

## **IMPORTANT CHANGES TO CURRENT AND SAVING ACCOUNTS**

### **TERMS AND CONDITIONS**

We are making some changes to Current and Saving accounts terms and conditions. The changes, which are set out below, will apply from 13 January 2018.

#### **Why are we writing to you?**

We are making these changes to comply with law and regulation. In particular, we are making changes to comply with the new Payment Services Directive 2 (PSD2) which are being implemented in the UK from 13 January 2018. The new regulation will enable you to authorize other companies to access your account information and make payments on your behalf. You can find out more about these changes at our website [www.pnbint.com](http://www.pnbint.com).

#### **Changes to terms of your account**

##### **Third party payment service providers (TPPs)**

A TPP is a service provider authorized and regulated by the FCA and other European regulators to provide information or payment related services on online accessible accounts. It includes payment initiation and account information services.

- You will be able to use the service of a TPP to initiate a payment in your online account.
- You can ask a TPP to access your online accounts with different banks and provide you with the consolidated information at one place.

If you are thinking of using a TPP you should check it is authorized before you use it.

On your explicit consent to use a TPP, we will treat any account information and payment initiation request from a TPP as it has been done by you. The TPP may access your accounts without identifying themselves to us.

When the TPP gets access to your online account, they will be able to see exactly the same information that you can see in your online banking and can initiate payments from your account up to the same limit as is available at present with yourself. You may decide to give your online security credentials to authorised TPP if they need the same to access your account but it is entirely up to you to do so.

We may refuse a TPP to have access to your account in case we are concerned about the unauthorized or fraudulent access. We will inform you regarding the denial of access with

the reason immediately after or as soon as is practically reasonable when we have refused the access to any TPP.

### **Unauthorized / incorrect payments**

In case of unauthorized or incorrect payments from your account, you are required to advise us within 13 months of debit from your account. In such cases, we will refund you the amount of payment to you. Otherwise if advised after more than 13 months, we can only try to recover the payment for you on a best-effort basis. We may charge you reasonable cost for doing this.

If a payment has been made into your account by mistake, we may put a hold on the money so that you can't spend it. We may return the funds after giving you 15 days notice, only if the same remains undisputed. In case you tell us the payment was intended for yourself within these 15 days, we will not return the funds but we are legally required to share all relevant information regarding the transaction and your name and address with the bank from where the payment came, if they ask us.

### **Additional security over your account**

Prior to processing any instruction from you, we may ask for more information, for example, proof of ID, to help prevent money laundering or financial crime. We might have to delay or stop processing payment or freeze your account until we have received the required proof within a set timescale.

### **Emergency contacts**

If we have detected a suspicious transaction or activity on your account or we think there is a security issue we will send you an SMS or phone you, using the contact details we hold on your account. We may also email you or write to you if that is the best way to contact you. Please keep these up to date.

### **Information related to transactions**

We provide you the information on the payments in and out of your account through paper statements on a regular basis if you have opted for the same or once in a year otherwise. You can get the same information with further details by calling 08008499229, email to [customersupport@pnbint.com](mailto:customersupport@pnbint.com) or at your branch. You may choose to continue to receive the information in a similar manner or you may request us to send a monthly statement of your account.

### **Asking us to make payment**

As well as the information you normally provide when you ask us to make a payment, you will also now need to provide us with the payee's name (and their address for payments made abroad).

### **Immigration checks**

Following the introduction of new legislation, we will have to do more frequent checks to ensure we know our customers. In particular, we have to check that our UK resident customers have the right to remain in the UK. So, we may terminate our agreement with you immediately if you, or an authorized signatory on your account, fails to meet a check which is required by law. Alternatively, we may remove a signatory from your account if they fail these checks.

### **Clearing of Cheques**

A new method of clearing 'Image Clearing System' (ICS) has started in UK banking industry from 30th October 2017. This system allows banks to clear a digital image of a sterling cheque rather than the original paper cheque. The ICS is being introduced gradually and is operating alongside the existing paper cheque clearing system. We are likely to shift to ICS system in Q1 2018.

With the start of ICS, cheques you write and cleared using this system will become 'cleared funds' on the second working day (latest by 11.59 pm) after the working day the instrument was deposited (before the cut off time) at our counters. The cheque clearing process will be referred to as 2-day time-scale, as this sets the maximum timescale on which a cheque earns interest and when cheque funds can be withdrawn. For example, if the cheque is deposited before cut off time on Monday (day 0) then you will start earning interest from Tuesday (day 1) and the funds can be withdrawn on Wednesday (day 2) provided this cheque is not bounced. Non-working days (Saturdays, Sundays and bank holidays) are not counted for the purposes of the cheque clearing cycle.

### **Use of your data**

We need your explicit consent for accessing, processing and retaining any information for the purposes of providing payment services to you. We will keep your information for as long as it is required by us in order to comply with legal and regulatory requirements or for other operational reasons, such as dealing with any queries relating to your account. If you wish to withdraw your consent regarding your data usage and close your account, we will hold on to only such specific data of yours that we would require to comply with the legal and regulatory requirements.

**All other Terms and Conditions of your account will remain unchanged.**

**In case any of these amendments is not acceptable to you, you are free to close your account without any closure charges.**

**Authorised Signatory**