
ACCOUNT OPENING TERMS & CONDITIONS

1. SCOPE OF INTERPRETATION

The Terms & Conditions apply to all present and future relations between the bank and the Customer, subject to Clause 1.2(a). The Terms & Conditions include these Terms and Conditions and product/services specific Terms and Conditions , which are between the Customer and the Bank.

1.1 Definitions

In this General Part:

- SUMITOMO MITSUI BANKING CORPORATION (hereinafter referred as “the Bank” or “Bank” or “SMBC”), acting through its head office and / or any branch : or
- Any affiliate of SMBC, acting through the affiliate’s head office and/or any branch including any change in it’s constitution consequent to conversion to wholly owned subsidiary or otherwise.

“Account” means, each account of the Customer held at the Bank in a jurisdiction where the Customer and the Bank have agreed to be bound by the Terms & Conditions.

“Affiliate” means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person or any entity directly or indirectly under common control with that person.

For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

“Bank” means that office or branch of SMBC w i t h which customer has agreed to be bound by the applicable Terms & Conditions.

“Communication” means, any notice, order, instruction or other communication between the Customer and the Bank.

“Customer” means,

- A person or entity that maintains an account and/or has a business relationship with the bank.
- One on whose behalf the account is maintained (i.e. the beneficial owner). [Ref: Rule 9, sub-rule (1A) of PMLA Rules - ' Beneficial Owner' means the natural person who ultimately owns or controls a firm or a commercial entity and or the person on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a juridical person or firm or a commercial entity].
- Beneficiaries of transactions conducted by professional intermediaries, such as Stock Brokers, Chartered Accountants, Solicitors etc. as permitted under the law, and any person or entity connected with a financial transaction which can pose significant reputational or other risks to the bank, say, a wire transfer or issue of a high value demand draft as a single transaction.

“

“Terms & Conditions”, means, these Terms and Conditions, any applicable product/services specific Terms and Conditions (as may be amended from time to time).

“Liabilities” means all present and future obligations and liabilities (whether actual or contingent) of the Customer to the Bank and/or its Related Entities.

“Related Entity” means, any Branch, Office, Regional Office, Head Office, Affiliates, Partners etc of SMBC.

“Statement” means, any statement, confirmation or advice (whether in written or electronic form) supplied by the Bank to the Customer.

1.2 Interpretation

- a) In the event of conflict between the Terms & Conditions and provisions applying to specific products or services provided by the Bank, the terms, conditions or provisions of the latter shall prevail.
- b) Subject to paragraph (b) above, the Terms & Conditions shall supersede any term, provision or condition previously agreed with or entered into by the Customer in connection with its relationship with the Bank in the jurisdiction where the Account is located. Without prejudice to any security or right granted by the Customer in favor of the Bank and/or any of its Related Entities, any existing account opened by the Customer with the Bank shall be considered an Account and shall be subject to the Terms & Conditions.
- c) Nothing in the Terms & Conditions shall constitute a commitment by the Bank to provide the Customer with any overdraft or other credit facilities or any other product, service or relationship.
- d) Words importing the singular shall include the plural and vice-versa.
- e) In the Terms & Conditions, unless the context requires otherwise, a reference to a person shall be construed so as to include its successors and transferees.
- f) If the Terms & Conditions are translated into a language other than English, the English language version shall prevail.

2. OPERATION OF AN ACCOUNT

2.1 Generals Duties of the Bank and the Customer

- a) The Bank and the Customer shall exercise reasonable skill and care in all their present and future dealings with each other. In ascertaining whether or not a party has exercised reasonable skill and care, parties shall have regard to the then current applicable laws and regulations and established commercial practices:
 - i) In the case of the Bank, practiced by a bank comparable to the Bank in the banking industry in the relevant jurisdiction; and
 - ii) In the case of the Customer practiced by a commercial entity comparable to the Customer in the relevant sector.

-
- b) The Customer will not act or omit to act in any way in a manner which may facilitate fraud, forgery or similar misconduct.
- c) The Customer agrees that the Bank, before opening any deposit account, will carry out a due diligence as required under Know Your Customer (KYC) guidelines of the Bank. The Customer is required to submit necessary documents or proofs, such as identity, address, photograph and any such information to meet with KYC, AML or other statutory/regulatory requirements. Further, in compliance with the extant regulatory guidelines, the Customer agrees to submit the above required KYC documents again at periodic intervals, as may be required by the Bank.
- d) The Customer agrees that an account may be opened on behalf of a Minor by his/her natural guardian or by a guardian appointed by a court of competent jurisdiction. The guardian shall represent the Minor in all transactions of any description in the above account until the said Minor attains majority. Upon the Minor attaining majority, the right of the guardian to operate the account shall cease. The guardian agrees to indemnify the Bank against the claim of above Minor for any withdrawal/transactions made by him/her in the Minor's account.
- e) The Customer agrees and undertakes to ensure that there would be sufficient funds/ clear balance/ pre-arranged credit facilities in its bank account for effecting transactions. The Customer agrees that the Bank shall not be liable for any consequences arising out of non-compliance by the Bank of Customer instructions due to inadequacy of funds and the Bank can at its sole discretion decide to carry out the instructions notwithstanding the inadequacy of funds without prior approval from or notice to the Customer and Customer will be liable to repay with interest the resulting advance, overdraft or credit thereby created and all related charges arising thereby at Base Rate applicable from time to time.
- f) The Customer agrees and undertakes to that we are not dealing with or shall have any transaction with the entities, individuals or organization that are banned/restricted by UNO/OFAC/MOFA/European Union Sanctions\Government of India\RBI or any other authorities.

2.2 Opening and Maintaining an Account

The Customer will provide the Bank with any information, authorization or other document, which the Bank considers necessary in connection with opening and maintaining an account including, without limitation, provision of specimen of the signatures of each authorized Signatory.

2.3 Notification of Change

The Customer will promptly notify the Bank in writing of any change in:

- its name or address;
- change in the beneficial owner/s, if any.
- the authority of any authorized signatory(ies) even if such a change has been recorded in a public register ; and/ or
- any information, authorization and/ or documents provided by the Customer under clause 2.2.

Until such time as the Bank has received notice of any change, it is entitled to rely on any information, authorization or document previously provided to it.

2.4 Statements and Bank Records

- a) The Customer shall:
 - i) promptly examine all statements; and
 - ii) check whether the instructions given by or on behalf of the Customer have been executed correctly and in full by the Bank and shall notify the Bank of any error or omission, as the case may be, as soon as possible.

If the Customer has not informed the Bank in writing of any error or omission contained in any Statement, or in the execution of any instructions, within 45 days from the date on which the Customer is deemed to have received the relevant Statement in accordance with the provisions of Clause 13.2 (b), the Customer shall be deemed to have:

- confirmed the accuracy of the contents of such Statement ; and
 - waived its right to bring an action against the Bank in respect of any error or omission which could have been brought to the attention of the Bank within the said time limit.
- b) Without prejudice to the provisions of Clause 13.2 below and the Bank's rights and remedies on failure of the Customer to meet its obligations pursuant to paragraph a) above , if the Customer does not receive a Statement, it shall immediately notify the Bank and request a copy.
 - c) The Bank's records and statements as to date, amount or rates shall, in absence of manifest error, be conclusive evidence of the facts reflected in those records or statements.

2.5 Cheques and Payment Orders

- a) The Bank may provide cheques to the Customer. The Customer shall indemnify the Bank against all losses, costs and liabilities incurred by it which may arise in connection with the loss, theft, fraud, misuse or dishonor of any cheque. The Customer shall notify the Bank as soon as possible of the loss or theft of any cheque and shall destroy or return to the Bank any unused cheques and related materials upon the closure of any Accounts.
- b) If the relevant Account does not contain sufficient available funds (or if the limit of any overdraft facility made available by the Bank to the Customer is insufficient) or has been attached, or any comparable event occurs, the Bank is not obliged to execute or process any payment order but may, at its absolute discretion :
 - i) execute a payment order, whether in whole or in part; and/or
 - ii) execute a payment order in whatever order it seems fit.
- c) The Bank or any Related Entity, in accordance with the Terms & Conditions, shall execute a payment order on the instructions of the Customer and debit or credit (as appropriate) the relevant Account.
- d) The Bank reserves the right to refuse to issue cheque book on accounts which are not maintained satisfactorily or when excessive number of cheques from the previous cheque books remain unused.

2.6 Information for Dishonored Cheques

If a Cheque is dishonored for a third time on a particular account of the drawer during the financial year, banks will issue a cautionary advice to the concerned constituent drawing Customer's attention to aforesaid condition and consequential stoppage of cheque facility in the event of cheque being dishonored on fourth occasion on the same account during the financial year. Similar cautionary advice may be issued if a bank intends to close the account.

The aforesaid clause holds true in case of ECS instructions also.

2.7 Dealings with itself and third parties

The Bank is authorized to deal with and use the services of third parties and/or deal with itself in executing orders, performing agreements and depositing goods and/or documents of title in custody and for any other purpose in connection with its relations with the Customer. The Bank shall exercise reasonable skill and care in the choice of such third party provided that the Bank shall at no time be liable for any loss, damage or liability arising from the act or omission of any such third party.

2.8 Reverse Entries and Correction of Errors

- a) If at any time the Bank credits any account in anticipation of the receipt of funds, securities or other such items of value at a later time, the Bank may debit that Account to the extent that such funds, securities or other such items of value:
 - i) are not actually received for value in the relevant currency at such later time; or are received but, as a result of error, omission, negligence or fraud on the part of the transferor or other relevant third party in relation to their transfer.
 - ii) The Bank is required to refund or return such funds, securities or other items of value to the transferor or other relevant third party.
- b) The Bank or the Customer shall notify the other party of any error or omission it discovers in any Communication from the other party and the relevant party shall correct that error or omission as soon as possible.
- c) Any adjustment made to give effect to paragraphs (a) or (b) above shall, so far as possible, be made for value on the date on which the credit was made by the Bank or (as appropriate) to which the error or omission related. Where such an adjustment is not possible, the adjustment actually made shall have the same economic effects as if made on the date. If any exchange or currency is required, the rate used by the Bank shall be the one available to it at the time of the exchange.

2.9 Payments and Clearing Systems

For the purpose of giving effect to any Communication, the Bank or any Related Entity is authorized to use any payment or clearing system or intermediary bank it reasonably selects. The Bank or any Related Entity shall act in accordance with the rules and regulations from time to time of such payment or clearing system and (in respect of reimbursement, documentary collection and letter of credit related services) with guidelines and procedures of the International Chamber Of Commerce in effect at the time of performance unless otherwise agreed.

2.10 Recordings of Telephone Conversations

The Bank may record any telephone calls with the Customer, made or received by the Bank, for quality and monitoring purpose(s). The Bank may use these recordings to verify dealings with the Customer and make sure that the Bank is meeting the service quality and standards.

2.11 Performance

Without prejudice to Clause 7(b):

- Only the Bank (and not any of its Related Entities) shall be obliged to perform the Bank's obligations in respect of each Account or other product or service to which the Terms & Conditions apply; and
- The Bank shall only be obliged to perform those obligations in the currency in which they are denominated although, where any restrictions or controls are imposed on the availability, convertibility to transfer of any funds of the Customer or any other person

(whether before , on or after maturity and in whatever jurisdictions those controls or restrictions are imposed), the Bank may (but shall not be obliged to) perform those obligations in any currency, at any rate and in any manner which in each case it reasonably determines and such performance shall constitute a good and valid discharge of those obligations.

2.12 Submission of Permanent Account Number (PAN)

As per the new section 206AA in the Income-tax Act, 1961 it is mandatory for Customer to withhold tax at a higher rate if the Customer does not provide its Permanent Account Number (PAN). This provision is applicable from 1 April 2010. Hence in case Customer fails to provide PAN to Bank, interest on term deposit would be liable for Tax Deduction at Source (TDS) at higher rates.

2.13 Dormant Accounts

Dormant Accounts - Accounts where no transactions (either debit or credit) have been made for last 24 months which are induced at the instance of Customers as well as third party. The service charges levied by the bank or interest credited by the bank will not be considered as transaction for this purpose.

3. CLOSURE OF ACCOUNTS

- a) In addition to the Banks' rights under Clause 8 and subject to any other provisions agreed in writing between the Customer and the Bank, the Bank may, at any time, close any Account on giving one month's (or such other period required or permitted by any applicable law) notice in writing to the Customer, such period starting from the date that the Customer receives or is deemed to receive such notice. The Terms & Conditions shall continue to apply even after the closure of any Account until all Liabilities have been paid in full.
- b) The Customer may, at any time close any Account by giving notice in writing to the Bank along with required mandate, which notice shall take effect immediately upon its receipt or deemed receipt by the Bank unless such later time is specified in the notice.
- c) Upon notification to the Customer by the Bank under paragraph (a) above or by the Customer to the Bank under paragraph (b) above, all of the liabilities in relation to the relevant Account shall become due and payable when the Closure of the Account becomes effective.
- d) Any closure of an Account shall be without prejudice to:
 - i) any liabilities arising prior to the closure, or
 - ii) the right of the Bank to utilize the Account number for the purpose of administering the liabilities
- e) On closure or termination of any Account, by the Bank or the Customer, the Customer is liable to return all unused Cheque leaves/ Cheque book(s) and any other forms or means of communication, to the Bank, prior to the date specified as the date for the closure of the Account.

4. FIXED DEPOSIT

- a) When a Fixed deposit is renewed on maturity, on renewed deposit interest rate for the period specified by the depositor as applicable on the date of maturity would be applied. If request for renewal is received after the date of maturity, such overdue deposits will be renewed with effect from the date of maturity at interest rate applicable as on the due date, provided such request is received within 14 days from the date of maturity. In respect of overdue deposits renewed after 14 days from the date of maturity, interest for the overdue period will be paid at the rates decided by the Bank from time to time as per deposit policy of the bank.
- b) The sole/first deposit holder will be usually regarded as the beneficial owner of the fixed deposit and considered as the payee for the purposes of income tax deduction at source (TDS) from the interest on such deposit.
- c) TDS, when due and applicable will be deducted in accordance with the provisions of the Income Tax Act, 1961 and the Rules thereunder as in force. In the case of 'resident' payee, TDS at appropriate rates will be deducted where the aggregate of the interest on such deposit(s) credited, during a financial year exceeds the maximum amount prescribed by the Income Tax Act, 1961. Such TDS shall be recovered from saving/current/demand deposit a/c(s). In cases where the deposit holder holds only Fixed Deposits and no Demand Deposit account with the Bank or has not designated an account from where the TDS amount is to be deducted, the Bank would recover TDS amount from the maturity proceeds or from the encashment proceeds (in case of premature encashment) of the deposit.
- d) For senior citizen and other due TDS exemption claims, and the Customer is required to attach the necessary Claim forms/ related documents and formats available with the Bank/ Bank branch. These forms have to be submitted along with the application form and at the beginning of each financial year.
- e) In case of joint Fixed Deposit premature withdrawal/ modification of conditions of Fixed Deposits account will require authorisation jointly by all account holders.
- f) In case of joint Fixed Deposits with a survivorship clause, the Bank shall be discharged by paying the Fixed Deposit proceeds prematurely to survivor/s, on request, in the event of death of one or more Joint Depositor. However in case of premature term deposit termination, interest will be paid at the applicable interest rate for the period for which the deposit remained with the bank. Such premature withdrawal will not attract any penal charge.
- g) The Bank will levy penalty for premature closure of an existing deposit at such rates as may be decided from time to time.
- h) The Bank at its discretion may disallow pre-mature withdrawal of Fixed Deposits of INR 2.00 Crores and above before completion of the contracted Period.
- i) The Customer is required to designate the account from where it would like the TDS amount to be deducted for all its existing accounts. The Customer is also required to provide details of the designated account as and when renewal or additional deposit request is placed with the Bank. In absence of a communication/ instruction from the Customer for designation of the applicable account or if the designated account is out of funds, or if the Customer holds only Fixed Deposit(s) with the Bank, the Bank will recover TDS amounts from the maturity proceeds or from the encashment proceeds (in case of premature encashment) of the deposit.

5. INTEREST AND DEFAULT INTEREST

5.1 Interest

- a) The Bank will only credit Interest to an Account which is agreed with the Customer to be an interest bearing.
- b) The Bank may debit interest payable by the Customer from any Account.
- c) The Bank will credit or may debit (as the case may be) interest to or from an Account with such frequency and at such rates as:
 - (i) agreed between the Bank and the Customer; or
 - (ii) in the absence of agreement, the Bank notifies to the Customer by communication from time to time and such frequency or interest rate shall become effective 15 days after receipt or deemed receipt by the Customer of the communication.

5.2 Default Interest

If the Customer fails to pay any amount payable by it under the Terms & Conditions, it shall on demand by the Bank pay interest on the overdue amount from the due date up to the date of actual payment at such a rate as:

- previously agreed between the Bank and the Customer ; or
- in the absence of agreement, the Bank notifies to the Customer by Communication from time to time and such interest rate shall become effective 15 days after receipt or deemed receipt by the Customer of the communication.

6. RTGS/ NEFT

6.1. Definitions

"Applicant" means the person named herein above who has given RTGS / NEFT payment instruction

"NEFT Facility" means the National Electronic Funds Transfer Facility through the RBI NEFT System.

"RTGS" facility means the Real Time Gross Settlement facility through the RBI RTGS System

6.2. Rights and obligations of Customer

- a) The Customer will be entitled, subject to other terms and conditions in the Regulations and in addition to these Terms and Conditions to issue Payment Orders for execution by the Bank.
- b) Payment Order shall be issued by the Customer in the prescribed format, complete in all respect and with required particulars. The Customer shall be responsible for the accuracy of the particulars given in the Payment Order issued by self/ it's signatories and shall be liable to compensate the Bank for any loss arising on account of any error in the Payment Order.
- c) The Customer will be bound by any Payment Order executed by the Bank if the Bank had executed the Payment Order in good faith and in compliance with the security procedure.

-
- d) The Customer will ensure availability of funds in its account properly applicable to the Payment Order before the execution of the Payment Order by the Bank. Where the Bank executes the Payment Order without properly applicable funds being available in the Customer's account the Customer shall be bound to pay to the Bank the amount debited to its account for which an RTGS / NEFT was executed by the Bank pursuant to the Payment Order, together with the charges including interest payable to the Bank.
 - e) The Customer authorizes the Bank to debit its account any for liability incurred by the Customer to the Bank for execution by the Bank of any Payment Order issued by the Customer.
 - f) The Customer agrees that the Payment Order shall become irrevocable when it is executed by the Bank.
 - g) The Customer agrees that the Bank is not bound by any notice of revocation unless it is in compliance with the security procedure.
 - h) The Customer agrees that it shall not be entitled to make any claim against any party in the RBI RTGS / NEFT System except the Bank.
 - i) The Customer agrees that in the event of any delay in the completion of the Funds Transfer or any loss on account of error in the execution of the Funds Transfer pursuant to a Payment Order, the Bank's liability shall be limited to the extent of the payment of interest at the Bank Rate for any period of delay in the case of delayed payment and refund of the amount together with interest at the Bank Rate up to the date of refund, in the event of loss on account of error, negligence or fraud on the part of any employee of the Bank.
 - j) The Customer agrees that no special circumstances shall attach to any Payment Order executed under the RTGS / NEFT Facility and under no circumstances Customer shall be entitled to claim any compensation in excess of that which is provided in clause (i) above, for any breach of contract or otherwise.
 - k) The Customer is responsible for the correctness of the information supplied to the Bank for the use of RTGS / NEFT service. The Bank accepts no liability for the consequences arising out of erroneous information supplied to the Bank.
 - l) The Bank shall not be liable for any unauthorized transaction occurring through the use of RTGS / NEFT service and the Customer hereby fully indemnifies and holds the Bank harmless against any action, suits, proceeding initiated against it or any loss, cost or damage caused by it as a result thereof.
 - m) In consideration of the Bank providing this service, the Customer will indemnify and hold the Bank, including its officials, employees and agents, indemnified against all losses and expenses on full indemnity basis which the Bank may incur, suffer or likely to suffer in connection with the Bank executing the Customer RTGS / NEFT instruction.
 - n) The Bank shall not be liable for any omission in carrying out of all or any of the Customer's instruction for effecting an RTGS / NEFT payment or for late payments due to circumstances beyond the control of Bank (act of God, power failure, natural calamity, computer break down or malfunction, interruption or malfunction of communication facilities, labour issues, difficulties, or any other causes etc.)

- o) The Customer agrees that if its Funds Transfer request bears a Value Date that falls on a banking holiday/ suddenly declared banking holiday the Bank will process the request on following business day.
- p) The Customer is aware of the operating procedures relating to RTGS / NEFT.
- q) All other existing terms and conditions for operating an account hold good.

6.3. Rights and obligations of the Bank

- a) The Bank shall execute a Payment Order issued by the Customer duly authenticated by Self/ authorized signatory(ies) as verified by the security procedure, unless:
 - i) The funds available in the account of the Customer are not adequate or properly applicable to comply with the Payment Order and the Customer has not made any other arrangement to meet the payment obligation.
 - ii) The Payment Order is incomplete or it is not issued in the agreed form.
 - iii) The Payment Order is attached with notice of any special circumstances.
 - iv) The Bank has reason to believe that the Payment Order is issued to carry out an unlawful transaction.
 - v) The Payment Order cannot be executed under the RBI RTGS / NEFT System.
- b) No Payment Order issued by the Customer shall be binding on the Bank until the Bank has accepted.
- c) The Bank shall, upon execution of every Payment Order executed by it, be entitled to debit the designated account of the Customer, the amount of the funds transferred together with charges payable thereon, whether or not the account has sufficient balance.
- d) If the Funds Transfer is not complete before the closure of business hours of the Bank the following RTGS / NEFT business day the Bank shall advise to the Customer on execution of the transaction.
- e) The Bank shall issue to the Customer a duly authenticated record of the transaction periodically. The Customer shall, within a period of two days from the date of receipt of the record of transaction(s) or as the case may be, report to the Bank any discrepancy in the execution of the Payment Order.
- f) The Customer agrees that it shall not be entitled to dispute the correctness of the execution of the Payment Order or the amount debited to his account if he fails to report the discrepancy within the said period.

7. DISCLOSURE OF INFORMATION

The Customer hereby expressly agrees that:

- The Bank or its Related Entities may from time to time provide or obtain information about the Customer, its accounts and transactions to or from the Bank or its Related Entities and its or their contractors, data carriers, agents or other third parties around the world for the purpose of transaction and payment processing and for other purposes directly related to the services which the Bank or its Related Entities may provide (including other financial products and services) to the Customer.

- The Bank or its related Entities shall also be entitled to disclose information as permitted or required by any applicable law, legal process, regulation or by an order, judgment or decree of a court or for the purposes of any legal process which concerns the Bank or its Related Entities. Disclosure may also be made to government and regulatory agencies and authorities and to credit rating agencies ; and
- This permission to transfer and disclose information shall continue notwithstanding any termination of any agreement or cessation of any service with or to the Customer.
- As a pre-condition, relating to grant of the loans/ advances/ other fund-based and non-fund-based credit facilities by the Bank to the Customer, the Bank, requires the Customer's consent for the disclosure of information and data relating to the Customer, of the credit facility availed of/ to be availed, by the Customer, obligations assumed/ to be assumed, by the Customer, in relation thereto and default, if any, committed by the Customer, in discharge thereof. Accordingly, The Customer agrees and gives consent for the disclosure by the Bank, of all or any such information and data relating to the Customer the information or data relating to any credit facility availed of/ to be availed, by the Customer, and default, if any, committed by the Customer in discharge of its such obligation, as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Ltd. and any other agency authorized in this behalf by RBI. The Customer declares and agrees that the information and data furnished by the Customer to the Bank are true and correct.
- The Customer agrees and undertakes that:
 - i) the Credit Information Companies . and any other agency so authorized may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
 - ii) the Credit Information Companies and any other agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/ financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank in this behalf.

8. FEES

The Bank may impose such costs and charges in respect of its services in connection with the Accounts and such other services or products to which the Terms & Conditions are applicable as are agreed with the Customer from time to time. Agreed costs and charges shall be confirmed in writing by the Bank. In the absence of any such agreement, the Bank may impose such costs and charges as may be usual for the Bank to impose and may vary the amount and the means of calculating those costs and charges upon prior notice to the Customer. The Customer shall be deemed to agree to such costs, charges or variation 15 days after receipt or deemed receipt by the Customer of the notice. The Bank may (without notice) debit the amount of all costs and charges to any Account. All payments by the Customer under this Clause shall be made free of withholding or deduction on account of tax or other charges.

9. LIABILITY

- a) The Bank shall be liable only for its negligence or in case of any willful misconduct.
- b) The Bank shall not be liable for any consequential loss, damages or loss of profit to the Customer notwithstanding that the Customer may have advised the Bank of the possibility of such or damage.

-
- c) Neither the Bank nor any of its Related Entities nor the Customer shall be liable for any loss, damage, delay or failure to perform any obligation resulting from any of the following circumstances:
- i) A legal enactment, decree or moratorium or any regulation, rule, practice or guidelines of a public authority (de jure or de facto) (including, without limitation, exchange control or currency restrictions and taxes, levies or imposts applicable to any Account balance (or part of it) attributable to the Customer and neither the Bank nor its related Entities need perform any obligation which might be in breach of any of the foregoing; or
 - ii) An intervention of a public authority (de jure or de facto) an act of nationalization, confiscation or expropriation, an act of war, a violent or armed action or inaction; or
 - iii) A failure of a payment or communications system, a power failure, a breakdown of equipment, a software malfunction or a deficiency in a software program; or
 - iv) A strike, a lock-out, a boycott, a blockade by or amongst the staff of the Bank, any of its Related Entities or any other person ; or
 - v) A disaster (whether natural or manmade)

Without in any way limiting, reducing or otherwise qualifying the obligations of the Customer under the Terms & Conditions, the Bank or the Customer shall take such reasonable steps which it considers in its sole opinion to be available to it to mitigate any of the adverse effects on the other party of any of those circumstances listed in sub-paragraph (i) to (v) (inclusive) above.

10. COSTS AND EXPENSES

- a) The Customer shall pay to the Bank all reasonable costs and expenses (including legal fees on a full indemnity basis) incurred by the Bank in connection with:
- i) its relationship with the Customer under the Terms & Conditions;
 - ii) the exercise and preservation of the Banks' rights under the Terms & Conditions; or
 - iii) any legal proceedings or disputes between the Customer and a third party where the Bank becomes involved.
- b) The Customer shall indemnify the Bank against any liability or expense it incurs in respect of any payment on account of tax or any other liability to tax (not being tax on the Bank's overall net income) or in respect of the stamp, registration and similar tax incurred by the Bank in connection with the relationship between the Bank and the Customer.

11. COMMUNICATIONS

11.1 Communications by the Customer

- a) Each Communication given by the Customer to the Bank shall be clear and unambiguous, state any relevant Account number and shall be addressed to each part of the Bank for which the Communication is intended. The Bank is not obliged to verify the accuracy of the information contained in any Communication.
- b) The Bank may rely upon a Communication where the Bank reasonably considers it is given by or emanating from the Customer:
- i) By letter or
 - ii) Facsimile or
 - iii) Orally or
 - iv) By SWIFT
 - v) Electronic banking arrangement or electronic mail (E-mail).

Without prejudice to the Bank's reliance on any oral Communication, at the Bank's request, the Customer shall provide prompt written confirmation of any oral Communication made by the Customer.

- c) Each communication given by the Customer shall be in a form acceptable to the Bank. The Bank is authorized, at its absolute discretion, to act or not to act on those Communications which are not in an agreed form.
- d) The Bank and the Customer may, subject to applicable legal or regulatory provision, agree methods or procedures to authenticate or validate any Communication issued by the Customer in electronic form.
- e) The Customer shall indemnify the Bank against all losses, costs and liabilities incurred by the Bank as a result of:
 - i) An error in or a misunderstanding arising from a Communication by the Customer; and/or
 - ii) Acting on a communication given by or behalf of the Customer.

11.2 Making of Communications

- a) Any communication made by the Bank in connection with the Terms & Conditions may be made by any method referred to in Clause 11.2(b) below.
- b) Any communication will be deemed to be given as follows:
 - i) If by letter, when delivered, personally or on actual receipt, when received in legible form;
 - ii) If by facsimile, when received in legible form;
 - iii) If by telephone, when audibly heard by the receiver of the Communication; and
 - iv) If by SWIFT, when dispatched, but only if, at the time of transmission, the correct answerback appears at the start and at the end of the sender's copy of the notice;
 - v) If by electronic banking arrangement or electronic mail (E-mail), when received in comprehensible form by the receiver of the Communication in its electronic mail box.

However a notice given in accordance with the above but received on a non-working day or after applicable business hours is the place of receipt will only be deemed to be given on the next working day in that place.

12. SEVERABILITY

If any provision of the Terms & Conditions is or become illegal, invalid or unenforceable in any jurisdiction, that shall not effect:

- a) The validity or enforceability in that jurisdiction of any other provision of the Terms & conditions; or
- b) The validity or enforceability in other jurisdictions of that or any other provision of the Terms & Conditions.

13 AMENDMENTS AND WAIVERS

13.1 Procedure

The Bank may from time to time change the Terms & Conditions and such change shall take effect as between the Customer and the Bank 60 days after receipt or deemed receipt by the Customer of a notice in writing setting out the details of the change. Where a change is a result of a legal or regulatory requirement applicable to the Bank, such change shall come into effect as and when required by the applicable law or regulation.

13.2 Waivers and Remedies Cumulative

The rights of the Bank and the Customer under the Terms & Conditions:

- May be exercised as often as necessary,
- Are cumulative and not exclusive of their rights under any applicable law, and
- May be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

14. DEFAULT

- a) Without prejudice to any provision agreed upon in writing between the Bank and the Customer, if the Customer has given a notice in writing by the Bank that:
 - i) The Customer is in breach of any of its payment obligations to the Bank and the Bank and the breach is continuing; or
 - ii) The Customer is in breach of any of its obligations other than its payment obligations to the Bank and the Bank has notified the Customer in writing that, in the Bank's reasonable opinion, the breach is likely to have a material adverse effect on the ability of the Customer to perform its obligations to the Bank hereunder; or
 - iii) Any of the Customer's assets have been (or the Bank considers any of them to be in danger of being) seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy and in the reasonable opinion of the Bank, such seizure, sale or jeopardy is likely to have a material or adverse effect on ability of the Customer to perform its obligations to the Bank hereunder; or
 - iv) Any proceedings are commenced against the Customer in relation to its insolvency, dissolution or winding up or in respect of legislation directed at the staying of creditors' claims,
- b) All liabilities shall there upon become due and payable and the Bank shall be immediately entitled to close any Account.

15. SET OFF

- a) The Bank may set off any Liabilities against any obligation owed to the Customer by the Bank and/or any Related Entity, whether such obligation is matured and whether actual or contingent, regardless of the place of payment, booking branch or currency of any such obligation.
- b) Unless the law otherwise requires, the Bank is not obliged to give prior notice to the Customer of any exercise of its right of set off.
- c) If the relevant obligation owed by the Customer to the Bank or any of its Related Entities has not matured, the Bank shall not exercise its right of set off unless:
 - i) Any asset of the Customer has been attached or seized, its recovery has been sought or a security interest has been created over it; or
 - ii) The Customer transfers any rights it has against the Bank to a third party without the Bank's consent.
- d) If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off. If any obligation is unliquidated or unascertained, the Bank may set off in any currency.

16. GOVERNING LAW

All claims, matters and disputes are subject to the exclusive jurisdiction of the competent courts in New Delhi only. These Terms and Conditions and/or the operations in the accounts of the Customer maintained by the Bank and/or the use of the services provided by the Bank shall be governed by the laws of the Republic of India and no other nation. The Customer and the Bank agree to submit to the exclusive Jurisdiction of the Courts located in New Delhi, India as regards any claims or matters arising under these Terms and Conditions. The Bank accepts no liability whatsoever, direct or indirect, for non-compliance with the laws of any country other than the Republic of India.

17. CUSTOMER INDEMNITY

Customer agrees and indemnify and hold the Bank harmless against all actions, claims, demands, proceedings, losses, damages, costs, charges and expenses whatsoever which the Bank may at any time incur, sustain, suffer or be put to as a consequence of or by reason of or arising out of providing any of the services or due to any negligence/mistake/misconduct on Customer's part or breach or non-compliance by the Customer of any of the Terms and Conditions relating to any of the services or by reason of the Bank in good faith taking or refusing to take action on any instruction given by me.

18. CUSTOMER DECLARATIONS

The Customer is considered to have read and understood following declarations and hereby agrees to abide by the same:

- a) The Customer understands and agrees that (where applicable) all its Accounts held under the same 'Customer Number'/ 'Customer ID' with the Bank will adhere to the Account Type selected in the Application Form of the Bank. Accordingly all other accounts which the Customer currently maintains with the Bank using the same Customer Number/ Customer ID will be adjusted automatically by reference to the Account Type that Customer had opted as set out in the Account Opening Form of the Bank. The Customer is considered to be aware on the Account Features depending on the Account Type selected, accordingly different fees, charges and minimum / average account balance requirements (as determined by the Account Type that the Customer had opted) will henceforth apply to all Customer accounts held using the same Customer Number/ Customer ID.
- b) The Customer acknowledges that all deposits and lending against such deposit(s) shall be subject to the laws of India (including FEMA, wherever applicable), as amended from time to time.
- c) The Customer understands and acknowledges that deposits placed with SMBC's branch(es) in India and that such deposits shall be payable only at the branch in India where the deposit is placed and that there is no right of recourse against the Head Office of SMBC in Japan or any other office of any SMBC Group entity worldwide.
- d) The Customer understands and acknowledges that changes in laws and rules in India may affect the liability of SMBC to repay any depositor outside India.
- e) The Customer is required to declare that only the individuals declared as principal shareholders / beneficial owners in the account opening form, and as and when there is any change in the shareholding pattern of the entity, Customer will provide the Bank with the latest details of individuals holding 25% or above voting rights in the Entity.
- f) The Customer is considered of having read and understood the Tariff Card and accepts the Average Monthly Balance /Average Quarterly Balance (AQB) requirement as applicable

thereto. The Customer is considered of having read and understands the Account Rules, Tariff Card and hereby agrees to be bound by the Terms and Conditions governing the relevant Account(s). The Bank shall publish the guidelines, Account Rules, Tariff card and Terms and Conditions (and the amendments/supplements thereto) which are applicable to the relevant Accounts on its website. All the details mentioned herein, the declarations, the relevant Annexures mentioned in the Account Opening Form, along with all the guidelines, Tariff Card and Terms and Conditions that may be formulated and established/specified by SMBC from time to time (including amendments/supplements), shall together govern all Accounts.

- g) Customer confirms that as on the date of application, there are/ were no litigations, initiated by other Banks/ financial institutions, being faced by the Customer.
- h) The Customer authorizes SMBC:
 - i) in the course of managing the relationship with SMBC and wherever necessary to comply with Money Laundering Prevention obligations, to record, obtain and to give or make available to any member(s) of the SMBC other branches & subsidiaries, or their agents, information about the directors and employees of the Entity.
 - ii) unless and until the Customer directs otherwise, to update information about itself as provided in the account opening form and / or in any such application(s) or related documentation, or obtained in the course of, or for the purpose of, making any application for financial products and services (including but not limited to any credit information), onto a database which may be accessed by the member(s) of the SMBC other branches & subsidiaries.
 - iii) SMBC branch to convert to any other form of organization due to regulatory changes with regard to Wholly Owned Subsidiaries (WOS) guidelines or otherwise.
- i) The Customer is aware that full details of the use to which the said information can be put to by the Bank and other members of the Bank other branches & subsidiaries are set out in the Bank and / or such other branches & subsidiaries member's Terms and Conditions and / or privacy policy and that nothing contained in this consent shall absolve any member of the Bank other branches & subsidiaries of their obligation to comply with their Terms and Conditions and / or privacy policy.
- j) The Customer understands that standards of data/privacy protection laws in the country(ies) in which the Customer is applying/ has applied for the requested financial product(s) and service(s) may vary but that its information will be protected by a strict code of secrecy and security which all members of the SMBC other branches & subsidiaries, their staff and any third parties with whom such information is shared, are subject to.
- k) The Customer understands and confirms that if it subscribes for SMAR&TS i.e. Sumitomo Mitsui Advanced Report & Transfer Service (Internet Banking platform), the statement of account would be provided as an e-statement via Internet banking at monthly frequency. In case Customer opts for physical statement of accounts, it will place a request with the bank at its branch(es) or through business Phone Banking or through any other mode, as appropriate.

The Customer shall abide by all the Terms & Conditions of the Bank that are subject to change from time to time.