-standing;
- (b) copies of any corporate resolutions or other authorities authorising the Account Holder to enter into, and perform its obligations under, these Terms and Conditions and any Specified Documents;
- (c) a copy of its Authorised Persons List authorised in accordance with clause 4.2; and
- (d) a legal opinion confirming the Account Holder's power and authority to enter into an agreement on these Terms and Conditions and any Specified Documents and to perform its obligations under such documents, and such other matters as the Bank considers appropriate (including the position as to irrevocability of payment instructions given by or on behalf of the Account Holder), under the laws of the jurisdiction or jurisdictions in which it is incorporated and has its head or main office and, if appropriate, in which the

Account Holder has a branch or office from which it is acting under these Terms and Conditions or a Specified Document.

The Bank will inform the Account Holder which of the above it is required to provide.

3. ACCOUNT HOLDER'S AUTHORITY TO THE BANK

3.1 Subject to these Terms and Conditions, the Account Holder hereby authorises and requests the Bank:

- (a) ***Enquiry Link Instructions***: Provided the Bank has agreed to permit the Account Holder to give instructions via Enquiry Link, and subject to the RTGS Rules, to act upon instructions which are received via Enquiry Link or otherwise in accordance with procedures for the Central Scheduler described in the RTGS Reference Manual, including, but not limited to, instructions to transfer funds from the Accounts;
- (b) ***Collateral Management Portal Instructions***: Provided the Bank has agreed to permit the Account Holder to give instructions via the Collateral Management Portal, and subject to the RTGS Rules, to act upon instructions which are received via the Collateral Management Portal, including, but not limited to, instructions to transfer Eligible Collateral Securities to the Bank;
- (c) ***SWIFT Instructions***: Provided the Bank has agreed to permit the Account Holder to give instructions via authenticated SWIFT message, to act upon instructions which are received by authenticated SWIFT message, including, but not limited to, instructions to transfer funds from the Accounts;
- (d) ***Email Instructions***: Provided the Bank has agreed to permit the Account Holder to give instructions via email, and subject to clause 4 (*Communications; the Collateral Management Portal*) below, to act upon Email Instructions which are received by the Bank, including, but not limited to, Email Instructions to transfer funds from the Accounts, provided that any such Email Instruction:
 - (i) bears a Random Number which is the next unused Random Number on the Random Numbers List;
 - (ii) appears to the Bank to have been sent by an Authorised Person or Authorised Persons in accordance with the requirements of Schedule 2;
- (e) ***Written Instructions***: To act upon Written Instructions received by the Bank including, but not limited to, Written Instructions to transfer funds from the Accounts, provided that any such Written Instruction appears to the Bank to have been signed by an Authorised Person or Authorised Persons in accordance with the requirements of Schedule 2;
- (f) ***Annexes***: To act upon any instructions given pursuant to the authorities and requests set out in an Annex;

- (g) **Settlement of other transactions:** To transfer funds from the Accounts for the purpose of the settlement of types of transactions not otherwise provided for in these Terms and Conditions. The arrangements for settling such transactions shall be agreed by the Account Holder and the Bank in writing;
- (h) **Other agreed payments:** To transfer funds from the Accounts pursuant to such arrangements as the Account Holder and the Bank may agree in writing from time to time;
- (i) **Charges:** To debit the Accounts with any tariffs, interest payments or other charges which are due to the Bank and notified to the Account Holder as being due to the Bank and payable by debit from the Accounts. Such charges are to be debited from the Accounts in accordance with the RTGS Reference Manual and the Sterling Monetary Framework Documentation;
- (j) **Audit information:** To release information concerning the Accounts for audit purposes to such person or persons as the Account Holder may notify in writing to the Bank. Such instructions must appear to the Bank to be signed by an Authorised Person or Authorised Persons in accordance with the requirements of Schedule 2;
- (k) **Authorised Persons:** To accept changes to the Authorised Persons List, authorised in accordance with clause 4.2 below.

3.2 When acting on any instructions given in clause 3.1, the Bank shall act on such instructions in the manner, and to the extent, provided for in the RTGS Reference Manual.

3.3 Unless the provisions of an Annex provide otherwise, the Bank will be under no obligation to make, and the Account Holder shall not direct it to make, any payment as a result of which the aggregate credit balance in respect of the Accounts taken as a whole, in the currency or currencies specified by the Bank and calculated in accordance with the RTGS Rules, will be less than the Minimum Balance.

4. COMMUNICATIONS; THE COLLATERAL MANAGEMENT PORTAL

4.1 Communications shall be made in accordance with these Terms and Conditions or by any method that the Bank may specify, through the RTGS Reference Manual or otherwise.

4.2 On or before the opening of the Accounts, the Account Holder shall provide to the Bank a copy of its Authorised Persons List, authorised in a manner acceptable to the Bank. If there is any amendment to the Authorised Persons List, or any replacement of the Authorised Persons List, the Account Holder shall provide to the Bank a copy of the amended or replacement list, authorised in a manner acceptable to the Bank. The Bank shall be entitled to rely upon any Authorised Persons List until such time as it is amended or replaced in accordance with this clause.

4.3 The Account Holder undertakes to notify the Bank immediately of any changes to Schedule 2 and to its Authorised Persons (in accordance with clause 4.2)

and to notify the Bank as soon as practicable of any such changes which are expected or likely to occur.

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

4.5 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 in connection with the Bank sending or receiving any email (encrypted or unencrypted), 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 any email (encrypted or unencrypted) which 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.

4.6 The Account Holder undertakes at all times:

- (a) to procure that all requests, instructions and other communications are made or given by persons who are duly authorised to make or give them on its behalf and are within the scope of the authority of the person making or giving them;
- (b) to comply with any procedures set out in the RTGS Reference Manual or otherwise agreed between the Account Holder and the Bank with respect to the identification, confirmation or authentication of requests, instructions or other communications by the Account Holder or with the maintenance of security with respect to or in connection with such requests, instructions or other communications;
- (c) to ensure that all passwords and other activation data relating to the Collateral Management Portal are not easily guessed or predictable and are kept confidential and secure in order to prevent their unauthorised use;
- (d) not to use the Collateral Management Portal upon and after becoming aware of the occurrence of any significant breach by the Account Holder of its obligations, or of any warranty or representation, under these Terms and Conditions unless and until the Bank has expressly consented to the Account Holder so doing;
- (e) if the Bank has agreed to permit the Account Holder to give instructions via Enquiry Link:

- (i) to enter into and continue in force a contract or contracts, with such person or persons as the Bank may from time to time nominate, for the supply and support of Enquiry Link Connections and Software used by the Account Holder for the purposes of accessing the RTGS Central Systems;
 - (ii) to be responsible for the maintenance of security over the Enquiry Link Equipment acquired or used by the Account Holder for the purposes of accessing the RTGS Central Systems via Enquiry Link and, in the case of any such equipment used or available for use by the Account Holder and any other account holder or account holders, to be jointly and severally responsible with such other account holder or account holders for the maintenance of security over all such equipment;
- (f) to be responsible for the maintenance of security over the SWIFT Equipment acquired or used by the Account Holder for the purposes of sending and receiving SWIFT messages to and from the Collateral Management Portal and, in the case of any such equipment used or available for use by the Account Holder and any other account holder, to be jointly and severally responsible with such other account holder for the maintenance of security over all such equipment;
- (g) to keep its SWIFT Keys secure and protect them against loss, damage, modification and unauthorised use; and
- (h) to comply in all respects and at all times with the Enquiry Link User Guide, the Reserves Accounts User Guide and the Collateral Management Portal User Guide in so far as they have been notified to the Account Holder and are applicable to the Account Holder.

4.7 The Bank reserves the right to suspend the operation of the Collateral Management Portal, wholly or partially, or to vary the operational timetable, by reason of any circumstances whatever beyond the Bank's reasonable control, including without limitation partial or total failure, malfunction or overload of the Collateral Management Portal, or any other emergency.

4.8 The Account Holder acknowledges and agrees that:

- (a) data displayed on the Collateral Management Portal are updated regularly, are subject to change at short notice and should not be relied on as accurate and up to date figures;
- (b) any valuations of Collateral Securities provided through the Collateral Management Portal are indicative only, are provided for information purposes and are subject to change at any time, without notice and at the sole determination of the Bank;
- (c) the Bank reserves the right to reject any collateral for any reason at any time, notwithstanding that it might be specified as Eligible Collateral Securities on the Collateral Management Portal.

4.9 Where the Account Holder has opted to use the Collateral Management Portal, it agrees to pay the Bank's fees and charges in respect of the Collateral Management Portal in accordance with the RTGS Reference Manual.

5. ACCOUNT HOLDER UNDERTAKINGS

5.1 The Account Holder undertakes to the Bank as follows:

- (a) to comply in all respects and at all times with the RTGS Rules as published by the Bank from time to time;
- (b) unless an Annex provides otherwise, to ensure that there is an Available Balance on the Accounts sufficient to settle at the due time for settlement all debit transfers and any other debits the Bank is entitled to make to the Accounts, unless the Bank has given the Account Holder specific authority to act otherwise;
- (c) it will, to the extent permitted by applicable law, inform the Bank in advance of any proposed major organisational and business change relating to it, including but not limited to major changes of control or ownership, and it will inform the Bank without delay of any material changes to the matters in the information provided by the Account Holder prior to entering into these Terms and Conditions;
- (d) to notify the Bank immediately upon the Account Holder becoming aware of the occurrence of any breach by the Account Holder of its obligations, or of any warranty or representation, under these Terms and Conditions, or of the occurrence of any Event of Default, or any event which on the giving of notice by the Bank would be an Event of Default, and in particular to notify the Bank upon becoming aware of the presentation or threatened presentation of any petition the presentation of which would constitute an Event of Default;
- (e) where the Account Holder has provided a legal opinion pursuant to clause 2.2(d), the Account Holder shall notify the Bank without delay of any developments which could cast material doubts on any of the details in the opinion and shall arrange for the opinion to be updated upon request by the Bank, stating whether the points in the original opinion are still valid and noting any material changes;
- (f) not, without the express prior written consent of the Bank, to assign, charge or otherwise encumber any of the Accounts or any balance on any of the Accounts, nor to permit any such encumbrance to exist;
- (g) without prejudice to the generality of clause 6.1(e) below, to pay the Bank's charges for the opening, maintenance or operation of the Accounts and to reimburse the Bank on demand for all fees, costs, charges and other expenses (including, without limitation, any third party custody or settlement or clearing system or depository charges for any collateral including Collateral Securities, costs incurred in connection with checking that collateral securities are Eligible Collateral Securities and valuing collateral, internal costs and

expenses (including staff salary costs), legal expenses, transfer taxes, value added tax, registration charges and other similar taxes and charges) incurred by the Bank in connection with the opening, maintenance or operation of the Accounts or otherwise in connection with the performance of the Bank's functions under these Terms and Conditions; and

(h) that now and for so long as the Account Holder has Accounts with the Bank governed by these Terms and Conditions:

- (i) it is duly incorporated and validly existing under the law of its incorporation and it has full power and authority to enter into and perform its obligations under these Terms and Conditions;
- (ii) the person entering into these Terms and Conditions and entering into any transaction on its behalf is or, in the case of any transaction, will, at the time such transaction is entered into, be duly authorised so to act;
- (iii) it has obtained all authorisations of any governmental authority or regulatory body and taken all other steps required by it in connection with these Terms and Conditions and the transactions to be effected under them and such authorisations remain in full force and effect;
- (iv) it will comply at all times with and perform any measures, directions or other requirements (including any variations or waivers) imposed on it by or agreed by it with the Prudential Regulation Authority or the Financial Conduct Authority under FSMA or otherwise, and any similar measures, directions or other requirements imposed on it by any regulatory or supervisory authority whether in the United Kingdom or elsewhere where any failure to comply could reasonably be expected to have a material adverse effect on the business of the Account Holder or on its ability to comply with its obligations under these Terms and Conditions;
- (v) all the obligations of the Account Holder under these Terms and Conditions are valid, binding and enforceable and the agreement of the Account Holder to these Terms and Conditions does not and will not violate any law, regulation, by-law or rule applicable to the Account Holder;
- (vi) on request from the Bank, it will promptly provide any and all information that may help the Bank to assess the ability of the Account Holder to fulfil its obligations under the Terms and Conditions;
- (vii) unless otherwise stated, it is entering into, and will duly perform its obligations under, these Terms and Conditions as principal;
- (viii) at the time of sale or transfer to the Bank of any securities or payment or transfer to the Bank of any cash it will have the full and unqualified right to make such sale, payment or transfer and that upon such sale, payment or transfer the Bank will receive the same free and clear of

any lien (other than a lien granted to the operator of the clearance system through which the securities are transferred), claim, charge or encumbrance; and

- (ix) no transfer taxes, value added tax, registration charges or other similar taxes or charges have arisen or will arise in respect of any transfer of (A) any securities by the Account Holder to the Bank or (B) any transfer of securities equivalent to any such securities referred to in (A).

6. POSITION OF THE BANK

6.1 The Account Holder agrees and acknowledges that:

- (a) the Bank reserves the right to suspend the RTGS Central Systems, wholly or partially, or to vary the operational timetable, by reason of any circumstances whatever beyond the Bank's reasonable control, including without limitation partial or total failure, malfunction or overload of the RTGS Central Systems, or any other emergency;
- (b) the Bank, and its representatives and agents shall not be liable, save in the case of wilful default or reckless disregard of the Bank's obligations, for any Loss arising directly or indirectly from the operation by the Bank of the RTGS Central Systems or the Collateral Management Portal or any part thereof or any inadequacy thereof for any purposes or any deficiency or defect therein or any delay in providing or failure to provide the RTGS Central Systems or the Collateral Management Portal or any interruption or loss of the RTGS Central Systems or the Collateral Management Portal or loss of business, loss of profit or other consequential damage or any damage whatsoever and howsoever caused (including but without prejudice to the foregoing by reason of machine or computer malfunction or error and also any suspension or variation pursuant to clause 6.1(a) above);
- (c) the Bank, and its representatives and agents shall not be liable, save in the case of wilful default or reckless disregard of the Bank's obligations, for any Loss suffered by the Account Holder or any other person in the course of carrying out the Bank's functions under these Terms and Conditions and the Sterling Monetary Framework Documentation; and in no event shall the Bank be liable for any loss of profits or consequential or special loss or damage, howsoever arising, whether or not the Bank knew or ought to have known that such loss of profits or consequential or special loss or damage would be likely to be suffered or incurred;
- (d) the Bank and its representatives and agents shall not be liable for any Loss resulting from any event of force majeure or other event beyond the Bank's reasonable control, including but not limited to nationalisation, expropriation, currency restrictions, acts of state, acts of war, terrorist attacks, labour disturbances among staff of the Bank or of its nominees or agents (or of any third parties instructed by or through it or any such nominees or agents), power failures or breakdowns in communications linked to equipment of the

Bank or of its nominees or agents (or of any third parties as aforesaid), or the failure or disruption of any relevant stock exchange, clearing house, settlement system or market;

- (e) the Account Holder shall indemnify the Bank and its representatives and agents against all Loss arising directly or indirectly from the actions or omissions of the Account Holder or of the Account Holder's representatives or agents (whether or not authorised by the Account Holder) and any failure of the Account Holder to comply with these Terms and Conditions, the RTGS Rules or the Sterling Monetary Framework Documentation. The Account Holder agrees that such indemnity shall survive any termination of the Account Holder's participation in RTGS;
- (f) the Bank, in the operation of the RTGS Central Systems and in the operation of the mandate conferred by these Terms and Conditions, shall be entitled without further enquiry to execute or otherwise act upon instructions or information or purported instructions or information received by the Bank in a form appearing to the Bank to correspond to any of those referred to in clause 3 above. In the event that it is subsequently discovered that such instructions or information were not genuine or were not initiated by Authorised Persons of the Account Holder, or (if sent electronically) were not initiated through the terminal and associated equipment from which they were purported to have been sent, or otherwise did not comply with the provisions of clause 3 above (each an *Irregular Instruction*); such execution or action shall, save in the case of wilful default or reckless disregard of its obligations, constitute a good discharge to the Bank, which shall be entitled to debit or credit the appropriate Accounts accordingly;
- (g) without prejudice to clause 9.7, or to any other rights, powers or remedies (whether provided by contract, law or otherwise), and whether or not any of the circumstances specified in clause 9.2 have occurred, the Bank may without prior notice to the Account Holder and at any time or times set off any monies due and payable (but not paid) from the Account Holder and any other obligation against any obligation owed by the Bank to the Account Holder (whether at such time or in the future or upon the occurrence of a contingency, whether liquidated or unliquidated and whether or not arising under these Terms and Conditions), regardless of the place of payment, booking office or currency of either obligation. For the purposes of this clause 6.1(g), where a liability or an obligation is unascertained, or is an obligation other than an obligation to pay money, the Bank may in good faith estimate the value of that liability or obligation and set off in respect of the estimate;
- (h) in addition to any general lien or other rights to which the Bank may be entitled under any applicable law, and to the greatest extent permitted by applicable law and regulation, the Bank shall have a general lien on and right to retain, and (without notice to the Account Holder) a right to realise and apply (irrespective of maturity or currency of denomination, place of payment or booking office) or otherwise to sell or dispose of, any assets of the Account Holder held with the Bank in satisfaction of all liabilities and obligations

(whether at such time or in the future or upon the occurrence of a contingency and in whatever currency) of the Account Holder to the Bank under or in connection with these Terms and Conditions or any other transaction or dealing or arrangement from time to time entered into or concluded between the Bank and the Account Holder;

- (i) the Bank's obligation to make any payment, transfer any securities or transfer any collateral in connection with any transaction or otherwise under these Terms and Conditions shall be subject to the conditions precedent that no Event of Default or Potential Event of Default shall have occurred and be continuing with respect to the Account Holder, no Relevant Exposure exists or shall exist as a result of the performance of the Bank's obligation and no obligation owed by the Account Holder to the Bank under the Terms and Conditions is outstanding;
- (j) without prejudice to clause 6.1(i), if any condition precedent in clause 6.1(i) is not satisfied with respect to the Account Holder when an obligation of the Bank would (but for those conditions precedent not being satisfied) become due and payable or deliverable to the Account Holder then the Bank's obligation will not be extinguished and will become due or payable if:
 - (i) the conditions precedent in clause 6.1(i) are subsequently satisfied with respect to the Account Holder;
 - (ii) if required by the Bank, the Account Holder shall have delivered notice in writing of that fact to the Bank setting out in reasonable detail such evidence of the satisfaction of those conditions precedent as the Bank may require;
 - (iii) no Default Notice has been served; and
 - (iv) no breach of any other applicable condition precedent has occurred and is continuing.

In such event, the Bank's obligation shall become due and payable or deliverable on the date falling five Business Days after the date on which the confirmation from the Account Holder in clause 6.1(j)(ii) is effective in accordance with clause 18; and

- (k) subject to the express terms thereof, any liberty or power which may be exercised or any determination which may be made under these Terms and Conditions by the Bank (including without limitation, any act, matter or thing as agreed, specified, determined, decided or notified by the Bank to the Account Holder) may be exercised or made generally or in relation to one or more Account Holders and in the absolute and unfettered discretion of the Bank from time to time, which shall not be under any obligation to give reasons therefor.

7. PAYMENTS AND DELIVERIES

7.1 Save as provided in the RTGS Reference Manual, any payment instruction, payment or transfer made to or from any Account may not be revoked by the Account Holder after the Bank has debited the relevant Account.

7.2 Save as otherwise provided in the Terms and Conditions, all payments under or in connection with these Terms and Conditions shall be made in the manner specified by the Bank in immediately available freely convertible funds for value on the due date for payment thereof free from set-off or counterclaim and without deduction or withholding for or on account of any taxes of whatsoever nature imposed, levied, collected, withheld or assessed, unless such a deduction or withholding is required by law.

7.3 In the event of such a deduction or withholding, the amount of any payment due from the Account Holder shall be increased to an amount which (after making any such deduction or withholding) leaves the Bank with a net amount equal to the amount which would have been due if no such deduction or withholding had been required to be made.

7.4 The Account Holder shall (within three Business Days of demand by the Bank) indemnify the Bank against any Loss which the Bank determines has been or will be suffered by the Bank for or on account of tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under or in connection with these Terms and Conditions, except to the extent that the Loss has been compensated for by an increased payment under clause 7.3.

8. DEFAULT

8.1 For the purposes of these Terms and Conditions, each of the following shall constitute an Event of Default if the Bank serves a Default Notice:

- (a) unless an Annex provides otherwise, the aggregate credit balance of the Accounts taken as a whole, in the currency specified by the Bank and calculated in accordance with the RTGS Rules, falls short of the Minimum Balance;
- (b) where the Collateral Annex applies, the Account Holder fails to maintain sufficient Collateral Securities in accordance with paragraph 3.2 of the Collateral Annex or to comply with paragraph 3.3 of the Collateral Annex by the time specified in the notice or in the Operating Procedures where a time is so specified;
- (c) the Account Holder fails to pay the Repayment Amount of any IDL Advance by the Repayment Time on the applicable Repayment Date;
- (d) the Account Holder fails to pay any amount due and payable under the NCS Payments Annex;

- (e) any representation or warranty made or deemed to be made or repeated by the Account Holder under these Terms and Conditions was or is incorrect in any material respect when made or deemed to be made;
- (f) the Account Holder defaults in the due and punctual performance of any other of its obligations under these Terms and Conditions, the RTGS Rules or, where applicable, the Sterling Monetary Framework Documentation and (if capable of remedy) fails to remedy such default within three Business Days after receipt of notice from the Bank requiring such default to be remedied;
- (g) the Account Holder admits to the Bank its inability to, or its intention not to, perform any of its obligations under these Terms and Conditions;
- (h) the Account Holder has any permission under Part 4A of FSMA varied or cancelled or authorisation as a credit institution (as defined in Regulation (EU) No 575/2013) or investment firm (as defined in Directive 2004/39/EC) or any licence or authorisation which is required to perform any of its obligations under these Terms and Conditions suspended or revoked or is declared in default or suspended or expelled from membership of or participation in any payment system (including, for the avoidance of doubt, CHAPS), securities exchange or association or other self regulating organisation, or is suspended or prohibited from dealing in securities by any government or regulatory agency or authority, or any of its assets or the assets of investors held by it or to its order shall be transferred or ordered to be transferred to a trustee, or any other person, or its powers of management are suspended, removed or otherwise divested, or any of its obligations under these Terms and Conditions are altered, suspended or extinguished in any way (other than pursuant to these Terms and Conditions) by any government or regulatory agency or authority;
- (i) the Account Holder ceases or threatens to cease to carry on its business or any material part thereof (including if all or a part of its business is transferred to another entity) or the Account Holder compounds, or makes a general assignment for the benefit of, or enters into any reorganisation or other special arrangement with, its creditors or any class thereof or becomes insolvent or becomes unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or fails or admits in writing its inability generally to pay its debts as they become due;
- (j) a secured party takes possession of, or carries out other enforcement measures in relation to, all or substantially all assets of the Account Holder, provided the relevant process is not dismissed, discharged, stayed or restrained within 15 days;
- (k) the court makes a winding-up order in respect of the Account Holder under Chapter VI of Part IV or Part V of the Insolvency Act 1986;
- (l) a petition or application is filed or presented or made, or any other proceeding is commenced in respect of the Account Holder (other than by the Bank in respect of any obligation under these Terms and Conditions) in any court or before any agency or out of court or otherwise alleging or for the bankruptcy,

winding up or other insolvency of the Account Holder or seeking any reorganisation, arrangement, moratorium, composition, readjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition, application or proceeding not having been stayed or dismissed within 15 days of its filing or commencement (other than a petition, application or proceeding for the winding up of the Account Holder or the appointment of an administrator, whether out of court or otherwise in relation to the Account Holder or any analogous proceeding in which case no such 15 day period shall apply);

- (m) a liquidator, receiver, trustee, conservator, custodian or administrator (whether out of court or otherwise) is appointed in respect of the Account Holder or over all or any material part of the Account Holder's property;
- (n) notice is given of a proposal to appoint, or any step is taken with a view to appointing, or there is appointed a receiver, trustee, conservator, custodian or administrator (whether out of court or otherwise) or analogous officer in respect of the Account Holder or over all or any material part of the Account Holder's property;
- (o) there is convened any meeting of the creditors of the Account Holder for the purpose of considering a voluntary arrangement as referred to in section 3 of the Insolvency Act 1986;
- (p) the court makes a winding-up order in respect of any Subsidiary or Parent of the Account Holder under Chapter VI of Part VI or Part V of the Insolvency Act 1986;
- (q) a liquidator, receiver, trustee, conservator, custodian or an administrator (whether out of court or otherwise) is appointed in respect of, where applicable, the Parent of the Account Holder, or over all or any material part of the property of, where applicable, the Parent of the Account Holder;
- (r) (otherwise than in the case of a members' voluntary winding up) a liquidator, receiver, trustee, conservator, custodian or an administrator (whether out of court or otherwise) is appointed in respect of any Subsidiary of the Account Holder or over all or any material part of the property of any Subsidiary of the Account Holder;
- (s) where the Account Holder is a credit institution, the Account Holder fails to report on its activities as required by the Council Directive 2006/48/EC and any competent supervisory authority takes any measures which it is permitted to take under that Directive;
- (t) any event analogous to any of the foregoing occurs in any jurisdiction in relation, where applicable, to the Account Holder or any Subsidiary or Parent of the Account Holder;
- (u) where applicable, the Account Holder's membership of CREST or any other Securities Settlement System through which securities may be transferred (as

specified from time to time in the RTGS Rules or the Operating Procedures) is suspended or terminated;

- (v) any event of default or termination event howsoever described occurs under a Covered Agreement;
- (w) the Account Holder ceases to meet the applicable eligibility criteria for settlement accounts published by the Bank on its website from time to time (<http://www.bankofengland.co.uk/markets/Documents/paymentsystems/boesetlementaccounts.pdf>);
- (x) a Designated Event occurs with respect to the Account Holder (X) and the Bank determines in its sole and absolute discretion that the creditworthiness of X, or, if applicable, the successor, surviving or transferee entity, is materially weaker immediately after the occurrence of such Designated Event.

For the purpose of this clause 8.1(x), a **Designated Event** with respect to X means that:

- (A) X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets (or any substantial part of the assets comprising the business conducted by X as at the date the Account Holder agrees to accept these Terms and Conditions) to, or reorganises, reincorporates or reconstitutes into or as, another entity;
- (B) any person, related group of persons or entity acquires directly or indirectly the beneficial ownership of (A) equity securities having the power to elect a majority of the board of directors (or its equivalent) of X or (B) any other ownership interest enabling it to exercise control of X; or
- (C) X effects any substantial change in its capital structure by means of the issuance, incurrence or guarantee of debt or the issuance of (A) preferred stock or other securities convertible into or exchangeable for debt or preferred stock or (B) in the case of entities other than corporations, any other form of ownership interest.

8.2 Without prejudice to clause 8.1(x), if the Account Holder is a building society within the meaning of the Building Societies Act 1986, none of:

- (a) an amalgamation of the Account Holder with another building society under Section 93 of that Act;
- (b) a transfer of the engagements of the Account Holder to another building society under section 94 of that Act;
- (c) a transfer of the whole of the business of the Account Holder to a successor under section 97 of that Act;

- (d) the dissolution of the Account Holder under section 93(5), 94(10) or 97(9) or (10) of that Act; or
- (e) anything done by the Account Holder for the purposes of any such amalgamation, transfer or dissolution,

shall entitle the Bank to serve a Default Notice on the Account Holder.

8.3 The Account Holder shall notify the Bank immediately if an Event of Default or a Potential Event of Default occurs.

9. DISABLEMENT AND TERMINATION OF THE ACCOUNTS; SET-OFF

9.1 Without prejudice to the Bank's rights under clause 8, or under the Collateral Annex or the Sterling Monetary Framework Documentation as applicable, and subject to clause 9.4, in any of the circumstances specified in clause 9.2 the Bank may:

- (a) for such period as the Bank determines, decline to act on any or all payment instructions given by or on behalf of the Account Holder or otherwise pursuant to these Terms and Conditions;
- (b) for such period as the Bank determines, take the action referred to in clause 9.1(a) above and decline to accept any or all payments on the Account Holder's behalf;
- (c) terminate the agreement made pursuant to these Terms and Conditions and the Bank's obligations under it.

The Bank will endeavour to give prior notice to the Account Holder if it proposes to take any of the steps referred to in this clause 9.1, but the Bank may take any such steps prior to giving notice if it determines that it is necessary or desirable to do so.

9.2 The circumstances referred to in clause 9.1 above are:

- (a) there occurs an Event of Default or a Potential Event of Default;
- (b) there is a breach by the Account Holder of its obligations, or of any warranty or representation, under these Terms and Conditions;
- (c) there is a breach by the Account Holder of the RTGS Rules;
- (d) the Bank determines that the taking of any of the steps referred to in clause 9.1 above is necessary or desirable for its own protection or for the protection of the stability or efficient operation of the financial system.

9.3 The Accounts shall terminate automatically upon termination, pursuant to clause 9.1(c), of the agreement made pursuant to these Terms and Conditions.

9.4 Subject to any provision providing otherwise in an Annex, the agreement made pursuant to these Terms and Conditions and the Parties' obligations under it

may be terminated by either Party giving to the other not less than one month's prior notice in writing.

9.5 Without prejudice to clause 9.6, on the termination of the agreement made pursuant to these Terms and Conditions, but subject to any applicable rule of law and to any applicable provision of any other agreement between the Bank and the Account Holder in force at that time, and unless the provisions of an Annex provide otherwise, the Bank will have the obligation to pay to the Account Holder, or (if the aggregate of the Termination Balances is negative) the right to receive from the Account Holder, an amount in sterling equal to the aggregate of the Termination Balances of the Accounts.

9.6 Termination of the agreement made pursuant to these Terms and Conditions shall not affect any accrued rights, any commitment already incurred by the Bank on behalf of the Account Holder, or the authority of the Bank to make entries to the appropriate account or accounts within the Accounts to reflect any such rights or commitments. The indemnity contained in clause 6.1(e) above shall survive termination of the agreement made pursuant to these Terms and Conditions.

9.7 This clause applies if, following the exercise by the Bank of its rights under this clause 9 above, reciprocal sums are owing between the parties in respect of:

- (a) any balance payable under paragraph 8 of the Collateral Annex (but without prejudice to the Bank's right under that paragraph to transfer securities);
- (b) the aggregate of the Termination Balances of the Accounts;
- (c) any other amount payable by one Party to the other under or in respect of these Terms and Conditions.

Where this clause applies, an account shall be taken of the amounts payable by one Party to the other in respect of such sums and those sums shall be set off against each other; such calculations to be carried out by the Bank. Only the balance of the account shall be payable by the Party owing the greater of those sums and such balance shall be due and payable within two Business Days after the date on which the Bank notifies the Account Holder of the amount due.

10. INTEREST

10.1 Interest on credit balances shall be paid by the Bank, and interest on debit balances shall be paid to the Bank, in accordance with the provisions set out in the relevant Annex or Annexes.

10.2 When paying interest on credit balances, the Bank shall be entitled to deduct any withholding tax of any nature which is required to be deducted by applicable law.

10.3 When paying interest to the Bank, if any withholding tax is required by law, an additional amount shall be due and payable by the Account Holder to ensure that the amount received by the Bank is equal to the amount which would have been received but for such a withholding.

10.4 It shall be the sole responsibility of the Account Holder to apply for and obtain any exemption from withholding tax to which it is entitled (or if the exemption can only be applied for by the Bank, to inform the Bank of this, and provide the Bank with whatever information it requires to apply for such exemption). The Bank shall not be liable to the Account Holder for any loss suffered by the Account Holder as a result of any failure to obtain such exemption.

11. DEFAULT INTEREST AND CHARGES

11.1 If the Account Holder fails to pay any amount under these Terms and Conditions when due, it shall pay interest on the amount of such balance from the time of default up to the time of actual payment (as well after as before judgment) at the Overdraft Rate or at such other rate as the Bank may in its discretion decide, subject to a minimum charge of £500.

11.2 If the Account Holder fails to make any transfer of securities to the Bank under these Terms and Conditions when due, then without prejudice to clause 8.1 the Account Holder shall:

- (a) pay a late transfer charge from the time of default up to the time of actual transfer (as well after as before judgment) determined by applying the Overdraft Rate to the Value of such securities; and
- (b) on demand indemnify the Bank and keep the Bank indemnified against any Loss suffered or incurred by the Bank as a result of any such failure in respect of a delivery versus payment settlement.

11.3 Interest and charges under this clause 11 shall accrue daily on the basis of a year of 365 days from and including the first day to the last day of each period of one month beginning from the day on which the relevant amount or transfer was due and shall be due and payable at the end of each such period. So long as the default continues, interest and charges shall be calculated on a similar basis at the end of each such period and any amount payable under this clause 11.3 which is unpaid at the end of each such period shall thereafter itself bear interest at the Overdraft Rate.

12. SUMS DENOMINATED IN DIFFERENT CURRENCIES

For the purposes of these Terms and Conditions, the Bank may convert any amount received in one currency into another currency on the basis set out in the RTGS Reference Manual or at such rates as the Bank thinks fit and the Account Holder shall indemnify the Bank against any fees, costs, charges and other expenses reasonably incurred by the Bank in connection with such conversion.

13. OTHER ARRANGEMENTS

The Bank may maintain such other accounts in the name of the Account Holder as it may consider desirable, whether for the purpose of making postings at a time when the RTGS Central Systems are not in operation or otherwise.

14. VARIATION AND WAIVER

14.1 Subject to clause 14.2, these Terms and Conditions may not be amended except with the written agreement of each of the Parties, except that the Bank shall be entitled (but not bound) to recognise any amendment to Schedule 2 or an Authorised Persons List notified to it by the Account Holder before the Bank has agreed to such amendment.

14.2 The Account Holder acknowledges that these Terms and Conditions and the RTGS Rules may be varied by the Bank at any time upon written notice to the Account Holder to that effect without the concurrence of the Account Holder or any of the account holders. Any such amendment shall apply with effect from such time as may be specified by the Bank and shall, unless otherwise specified, apply to any transaction which is outstanding at the time at which such amendment is made. The Bank may also vary the operational timetable or vary or omit any of the procedures described on any particular day. The Bank will endeavour to give reasonable notice of any amendment, but reserves the right to introduce any amendments with immediate effect, if necessary.

14.3 No waiver, indulgence or concession by the Bank of any right under these Terms and Conditions in any instance (including, without limitation, the entering into or performance of any transaction or any other business at any time when an Event of Default or Potential Event of Default has occurred and is continuing) shall operate as a waiver or variation in any other instance or of any other rights. No omission or delay on the part of the Bank in exercising any right, power or privilege under these Terms and Conditions (including a right of termination or to serve a Default Notice whether or not the Bank has, after such right arises, continued to perform its obligations or accepted performance by the Account Holder of its obligations hereunder) shall act as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Bank provided in these Terms and Conditions and any transaction are cumulative with and not exclusive of any rights of lien, sale, set-off or retention or other rights or remedies which the Bank may have at common law, by statute or otherwise howsoever.

15. CONFIDENTIALITY

15.1 Each Party (the *Recipient*) undertakes to keep confidential all information given to it by the other Party (the *Disclosing Party*) or otherwise in the possession of the Recipient relating to or otherwise concerning the Disclosing Party or these Terms and Conditions.

15.2 The undertakings in clause 15.1 will not apply to information which:

- (a) is disclosed with the prior written consent of the Disclosing Party;
- (b) at the time of supply is in the public domain;
- (c) subsequently comes into the public domain, except through breach of the undertakings set out in clause 15.1;

- (d) is already in the lawful possession of the Recipient;
- (e) subsequently comes lawfully into the possession of the Recipient from a third party who does not owe the Disclosing Party an obligation of confidence in relation to it;
- (f) is disclosed in confidence to the Recipient's professional advisers or auditors where such disclosure is considered necessary by the Recipient, acting reasonably, and provided that, where reasonably practicable, where the Account Holder proposes to make such disclosure it shall have notified the Bank in advance of the proposed form, timing, nature and purpose of the disclosure;
- (g) is disclosed in confidence to a member of the same Group as the Recipient and provided that, where reasonably practicable, the Recipient making such disclosure has notified the Disclosing Party in advance of the proposed form, timing, nature and purpose of the disclosure; or
- (h) is required to be disclosed by law, regulation or any governmental or competent regulatory or resolution authority, whether in the United Kingdom or elsewhere, provided that, save in the case of a disclosure made by the Bank which falls within clause 15.3 the Recipient making such disclosure has promptly notified the Disclosing Party in advance of the proposed form, timing, nature and purpose of the disclosure.

15.3 Nothing in clause 15.1 shall preclude the disclosure of information in any case in which disclosure is made by the Bank or any of its officers or employees:

- (a) to HM Treasury, the Prudential Regulation Authority, the Financial Conduct Authority, HM Revenue & Customs, the Payment Systems Regulator or any other governmental body, monetary authority, competent regulatory or resolution authority or the operator of any deposit guarantee or investor protection scheme, whether in the United Kingdom or elsewhere;
- (b) for the purposes of any criminal investigation whatever which is being or may be carried out or of any criminal proceedings whatever which have been or may be initiated, in either case whether in the United Kingdom or elsewhere; or
- (c) for the purpose of enabling or assisting the Bank to discharge its functions as a monetary authority.

15.4 The Parties agree that damages may not be an adequate remedy for any breach of this clause 15 by either Party or any of its directors, officers, employees, agents, sub contractors, affiliates, professional advisers or auditors and the Parties shall be entitled to seek any legal or equitable relief, including injunction, in the event of any breach of the provisions of this clause 15.

16. ASSIGNMENT AND OTHER DEALINGS

16.1 The provisions of these Terms and Conditions shall be binding upon and inure to the benefit of the parties hereto and their respective successors in title and permitted assigns.

16.2 The rights and obligations of the parties under these Terms and Conditions shall not be capable of assignment, charging or otherwise being dealt with by either Party without the prior written consent of the other.

17. SINGLE AGREEMENT; ENTIRE MANDATE

17.1 The Parties acknowledge that, and have entered into these Terms and Conditions, and, where applicable, the Bank's Sterling Monetary Framework Terms and Conditions, and will enter into each transaction in consideration of and in reliance on the fact that, all transactions constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each of the Parties agrees that payments, deliveries and other transfers made by either of them in respect of any transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other transactions.

17.2 These Terms and Conditions (together with the relevant Annexes) and, where applicable, the Bank's Sterling Monetary Framework Terms and Conditions, set out the entire terms and conditions and understanding between the Parties in respect of the subject matter thereof. It is agreed that:

- (a) the Account Holder has not entered into these Terms and Conditions or any transaction in reliance upon any representation, warranty or undertaking of the Bank which is not expressly set out or referred to in the Terms and Conditions;
- (b) the Account Holder shall not have any remedy in respect of misrepresentation or untrue statement made by the Bank which is not contained in these Terms and Conditions nor for any breach of warranty which is not contained in the Terms and Conditions; and
- (c) this clause shall not exclude any liability for, or remedy in respect of, fraudulent misrepresentation.

18. NOTICES

18.1 Save where provided otherwise in an Annex, any notice required to be given under these Terms and Conditions shall be deemed to be given if:

- (a) in the case of a notice to the Bank, sent in accordance with the RTGS Reference Manual, or left at Bank of England, Threadneedle Street, London EC2R 8AH, or sent by email to omo.agreement@bankofengland.co.uk and psc.secure@bankofengland.co.uk, or to such other address as the Bank may notify to the Account Holder in writing from time to time, in each case marked for the attention of the Head of Sterling Markets Division and Head of Market Services Division; and

- (b) in the case of a notice to the Account Holder, left at the address or sent to the email address notified by the Account Holder to the Bank in writing from time to time.

18.2 Any such notice shall be deemed to be served:

- (a) if left at the address of the Party to be served, at the time when it is so left (or, if it is left on a day that is not a Business Day, at 8.15 a.m. on the next following Business Day);
- (b) if sent by post, on the second Business Day following the day of posting; and
- (c) if sent by email, when the message is received.

18.3 In proving the giving of a notice it shall be sufficient to prove that the notice was delivered at the address for the service or that the envelope containing such notice was properly addressed and posted (as the case may be).

18.4 The RTGS Reference Manual may provide for any notice to be given orally, including by telephone; any such notice shall be deemed to be served when it is actually given.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to the agreement made pursuant to these Terms and Conditions shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

20. GOVERNING LAW

The Terms and Conditions and any non-contractual obligations arising out of or in relation to the Terms and Conditions shall be governed by and interpreted in accordance with English law.

21. JURISDICTION

21.1 The English courts shall (subject to clauses 21.2 and 21.3 below) have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with (i) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by the Terms and Conditions; and (ii) any non-contractual obligations arising out of or in connection with the Terms and Conditions. For such purposes the Bank and the Account Holder irrevocably submit to the jurisdiction of the English courts and waive any objection to the exercise of such jurisdiction.

21.2 Notwithstanding the exclusive agreement in clause 21.1 above the Bank may commence proceedings in any other court which has jurisdiction by virtue of Council Regulation EC No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on

jurisdiction and the recognition of judgments in civil and commercial matters (recast), the Convention on Jurisdiction and the Enforcement of Judgments signed on 27 October 1968, or the Convention on Jurisdiction and Enforcement of Judgments signed on 16 October 1988.

21.3 To the extent permitted by law, the Bank may take proceedings in the courts of any other country which may have jurisdiction, to whose jurisdiction the Account Holder irrevocably submits.

21.4 The Account Holder irrevocably waives any objections to the jurisdiction of any court referred to in this clause 21.

21.5 The Account Holder irrevocably agrees that a judgment or order of any court referred to in this clause 21 in connection with the Terms and Conditions is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

22. AGENT FOR SERVICE OF PROCESS

If the Account Holder has no registered office or place of business in England, it shall appoint and maintain to act as its agent for service of process a person with an address for service in England and shall notify the Bank of the name and address of such person. If the agent at any time ceases to act as such, the Account Holder shall appoint a replacement agent having an address for service in England and shall notify the Bank of the name and address of the replacement agent. In the absence of such appointment and notification, the Bank shall be entitled to appoint a replacement agent on the Account Holder's behalf and at the Account Holder's expense and shall, thereafter, notify the Account Holder of such appointment.

SCHEDULE 1

THE ACCOUNTS

Unless an Annex provides to the contrary, the Accounts which the Bank is requested to open in the name of the Account Holder under clause 2.1 of the Terms and Conditions shall comprise the following:

Account Number	Account Name	Currency

SCHEDULE 2
INSTRUCTIONS

Clause Number	Type of Instruction	Permitted Instructions (e.g. any one Authorised Person; or any 2 Panel A Authorised Persons or one Panel A and one Panel B Authorised Persons)

SCHEDULE 3

NOTICES

To the Bank at:	To the Account Holder at:
Attn:	Attn:
Email address:	Email address:
SWIFT:	SWIFT: