

TERMS AND CONDITIONS GOVERNING NATIONAL ELECTRONIC FUNDS TRANSFER
(NEFT) SYSTEM OF THE RESERVE BANK OF INDIA

ADCB Bank shall endeavour to provide to the Customer, the National Electronic Funds Transfer Service (NEFT Facility) in accordance with the regime for NEFT as stipulated by the Reserve Bank of India subject to the terms and conditions herein specified.

Definitions

(A) In this document the following words and phrases have the meanings set opposite them unless the context indicates otherwise:

"**Account(s)**" refers to the Customer's bank account(s) maintained with ADCB Bank, to be used for operations through the NEFT Facility.

"**Customer**" means the applicant/remitter availing of the NEFT Facility.

"**ADCB Bank**" means ADCB Bank Limited, a company incorporated under the Companies Act, 1956 and licensed as a bank under the Banking Regulation Act, 1949

"**Payment Order**" means an unconditional instruction issued by the Customer in writing or transmitted electronically or through Net Banking to ADCB Bank to effect a funds transfer for a certain sum of money expressed in Indian rupees, to the designated account of a designated beneficiary by debiting correspondingly an account of the Customer.

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

(B) Words or expressions used in this form, but not specifically defined herein shall have the respective meanings assigned to them in the RBI NEFT Regulations, 1996 and the Net Banking general terms and conditions.

Applicability of Terms

Each Customer desirous of availing of the use of the NEFT Facility, shall submit to ADCB Bank a duly completed and signed Application Form and / or follow such instruction as is applicable for Net Banking, in such form, manner and substance as ADCB Bank may prescribe, for use of the NEFT Facility, and ADCB Bank shall be entitled, at its sole discretion, to accept or reject such applications. By applying for and accessing the NEFT Facility, the Customer accepts these Terms, which shall govern the provision of the NEFT Facility by ADCB Bank. The Terms shall be in addition to and not in derogation of the RBI NEFT Regulations, 1996.

The Customer hereby acknowledges that the Customer has read and understood the RBI (NEFT System) Regulations, 1996 and agrees that the rights and obligations provided therein and in these Terms in so far as it relates to the Customer shall be binding on him/it regard to every Payment Order issued by him/it for execution in the NEFT System. The Customer understands and agrees that nothing in terms of availing the NEFT Facility shall be construed as creating any contractual or other rights against the Reserve Bank or any participant in the NEFT System other than ADCB Bank.

Notwithstanding anything contained herein, all terms and conditions stipulated by ADCB Bank in connection with the Accounts shall continue to apply.

Scope of the NEFT Facility NEFT facilitates inter bank electronic fund transfer between branches of banks as indicated by Reserve Bank of India (RBI). As per the RBI settlement cycles in NEFT system, there would be eleven hourly settlements starting from 9 am to [] pm on all week days and five hourly settlements from 9 am to [] pm on Saturdays. There are no settlement cycles on Sunday hence no transactions will be processed on this day.

ADCB Bank will have its own cut-off time for accepting NEFT transactions.

Rights and Obligations of the Customer

- (i) The Customer shall be entitled, subject to other terms and conditions of the service, to issue Payment Orders for execution by ADCB Bank.
- (ii) The Payment Order shall be issued by the Customer, in the form as prescribed, which is complete in all particulars. The Customer shall be responsible for the accuracy of the particulars given in the Payment Order for NEFT request and shall be liable to compensate ADCB Bank for any loss arising on account of any error in the Payment Order.
- (iii) The Customer shall be bound by any Payment Order executed by ADCB Bank if ADCB Bank has executed the Payment Order in good faith and in compliance with the instructions given by the Customer. Provided that any Payment Order shall not bind the Customer executed by ADCB Bank if the Customer proves to the satisfaction of ADCB Bank that the Customer did not issue the Payment Order and that it may have been caused either by negligence or a fraudulent act of any employee of ADCB Bank.
- (iv) The Customer shall ensure availability of funds in his Account towards the fulfillment of the Payment Order before/at the time of the execution of the Payment Order by ADCB Bank. Where however, ADCB Bank executes the Payment Order without necessary funds being available in the Customer's Account, the Customer shall be bound to pay to ADCB Bank the amount debited to the Account for which an NEFT was executed by ADCB Bank pursuant to the Payment Order, together with the charges including interest payable to ADCB Bank towards the temporary overdraft granted to the Customer by ADCB Bank in this behalf. The Customer hereby authorizes ADCB Bank to debit the Account of the Customer for any liability incurred by ADCB Bank on behalf of the Customer for execution of the NEFT instruction issued by the Customer to ADCB Bank.
- (v) The Customer agrees that the Payment Order shall become irrevocable when it is executed by ADCB Bank.
- (vi) The Customer agrees that he shall not be entitled to make any claim against any party in the RBI NEFT System except ADCB Bank.
- (vii) 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 or on account of error,

negligence or fraud on the part of any employee of ADCB Bank, ADCB Bank's liability shall be limited to the extent of payment of interest at the Call Money Rate as published by the Reserve Bank of India on a daily basis for any period of delay in the case of delayed payment and refund of the amount together with interest at the Call Money Rate (as on the date of the complaint lodged by the Customer) upto the date of refund.

- (viii) The Customer agrees that no National circumstances shall attach to any Payment Order executed under the NEFT Facility and under no circumstances Customer shall be entitled to claim any compensation in excess of that which is provided in clause (viii) above, for any breach of contract or otherwise.
- (ix) ADCB Bank shall have the sole discretion to decide on the cut-off time for transmitting the settlement instructions. At present the cut-off time for NEFT through Corporate Internet Banking is [] pm on weekdays and [] pm on Saturdays respectively. There are no settlement cycles on Sundays hence no transactions will be processed on this day. Payment instructions received after cut-off time will be sent for the following settlement, which may be during the day or on the next working day.
- (x) In the event of a holiday at the beneficiary branch, the credit may be effected at commencement of business on the next working day.

Rights and obligations of ADCB Bank

- (i) ADCB Bank shall execute a Payment Order issued and duly authorised by the Customer duly, unless: the funds available in the Account of the Customer are not adequate or funds are not properly applicable/available to comply with the Payment Order and the Customer has not made any other arrangement to meet the payment obligation. the Payment Order is incomplete or it is not issued in the agreed form. the Payment Order is attached with notice of any National circumstances. ADCB Bank has reason to believe that the Payment Order is issued to carry out an unlawful transaction. the Payment Order cannot be executed under the RBI NEFT System.
- (ii) No Payment Order issued by the Customer shall be binding on ADCB Bank until ADCB Bank has accepted it.
- (iii) ADCB 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.
- (iv) If the funds transfer is not complete before the close of business of the third day following the NEFT business day ADCB Bank may advise the Customer by way of SMS to any registered mobile number and /r e-mail to any registered e-mail address.

- (v) A duly authenticated record of the transaction after completion of the funds transfer will be recorded in the statement of account given to the Customer. The Customer shall, within a period of ten days from the date of receipt of the monthly statement report to ADCB Bank any discrepancy in the execution of the Payment Order. The Customer agrees that he 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.

Instructions

The Customer is responsible for the accuracy and authenticity of the instructions provided to ADCB Bank and the same shall be considered to be sufficient to operate the NEFT Facility. ADCB Bank shall not be required to independently verify the instructions. ADCB Bank has no liability if it does not or is unable to stop or prevent the implementation of any initial instruction subsequently revoked by the Customer. Where ADCB Bank considers the instructions to be inconsistent or contradictory it may seek clarification from the Customer before acting on any instruction of the Customer or act upon any such instruction as it thinks fit. ADCB Bank states that it has no liability or obligation to keep a record of the instructions to provide information to the Customer or for verifying the instructions. ADCB Bank shall refuse to comply with the instructions without assigning any reason and shall not be under any duty to assess the prudence or otherwise of any instruction. ADCB Bank has the right to suspend the operation through the NEFT Facility if it has reason to believe that the Customer's instructions will lead to or expose to direct or indirect loss to ADCB Bank or may require an indemnity from the Customer before continuing to operate the NEFT Facility.

All instructions, requests, directives, orders, directions, entered by the Customer, are based upon the Customer's decisions and are the sole responsibility of the Customer.

Sharing of Information

The Customer irrevocably and unconditionally authorises ADCB Bank to access all the Customer's Accounts and records for the purpose of providing the NEFT Facility. The Customer agrees that ADCB Bank and its group companies (or their contractors) may hold and process its personal information and all other information concerning its Account(s) on computer or otherwise in connection with the NEFT Facility as well as for analysis, credit scoring and marketing.

Registration and Confirmation of Payee

The registration and confirmation of registration of the payee for the purpose of the transfer of money by way of Netbanking shall be as per the following process.



The above process of registration and confirmation of registration shall be completed within 24 hours from the initiation of the process by the Customer.

Disclaimer of Liability

ADCB Bank does not hold out any warranty and makes no representation about the quality of the NEFT Facility. The Customer agrees and acknowledges that ADCB Bank shall not be liable and shall in no way be held responsible for any damages whatsoever whether such damages are direct, indirect, incidental or consequential and irrespective of whether any claim is based on loss of revenue, interruption of business, transaction carried out by the Customer and processed by ADCB Bank, information provided or disclosed by ADCB Bank regarding Customer's Accounts or any loss of any character or nature whatsoever and whether sustained by the Customer or by any other person. While

ADCB Bank shall endeavour to execute and process the transactions as proposed to be made by the Customer promptly, ADCB Bank shall not be responsible for any non-response or delay in responding due to any reason whatsoever, including due to failure of operational systems or any requirement of law. Neither ADCB Bank nor its subsidiaries shall be liable for any unauthorized persons accessing the records and/or Accounts/information through the use of NEFT Facility and the Customer hereby fully indemnifies and holds ADCB Bank and the Group Companies harmless against any action, suit, proceeding initiated against it or any loss, cost or damage incurred by it as a result thereof. ADCB Bank shall under, no circumstance, be held liable to the Customer if Service access is not available in the desired manner for reasons including but not limited to natural calamities, legal restraints, faults in the telecommunication network or network failure, or any other reason beyond the control of ADCB Bank. Illegal or improper use of the NEFT Facility shall render the Customer liable for payment of financial charges (to be decided by ADCB Bank) or may result in suspension of the NEFT Facility to the Customer. All the records of ADCB Bank generated by the transactions arising out of the use of the Service, including the time the transaction recorded shall be conclusive proof of the genuineness and accuracy of the transaction. For the protection of both the parties, and as a tool to correct misunderstandings, the Customer understands, agrees and authorises ADCB Bank, at its discretion, and without further prior notice to the Customer, to monitor and record any or all telephone conversations between the Customer/Users and ADCB Bank and any of its employees or agents. ADCB Bank expressly disclaims all warranties of any kind, whether express or implied or statutory, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose, data accuracy and completeness, and any warranties relating to non-infringement in the NEFT Facility. Indemnity The Customer agrees, at its own expense, to indemnify, defend and hold harmless ADCB Bank, its directors and employees, representatives, agents, and its Group Companies against any claim, suit, action or other proceeding brought against ADCB Bank, its directors and employees, representatives or agents by a third party, to the extent that such claim, suit, action or other proceeding brought against ADCB Bank, its directors and employees, representatives or agents is based on or arises in connection with the use of the NEFT Facility with reference to :

- (i) a violation of the Terms by the Customer;
- (ii) any deletions, additions, insertions or alterations to, or any unauthorized use of, the NEFT Facility by the Customer;
- (iii) any misrepresentation or breach of representation or warranty made by the Customer contained herein;
- (iv) any breach of any covenant or obligation to be performed by the Customer hereunder;

The Customer agrees to pay any and all costs, damages and expenses, including, but not limited to, reasonable attorneys' fees and costs awarded against it or otherwise incurred by or in connection with or arising from any such claim, suit, action or proceeding attributable to any such claim. The Customer hereby agrees that under no circumstances, ADCB Bank's aggregate liability for claims relating to the NEFT Facility, whether for breach of in tort including but not limited to negligence shall be limited to the transaction charges/fees or consideration paid by the client within the previous twelve (12) months for the service, excluding any amount paid toward transactions.

Assignment

ADCB Bank shall be entitled to sell, assign, securitise or transfer ADCB Bank's right and obligations under this Agreement and any security in favour of ADCB Bank (including all guarantee/s) to any person of ADCB Bank's choice in whole or in part and in such manner and on such terms and conditions as ADCB Bank may decide. Any such sale, assignment, securitisation or transfer shall conclusively bind the Customer and all other persons. The Customer, its successors and assigns are bound by the terms of this Agreement. However, the Customer shall not be entitled to transfer or assign any of its rights and obligations under this Agreement.

Termination

The Customer may request for termination of the NEFT Facility any time by giving a written notice of at least 15 days to ADCB Bank. The Customer will remain responsible for any transactions made through the NEFT Facility until the time of such termination. ADCB Bank may withdraw or terminate the NEFT Facility anytime either entirely or with reference to a specific NEFT Facility without assigning any reasons whatsoever. ADCB Bank may suspend or terminate the NEFT Facility without prior notice if the Customer has breached these terms and conditions.

General Conditions

The laws of India shall govern these terms and conditions and/or the operations in the Account(s) maintained by ADCB BANK. Any legal action or proceedings arising out of these Terms shall be brought in the courts or tribunals at Mumbai in India. ADCB Bank may, however, in their absolute discretion commence any legal action or proceedings arising out of these Terms in any other court, tribunal or other appropriate forum, and the Customer hereby consents to that jurisdiction.

The clause headings in this Terms are only for convenience and do not affect the meaning of the relative clause. ADCB Bank may sub-contract and employ agents to carry out any of its obligations hereunder. ADCB Bank may transfer or assign its rights and obligations under this contract to any other entity. ADCB Bank has the absolute discretion to amend or supplement any of the Terms as stated herein at any time and will endeavor to give prior notice of fifteen days for such changes wherever feasible. By using the new services, the Customer shall be deemed to have accepted the changed terms and conditions. Notices under these Terms may be given in writing by delivering them by hand or on ADCB Bank's website www.ADCBbank.com or by sending them by post to the last address given by the Customer and in the case of ADCB Bank to its corporate office address as set out hereinabove. In addition, ADCB Bank may also publish notices of general nature, which are applicable to all Customers in a newspaper or on its website at [___]. Such notices will have the same effect as a notice served individually to each Customer. Notice and instructions will be deemed served 7 days after posting or upon receipt in the case of hand delivery, cable, telex or facsimile. Any provision of these Terms, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of these Terms or affect such provision in any other jurisdiction. ADCB Bank shall have the right of set-off and lien, irrespective of any other lien or charge, present as well as future on the deposits held in the Account to the extent of all outstanding dues, whatsoever, arising as a result of the NEFT Facility extended to and/or used by the Customer.