

Rules and Regulations of Internet Banking

Terms and Conditions governing the Internet Banking Service of Punjab National Bank UK

1. Definitions: In this document the following words and phrases shall have the meanings as set below unless the context indicates otherwise:

"Account(s)" refers to the user's current account, savings account, term deposit account, and/or any other type of account (each account hereafter referred to as an "Account" and collectively as "Accounts"), so maintained with PNBIL or its Affiliate which are eligible Account(s) for purposes of Internet Banking.

For the purpose of this definition of Affiliate, "control" together with grammatical variations when used with respect to any person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of the vote carrying securities, by contract or otherwise howsoever; and "person" means a company, corporation, a partnership, trust or any other entity or organisation or other body whatsoever.

"PNBIL" refers to Punjab National Bank (International) Limited. PNBIL was incorporated in UK on 13th April 2006 and registered with the Companies House in England and Wales under No. 05781326. PNBIL was authorized by the Financial Services Authority (FSA) on 13th April 2007 to conduct banking business in UK under Registration No. 459701. PNBIL has its registered office at 87 Guild Hall House, Gresham Street, London EC2V 7NQ. PNBIL is a 100% owned subsidiary of Punjab National Bank, India having its registered and Head Office at 7, Bhikaiji Cama Place, New Delhi 110066 (India) and is regulated and authorized to do banking business in India by the Reserve Bank of India.

"Internet Banking" refers to the internet banking service offered by PNBIL to the user including services such as enquiry about balance in the Account, details about transactions in the Account(s), statement of Account, transfer of funds and any other service as PNBIL 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 PNBIL or in writing as may be deemed fit by PNBIL. Such Internet Banking may be provided by PNBIL directly or through its associates or contracted service providers.

"Personal Information" refers to the information provided by the user to PNBIL.

"Terms" refer to terms and conditions herein for use of Internet Banking.

"User" refers to a customer of PNBIL and/or of the Affiliates authorised to use Internet Banking.

"Website" refers to the website owned, established and maintained by PNBIL located at the URL www.onlinepnbglobal.com

In this document all references to the user being referred in masculine gender shall be deemed to include the feminine gender.

2. Applicability of Terms: These Terms form the contract between the user and PNBIL for availing Internet Banking. The user shall apply to PNBIL in the prescribed form for use of Internet Banking. PNBIL shall be entitled at its sole discretion to accept or reject such applications as may be submitted by the users. By applying for or availing of Internet Banking, the user acknowledges and accepts these Terms. Notwithstanding anything contained herein, all terms and conditions stipulated by the Affiliates pertaining to the Accounts shall continue to be applicable to the users provided in the event of a conflict in the terms stipulated by the Affiliates and the terms herein, the terms herein shall have overriding effect. These terms will be in addition to and not in derogation of the terms and conditions relating to any account of the user.

3. Internet Banking: For the purpose of availing Internet Banking, the user would need to have legal and valid access to the Internet.

The information provided to the user through the Internet Banking may not be updated continuously but at regular intervals. Consequently, any information supplied to the user through Internet Banking will pertain to the date and time when it was last updated and not as the date and time when it is supplied to the user. PNBIL shall not be liable for any loss that the user may suffer by relying on or acting on such information.

PNBIL may keep its records of the transactions in any form it wishes. In the event of any dispute, PNBIL's records shall be binding as the conclusive evidence of the transactions carried out through Internet Banking in the absence of clear proof that PNBIL's records are erroneous or incomplete.

Any request for any service, which is offered as a part of Internet Banking, shall be binding on the user as and when PNBIL receives such a request. If any request for a service is such that it cannot be given effect to unless it is followed up by requisite documentation on part of the user, PNBIL shall not be required to act on the request until it receives such documentation from the user.

In case of any request for a service relating to any foreign currency transaction made by the user, the exchange rates quoted by PNBIL shall only be provisional and shall be subject to future variations in the exchange rate. The rate at which the transaction is given effect to would be the effective rate for all intents and purposes. The user shall ensure that Internet Banking or any related service is not used for any purpose which is illegal, improper or which is not authorised under these Terms.

4. Unauthorised 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. PNBIL shall take all commercially reasonable care to, ensure the security of and to prevent unauthorised access to the Internet Banking using commercially reasonable technology available to PNBIL.

5. Internet Banking Access: The user would be allotted an Internet Banking user-id and a set of secret passwords by PNBIL in the first instance. The user will be required to change the password assigned by PNBIL on accessing Internet Banking for the first time. As a safety measure, the user shall change the password as frequently thereafter as possible. In addition to user-id and password PNBIL may, at its discretion, advise the user to adopt such other means of authentication including but not limited to digital certification and/ or smart cards. The user shall not attempt or permit others to attempt accessing the Account information stored in the computers of PNBIL through any means other than the Internet Banking.

6. Internet Banking Password: The user acknowledges, represents and warrants that the password which will be issued to it, provides access to the Account and that user is the sole and exclusive owner and is the only authorised user of the password and accepts 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.

The user grants express authority to PNBIL for carrying out transactions and instructions authenticated by such password. The user unconditionally undertakes to have Internet Banking password of such number of letters/digits as may be notified by PNBIL from time to time and ensure that the same is kept confidential; and to not let any unauthorised person have access to the internet while the user is accessing the Internet Banking. If the user forgets the Internet Banking password, the user may request for the issue of a new password by sending a written request to PNBIL and this shall not be construed as the commencement of a new contract. The user agrees and acknowledges that PNBIL shall in no way be held responsible or liable if the user incurs any loss as a result of information being disclosed by PNBIL regarding his 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 PNBIL and the affiliates in respect of the same. The user shall maintain the secrecy of all information of confidential nature and shall ensure that the same is not disclosed to any person voluntarily, accidentally or by mistake. The user shall comply with such guidelines, instructions or terms as PNBIL may prescribe from time to time with respect to the password. The User must contact PNBIL at 87 Guildhall, Gresham Street, London EC2V 7NQ OR call us on 0207 7969600 in case the User's password and log in details become known to a third party and to prevent unauthorized access to the User's accounts. The User will not be liable for any unauthorized transaction that takes place after the User has reported the loss to PNBIL in the above manner.

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 authorised 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, PNBIL 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.

8. Charges: PNBIL reserves the right to charge and recover from the user service charge for providing the Internet Banking (including but not limited to the right of charging the user for the use of money transfer

. The user hereby authorises PNBIL to recover the service charge by debiting one of the Accounts of the user or by sending a bill to the user who will be liable to make the payment within the specified period. Failure to do so shall result in recovery of the service charge by PNBIL in a manner as PNBIL may deem fit along with such interest, if any, and/or suspension of the facility of Internet Banking without any liability to PNBIL.

9. Maintenance of Sufficient Balance: The user shall ensure that there are sufficient funds (or prearranged credit facilities) in any Account for transactions through the Internet Banking, and PNBIL 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 always that PNBIL shall at its sole discretion, be entitled to 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.

PNBIL may, at its discretion, levy penal charges for non-maintenance of the minimum balance. In addition to the minimum balance stipulation PNBIL may levy service charges for use of Internet Banking which will be notified by PNBIL to the user from time to time.

Any change in such service charges will also be notified to the user. The user authorises PNBIL to recover all charges related to Internet Banking as determined by PNBIL from time to time by debiting one of the Accounts.

PNBIL may withdraw the provision of Internet Banking, wholly or partly, if at any time the amount of deposit falls short of the required minimum as aforesaid and / or if the service charges remain unpaid, without giving any further notice to the user and / or without incurring any liability or responsibility whatsoever by reason of such withdrawal.

10. Funds Transfer Through Internet Banking: The User accepts that he will be responsible for keying in the correct account number for the fund transfer request. If the User makes a mistake whilst inputting the information on screen, the User can correct it by clicking on "Clear and reentering or by using the cursor to delete highlight the incorrect text, deleting and re-entering it. In no case, PNBIL will be held liable for any erroneous transactions incurred arising out of or relating to the User entering wrong account numbers. The user shall not use or attempt to use the Internet Banking for money transfer without sufficient funds in the relative Account or without a pre-existing arrangement with PNBIL for the grant of an overdraft. PNBIL will endeavour to effect money transfer transaction received through Internet Banking subject to availability of sufficient funds in the Account. PNBIL shall specify from time to time the limit for carrying out various kinds of money transfer or any other services through Internet Banking. The said facility will be provided in accordance with the arrangement between PNBIL and the Affiliates and as per conditions specified by PNBIL from time to time.

PNBIL shall not be liable for any omission to make all or any of the payments or for late payments due to circumstances beyond its reasonable control. PNBIL reserves the right to charge the customer for the use of money transfer by giving due notice on the website about such charges. If money transfer is made available to the user, it may be used for transfer of funds from Account to other accounts belonging to third parties maintained at PNBIL and/or at any other Bank within UK or outside UK as per the options made available on the website.

11. Hot Payment Facility: PNBIL may provide the facility of payment for transactions executed on internet through different sites. PNBIL will execute such transactions only for the sites

specified on its website www.onlinepnbglobal.com or www.pnbinternational.co.uk and will be responsible for transferring the amount debited to the customer to the Account maintained by the Service Provider. However it will not be held responsible for any informational content on any other site.

12. Authority to PNBIL for Internet Banking: The user irrevocably and unconditionally authorises PNBIL 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.

PNBIL 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.

PNBIL will take reasonable care to ensure that any information provided to the User by the internet banking service is an accurate reflection of the information contained in PNBIL's computer system. The read-out, the faxed /email output or the printed output, if any, that is received by the user at the time of operation of Internet Banking is a record of the operation of the computer by the user and shall be accepted as conclusive and binding for all purpose. All the records of PNBIL generated by the transactions arising out of the use of the Internet Banking, including the time the transaction recorded shall be conclusive proof of the genuineness and accuracy of the transaction. While PNBIL and the Affiliates shall endeavour to carry out the instructions promptly, they shall not be responsible for any delay in carrying on the instructions due to any reason whatsoever, including due to failure of operational systems or any requirement of law. All the transactions arising through the use of the Internet Banking to operate a joint account shall be binding on all the joint account holders, jointly and severally.

13. Instructions : All instructions for Internet Banking shall be given, through computer or any other medium/channel enabled by PNBIL for the purpose, by the user in the manner indicated by PNBIL. The user is also responsible for the accuracy and authenticity of the instructions provided to PNBIL and/or Affiliates and the same shall be considered to be sufficient to operate the Internet Banking. PNBIL shall not be required to independently verify the instructions, and the instruction shall remain effective till such time the same is countermanded by further instructions by the user. PNBIL shall have no liability if it is unable to stop or prevent the implementation of an instruction which is subsequently countermanded. Where PNBIL considers the instructions to be inconsistent or contradictory it may seek clarification from the user before acting on any instruction of the user or act upon any such instruction as it deems fit. PNBIL states that it has no liability or obligation to keep a record of the instructions to provide information to the user or for verifying user's instructions. PNBIL will make reasonable efforts to modify, not process or delay processing any instruction where the User requests the bank to do so, but PNBIL will not be liable for any failure to comply with such a request unless it is due to the bank's failure to make reasonable efforts to do so. PNBIL may 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 and have the right to suspend the operations through the Internet Banking if it has reason to believe that the user's instructions will lead or expose to direct or indirect loss or may require an indemnity from the user before continuing to operate the Internet Banking. 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 and are the sole responsibility of the user. The user understands that entering an instruction, direction, order, request with PNBIL, either electronically or otherwise, does not guarantee execution of such instruction, direction, order, request. PNBIL shall not be deemed to have received any instruction, direction, order, request electronically transmitted by the user until it confirms the receipt of such instruction, direction, order, request.

14. Accuracy of Information : The user is responsible for the correctness of information supplied to PNBIL for use of the Internet Banking or through any other means such as electronic mail or written communication. PNBIL accepts no liability for the consequences arising out of erroneous information supplied by the user. If the user notices an error in the information supplied

to PNBIL either in the application form or any other communication, he shall immediately advise PNBIL which will endeavour to correct the error wherever possible on a "reasonable efforts" basis.

15. Liability of the user and PNBIL: Neither PNBIL nor the Affiliates shall be liable for any unauthorised transactions occurring through the Internet Banking unless the User has reported the loss of password and log in details according to clause 6 above to PNBIL and the user hereby fully indemnifies and holds PNBIL and the Affiliates harmless against any action, suit, proceeding initiated against it or any loss, cost or damage incurred by it as a result thereof. PNBIL will use reasonable efforts to inform the User without undue delay through the internet banking service and/or its website if any service under the internet banking service is not available. However, PNBIL 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 PNBIL. Under no circumstances shall PNBIL 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. Illegal or improper use of the Internet Banking shall render the user liable for payment of financial charges as decided by PNBIL or will result in suspension of the operations through the Internet Banking.

16. Disclaimer of Warranties: The customer expressly agrees that use of the Website is at its sole risk. The Website is provided on an "as is" and "as available" basis. Except as warranted in the Terms, PNBIL 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 Internet Banking.

PNBIL 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.

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

17. Indemnity: In consideration of PNBIL providing the user the Internet Banking, the user shall, at his own expense, indemnify and hold PNBIL, its directors and employees, representatives, agents and/or the Affiliates, as the case may be, indemnified against all losses and expenses on full indemnity basis which PNBIL may incur, sustain, suffer or is likely to suffer in connection with PNBIL or Affiliates' 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 PNBIL and /or the Affiliates, its officers, employees or agents, on the instructions of the user. The user will pay PNBIL and /or the Affiliates such amount as may be determined by PNBIL and/or the Affiliates 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 PNBIL, its directors and employees, representatives, agents, and its Affiliates against any claim, suit, action or other proceeding brought against PNBIL, its directors and employees, representatives, agents, and Affiliates by a third party, to the extent that such claim, suit, action or other proceeding brought against PNBIL, its directors and employees, representatives, agents, and Affiliates is based on or arises in connection with the user of Internet Banking with reference to:

- (i) a violation of the Terms 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

legal 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 user hereby agrees that under no circumstances, PNBIL's aggregate liability for claims relating to Internet Banking, whether for breach or in tort (including but not limited to negligence) shall be limited to the transaction charges/fees or consideration paid by the user within the previous twelve (12) months for Internet Banking, excluding any amount paid towards transactions.

18. Disclosure of Information : The user agrees that PNBIL and/or Affiliates or their contractors may hold and process his 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 PNBIL 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 recognised credit scoring agencies, or for fraud prevention purposes.

19. Change of Terms : PNBIL shall have the absolute discretion to amend or supplement any of the Terms at any time and will endeavour to give prior notice of fifteen days for such changes wherever feasible. Such change to the Terms shall be communicated to the user.

By using any new services as may be introduced by PNBIL, the user shall be deemed to have accepted the changed Terms.

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

21. Termination of Internet Banking : The user may request for termination of the Internet Banking any time by giving a written notice of at least 15 days to PNBIL. The termination shall take effect on the completion of the fifteenth day. The user will remain responsible for any transactions made through the Internet Banking until the time of such termination.

PNBIL 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 by the user without a prior notice; or if it learns of the death, bankruptcy or lack of legal capacity of the user. *Clause 13 & 16* shall survive the termination of the Internet Banking for any reason whatsoever.

22. Notices: Notices under these Terms may be given by PNBIL and the user in writing by delivering them by hand or by sending them by post to the last address given by the user and in the case of PNBIL to its corporate office address as set out hereinabove. In addition, PNBIL may also publish notices of general nature, which are applicable to all users in a newspaper or on its web site located at www.onlinepnbglobal.com and/or www.pnbinternational.co.uk. Such notices will have the same effect as a notice served individually to each user. Notice and instructions will be deemed served 7 days after posting or upon receipt in the case of hand delivery, cable, telex or facsimile.

23. Governing Law : These Terms and/or the operations in the Accounts of the user shall be governed by the laws of England and Wales. The Parties hereby agree that any legal action or proceedings arising out of the Terms for Internet Banking shall be brought in the courts or tribunals at London and irrevocably submit themselves to the jurisdiction of such courts and tribunals. PNBIL may, however, in its absolute discretion, commence any legal action or proceedings arising out of the Terms for Internet Banking in any other court, tribunal or other appropriate forum, and the user hereby consents to that jurisdiction. Any provision of the Terms for Internet Banking 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 the Terms or affect such provision in any other jurisdiction.

24. Applicability To Future Accounts : PNBIL and the user agree that if the user opens further Accounts with/subscribes to any of the products/services of PNBIL or any of the Affiliates, and PNBIL extends the Internet Banking to such Accounts or products or services and the user opts for use thereof, then the Terms shall automatically apply to such further use of the Internet Banking by the user.

25. General: The clause headings herein are for only for convenience and do not affect the meaning of the relative clause. PNBIL may sub-contract and employ agents to carry out any of its obligations under this contract. Internet Banking service would be available to the users in certain cities only and during timings specified by PNBIL from time to time and transactions would be carried out on the same day or on the next working day depending upon the time of logging of the transaction. The user would have to ensure that the equipment used for availing of Internet Banking meets the criteria as may be specified by PNBIL from time to time. All costs incurred by the user including telecommunication costs to use the Internet Banking would be borne by the user.

As a tool to correct misunderstandings, the user understands, agrees and authorises PNBIL, at its discretion, and without further prior notice to the user, to monitor and record any or all telephone conversations or electronic communications between the user and PNBIL and any of its employees or agents.

These terms and conditions contain PNBIL's entire agreement (except as otherwise expressly provided herein) and supersede and replace any previously made proposals, representations, understandings and agreements, express or implied, either oral or in writing between the user and PNBIL for Internet Banking. The user acknowledges that it has not relied on any representation made by PNBIL or any of its employees or agents and has made its own independent assessment of Internet Banking. No third party will have any rights or claims under these terms and conditions.

26. Assignment : PNBIL shall be entitled to sell, assign, securitize or transfer PNBIL's right and obligations under the Terms and any security being in favour of PNBIL (including all guarantee/s) to any person of PNBIL's choice in whole or in part and in such manner and on such terms and conditions as PNBIL may decide. Any such sale, assignment, securitisation or transfer shall conclusively bind the user and all other persons. The user, his heirs, legal representatives, executors, administrators and successors are bound by the Terms. PNBIL may sub-contract and employ agents to carry out any of its obligations under this contract. However, the user shall not be entitled to transfer or assign any of his rights and obligations hereunder.

27. Right of set-off and Lien: PNBIL shall have the right of set-off and lien, irrespective of any other lien or charge, present as well as future, on the deposits/scrips held in the Account(s) or in any other account, whether in single name or joint name(s), to the extent of all outstanding dues, whatsoever, arising as a result of the Internet Banking extended to and/ or used by the user.

28. Proprietary Rights: PNBIL shall make reasonable efforts to advise from time to time the Internet software such as browsers which are required for availing of Internet Banking. There will be no obligation on PNBIL to support all or any versions of the Internet software as may be required for offering Internet Banking. The user acknowledges that the software underlying the Internet Banking as well as other Internet related software which are required for accessing Internet Banking are the legal property of the respective vendors. The permission given by PNBIL to access Internet Banking will not convey any proprietary or ownership rights in such software. The user shall not attempt to modify, translate, disassemble, decompile or reverse engineer the software underlying Internet Banking or create any derivative product based on the software.

29. Communications through Electronic means: Documents sent by electronic delivery will contain all the information as it appears in the printed hard copy version as prepared and distributed by the originator, with the possible exception of graphic insertions such as photographs or logotypes. Electronic delivery may be in the form of an electronic mail, an attachment to the electronic mail, or in the form of an available download from the Website. PNBIL would be deemed to have fulfilled its legal obligation to deliver to the user any document if such document is sent via electronic means. Failure to advise PNBIL of any difficulty in opening a document so delivered within twenty-four (24) hours after delivery shall serve as an affirmation regarding the acceptance of the document.