

## TERMS AND CONDITIONS

### 1. Definitions:

In this document the following words and phrases shall have the meanings as given below unless the context indicates otherwise:

"Account(s)" refers to the user's bank account(s), credit card account(s), loan / facility account(s), depository account(s) and/or any other type of account(s), so maintained with Bhutan National Bank Limited which is eligible Account(s) for the purposes of Internet Banking. In the event of more than one bank account linked to the same user- id, then in every such case, one shall be designated as the Primary Account and all other bank accounts of the user shall be referred to as Secondary Account(s).

"User(s)" refers to a customer of BNBL authorized to use Internet Banking

"BNBL" refers to Bhutan National Bank Limited, a company incorporated under the Companies Act of Kingdom of Bhutan, 2000 having its registered office at Thimphu, Bhutan.

"Internet Banking" refers to the internet banking service offered by BNBL to the user including services such as enquiry about balance in the Account(s), details about transactions in the Account(s), statement of Account, transfer of funds, bill payment and any other service as BNBL may decide to provide from time to time through internet. The availability/non-availability of a particular service shall be communicated to the user through email, web page of BNBL or in writing as may be deemed fit by BNBL.

By submitting the "I agree" button, for these terms and conditions at the time of login, you agree to be legally bound by the same.

These terms and conditions are subject to change from time to time. Any changes shall be notified to you online. By submitting the "I agree" button, for these revised clauses at the time of login, you agree to be legally bound by the same.

### 2. Internet Banking Service

2.1 Internet Banking: For the purpose of availing Internet Banking, the user would need to have legal and valid access to the internet. The user shall ensure that Internet Banking or any related service is not used for any other purpose, improper or which is not authorized under these Terms or the laws of the land.

2.2. Unauthorized Access: The user shall take all necessary precautions to prevent unauthorized and illegal use of Internet Banking and unauthorized access to the Accounts provided by Internet Banking. BNBL shall take all commercially reasonable care to, ensure the security of and to prevent unauthorized access to the Internet Banking using commercially reasonable technology available to BNBL.

2.3 Internet Banking Access: The user shall be allotted an Internet Banking user-id and a set of secret passwords by BNBL in the first instance. The user shall change the password assigned by BNBL on accessing Internet Banking for the first time. As a safety measure, the user may change the password as frequently as possible thereafter.

2.4 If the User forgets the user-id or the same gets disabled after a number of incorrect password attempts, up to such number as may be intimated by BNBL from time to time, then the user may request for the re issue of user id through the ATM Department of all the BNBL Branch offices. Re issuance of user id shall not be construed as the execution of new agreement.

2.5 Internet Banking Password: The user acknowledges, represents and warrants that the password which is to be issued shall provides access to the Account and that user shall be the sole and exclusive owner and shall be the only authorized user of the password. The user also accepts the sole responsibility for use, confidentiality and protection of the password, as well as for all orders and information changes (i.e., change of address) entered into Accounts using such password.

2.6 Indemnification: The user grants explicit authority to BNBL for carrying out transactions and instructions authenticated by such password. Such Password may be issued within such time as may be intimated by BNBL from time to time. The user agrees and acknowledges that BNBL shall in no way be held responsible or liable if the user incurs any loss as a result of information being disclosed by BNBL regarding his/her Account(s) or carrying the instruction of the user pursuant to the access of the Internet Banking and the user shall fully indemnify and hold harmless BNBL in respect of the same.

2.7 Joint Accounts: In case of Joint Accounts, transactions through Internet Banking, shall be available if the mode of operation is indicated as 'either or survivor' or 'anyone or survivor'. The user desirous of using the Internet Banking should either be the account holder and sole signatory or authorized to act independently in case of a joint account. For such joint accounts, one user-id and password for Internet Banking will be issued to each of the joint account holders when requested. The other joint account holders shall expressly agree with the arrangement and give their consent on the application form for use of Internet Banking. In case of

joint accounts operated by more than one user, BNBL shall act on the instruction received first and any subsequent instruction shall be neglected. All correspondence will be addressed to the first named person only. All transactions arising from the use of Internet Banking in the joint account shall be binding on all the joint account holders, jointly and severally. BNBL's Internet Banking service shall not be available if two or more of the joint signatories are required to authorize transactions jointly.

2.8 Maintenance of Sufficient Balance : The user shall ensure that there are sufficient funds (or prearranged credit facilities) in the Account(s) for transactions through the Internet Banking, and BNBL shall not be liable for any consequences arising out of its failure to carry out the instructions due to inadequacy of funds and/or credit facilities provided that BNBL at its sole discretion, may carry out the instructions notwithstanding such inadequacy without seeking the prior approval from or notice to the user and the user shall be responsible to repay with interest the resulting overdraft, advance or credit thereby created and for all related to costs and charges.

#### 2.9 Funds Transfer through Internet Banking:

The User shall be responsible for keying in the correct account number for the fund transfer request. In no case, BNBL shall be held liable for any erroneous transactions incurred arising out of or relating to the User entering wrong account numbers. BNBL will endeavor to effect funds transfer transaction received through Internet Banking subject to availability of sufficient funds in the Account. BNBL shall specify the limit for carrying out various kinds of funds transfer or other services through Internet Banking from time to time.

2.10 Discontinuation of the BNBL Internet Banking facilities: If the users no longer want to use the Internet Banking service, the user may intimate BNBL in writing or by sending a secure message from the facilities of the Internet Banking. . BNBL shall continue to carry out any transactions that the user have already authorized unless the user request not to do so, provided the request is not too late to amend or cancel the transactions.

2.11 De registration: BNBL may de-register the user from BNBL's Internet Banking service if the user fail to log on and use the Internet Banking service within 3 months from the date of first registration for using the same ; or the user has not used the Internet Banking service for over 13 months from the last transaction.

If BNBL de-register the user from BNBL's Internet Banking service for any one of the above reason, the user shall be required to re-register for availing the service in future.

2.12 If BNBL believe or suspect fraudulent or suspicious transactions are being carried out on user's account, BNBL reserve the right to suspend access to all or part of the Internet Banking service.

2.13 BNBL shall have no obligation to verify the authenticity of any transaction / instruction received or purported to have been received from the user through Internet Banking or purporting to have been sent by the user other than by means of verification of the Internet Banking user-Id and the password.

2.14 The customer shall be responsible for the safekeeping/secretcy and use of User ID/Corporate ID/SMS ID and User/Transaction/SMS password and shall be liable for any damage and other consequences of their misuse.

2.15 BNBL shall provide Vasco digipassgo6-thumdrive like hardware at price fixed by BNBL and which may be changed from time to time.

The hardware may be used as and when the user wishes to avail the internet banking services. The hardware shall generate new PIN as and when the user clicks on the button of the hardware. The User may also opt for digipass software which can be installed in the mobile phone which has installed Java software. Thereafter, the PIN can be generated from the mobile.

BNBL shall install the software at some price as specified from time to time. The User may opt to use the above mentioned software and hardware for security purpose.

2.16 Charges: BNBL reserves the right to charge and recover from the user, service charge for providing the Internet Banking Service (including but not limited to the right of charging the user for the use of funds transfer through e-Cheques). The user authorizes BNBL to recover the service charge by debiting one of the Accounts of the user or by sending a bill to the user who shall be liable to make the payment within the specified period. Failure to make the payment shall result in recovery of the service charge in a manner as may deem fit along with such interest, if any, and/or suspension of the facility of Internet Banking without any liability to BNBL.

3. Application for Facilities through Internet Banking:

The User shall apply for Internet Banking facilities by filling the prescribed form provided by BNBL from time to time. The facility shall be extended to the User subject to compliance with BNBL's credit parameters and upon submission of all documents required in a physical form to BNBL. BNBL may in its sole discretion reject the application for the facility by the User.

The eligibility of a User for a facility shall be decided by BNBL at its sole discretion and may be notified from time to time.

4. In the event such facility is sanctioned by BNBL to the User, the User expressly agrees and acknowledges to have read and understood the terms and conditions that govern such facility and shall be bound by such terms and conditions at all times during the tenure of the facility, and as may be amended by BNBL from time to time. Further, the User agrees and undertakes to adhere to such other documents and shall be deemed that such document has already been signed.

5. Authority to BNBL for Internet Banking: The user irrevocably and unconditionally authorizes BNBL to access all his Account(s) for effecting banking or other transactions performed by the user through the Internet Banking. The instructions of the user shall be effected only when such instruction is in accordance with the prescribed procedure.

6. Instructions: Any instruction, order, direction, request entered using the password of the user shall be deemed to be an instruction, order, directive, request received from the user. All instructions, requests, directives, orders, directions, entered by the user, either electronically or otherwise, are based upon the user's decisions or are the sole responsibility of the user. The user understands that entering an instruction, direction, order, request with BNBL, either electronically or otherwise, does not guarantee execution of such instruction, direction, order or request unless the users confirms the receipt of such instruction, direction, order or request to the BNBL.

7. Liability of the user and BNBL: BNBL shall not be liable for any authorized transactions occurring through the Internet Banking and the user hereby fully indemnifies and holds BNBL harmless against any action, suit, proceeding initiated against it or any loss, cost or damage incurred by it as a result thereof. BNBL shall under no circumstance be held liable to the user if the Internet Banking 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 BNBL. Under no circumstances, BNBL shall be liable for any damages whatsoever whether such damages are direct, indirect, incidental consequential and irrespective of whether any claim is based on loss of revenue, interruption of business or any loss of any character or nature whatsoever and whether sustained by the user or by any other person. The user(s) shall be solely responsible and liable for such losses.

8. Disclaimer of Warranties: The Client/customer/user expressly agrees that use of the Website shall be at its own risk. The Website shall be provided on an "as is" and "as available" basis. Except as warranted in this terms and conditions, BNBL expressly disclaims all warranties of any kind, whether express or implied, 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 Internet Banking.

BNBL does not warrant that access to the Website and Internet Banking shall be uninterrupted, timely, secure, or error free nor does it make any warranty as to the results that may be obtained from the Website or use, accuracy or reliability of Internet Banking.

BNBL shall not be liable for any virus that may enter the user's system as a result of the user using Internet Banking. BNBL does not guarantee to the user or any other third party that Internet Banking shall be virus free.

9. Indemnity: In consideration of BNBL providing the user the Internet Banking, the user shall, at his own expense, indemnify and hold BNBL, its directors and employees as the case may be, indemnified against all losses and expenses on full indemnity basis which BNBL may incur, sustain, suffer or is likely to suffer in connection with BNBL's execution of the user's instructions and against all actions, claims, demands, proceedings, losses, damages, costs, charges and expenses as a consequence or by reason of providing a service through Internet Banking for any action taken or omitted to be taken by BNBL, its officers, employees on the instructions of the user. The User will pay BNBL such amount as may be determined by BNBL to be sufficient to indemnify it against any such, loss or expenses even though they may not have arisen or are contingent in nature.

Further, the user agrees, at its own expense, to indemnify, defend and hold harmless BNBL, its directors and employees against any claim, suit, action or other proceeding brought against BNBL, its directors and employees by a third party, to the extent that such claim, suit, action or other proceeding brought against BNBL, its directors and employees is based on or arises in connection with the user of Internet Banking with reference to:

(i) a violation of the Terms and conditions contained herein by the user;

(ii) any deletions, additions, insertions or alterations to, or any unauthorized use of, Internet Banking by the user;

(iii) any misrepresentation or breach of representation or warranty made by the user contained herein; or

(iv) any breach of any covenant or obligation to be performed by the user hereunder. The user 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.

10. Change of Terms: BNBL shall have the absolute discretion to amend or supplement any of the Terms and/or terms and conditions stipulated by BNBL pertaining to the Accounts and/or to any services/facilities offered by BNBL at any time and shall give prior notice (except for change in interest rates) by hosting the same on the Website or in any other manner as may be deemed appropriate by BNBL. The Customer/User shall be responsible for regularly reviewing or updating these Terms and the terms and conditions stipulated by BNBL including amendments thereto as may be posted on the Website. Such amended Terms and Conditions stipulated by BNBL and/or its Affiliates will thereupon apply to and be binding on the user at the expiry of one month from the date of posting on the website. If the User(s) uses any new services as may be introduced by BNBL, it is deemed that the user has accepted the changed Terms and conditions stipulated by BNBL.

11. Disclosure of Information: The user agrees that BNBL may hold and process his/her Personal Information and all other information concerning his Account(s) on computer or otherwise in connection with the Internet Banking as well as for analysis, credit scoring and marketing. The user also agrees that BNBL may disclose, in strict confidence, to other institutions, such Personal Information as may be reasonably necessary for reasons inclusive of but not limited to participation in any telecommunication or electronic clearing network, in compliance with a legal directive, for credit rating by recognized credit scoring agencies, or for fraud prevention purposes.

12. Non-Transferability: The grant of Internet Banking to a user is not transferable under any circumstance and shall be used only by the user.

13. Termination of Internet Banking: The user may request for termination of the Internet Banking at any time by giving a written notice of at least 15 days to BNBL. The termination shall take effect on the completion of the fifteenth day of the notice and the user shall remain responsible until that period of time. BNBL may withdraw or terminate the Internet Banking anytime either entirely or with reference to a specific service or user or in case of breach of Terms and conditions by the user without a prior notice or in the case of the death, bankruptcy or lack of legal capacity of the user.

14. Applicability To Future Accounts: BNBL and the user agree that if the user opens further Accounts with/subscribes to any of the products/services of BNBL, BNBL may extend the Internet Banking to such Accounts or products or services at the option of the User(s) thereof, provided that the Terms and conditions shall automatically apply to such further use of the Internet Banking by the user.

15. BNBL reserves the right to introduce a charge for using the Internet Banking service subject to reasonable period of notice prior to introduction of the same by BNBL.

16. The customer/User/Client hereby agrees to use the website strictly for his/her/their/its internal use and not for any illegal purpose or in any manner inconsistent with this terms and conditions. The customer further agrees not to use, transfer, distribute or dispose of any information contained in the website in any manner that could compete with the business of BNBL or otherwise is against the interests of BNBL.

17. Dispute Settlement: Any dispute arising between the parties hereto in connection with the validity, interpretation or implementation of this agreement, which cannot be solved mutually shall be referred to competent Court of Jurisdiction in Bhutan.

18. General: Internet Banking Service shall be available to the user(s) in certain dzongkhag only and during timings specified by BNBL from time to time. The transactions shall be carried out on the same day or on the next working day depending upon the time of logging of the transaction. The user shall ensure that the equipment used for availing of Internet Banking meets the criteria as may be specified by BNBL from time to time. All costs incurred by the user including telecommunication costs to use the Internet Banking shall be borne by the user.

Disclaimer:

"BNBL may, at its sole discretion, utilize the services of external service provider/s or agent/s and on such terms as required or necessary, in relation to its products/services".