

Electronic Banking Terms & Conditions

1. Introduction

- 1.1. These Terms and Conditions apply to BSP Electronic Banking Services as at 30 March 2009.
- 1.2. BSP Electronic Banking Services is a range of banking services accessed by an electronic terminal, a computer, mobile device or telephone. These Terms and Conditions apply to any BSP Telephone Banking, BSP.online (including BillPay), BSP Mobile Phone Banking, BSP SMS Banking, ATM and EFTPOS services.
- 1.3. These Terms and Conditions operate in conjunction with the terms and conditions applicable to account/s which you may access using the Electronic Banking Service and BillPay, and set out your rights and obligations in the use of this Electronic Banking Service. Your use of BSP's Electronic Banking Services constitutes agreement to these Terms and Conditions and any modifications thereof and will be taken as confirmation that you have read, understood and accepted these Terms and Conditions and you are legally bound by them.
- 1.4. These Terms and Conditions supersede all other BSP produced Terms and Conditions relating to any Electronic Banking Service product prior to the date described in Clause 1.1 above.
- 1.5. **Please read these Terms and Conditions carefully before you use BSP's Electronic Banking Services. If you do not understand any part of them, or if you have any questions, please speak with BSP staff at any branch or call BSP's Helpdesk on 180 2333.**

2. Defined Terms

“**Account/s**” means any account you have with BSP that you have nominated, and which BSP has agreed is accessible by the Electronic Banking Service. There is a limit on the number of accounts which can be accessible by the Electronic Banking Service.

“**Account Balance**” means in relation to an account at any time the balance of the account incorporating the most up-to-date information available to the service at that time. The account balance may not include all transactions that have occurred prior to that time and may not always represent the amount of funds that are actually available for withdrawal at that time.

“**Accountholder**” means a person who has an account in their own name or, if in joint names, in respect of which BSP may act on the instructions of any 1 or more of them.

“**Account Signatory**” means the person or persons who are authorised to operate on an account under the relevant account signature mandate.

“ATM” means an automated teller machine and is an approved electronic device capable of automatically dispensing Cash. Other transactions such as funds transfers, deposits and balance enquiries may also be supported. Limited service devices (known as "Cash dispensers") that only allow for Cash withdrawal are included.

“Available balance” means the amount of funds available in the account which may be accessed for use pursuant to these Terms and Conditions. It includes any unused overdraft or other agreed credit facility but does not include any uncleared deposits or value held against the balance or interest accrued but not credited or deposits in transit.

“BSP” means Bank of South Pacific Limited, a company incorporated in Papua New Guinea with its registered office at corner Musgrave and Douglas Streets, Port Moresby and includes its successors and assigns.

“Banking Day” means any day other than a Saturday, Sunday or a day gazetted as a public holiday throughout Papua New Guinea in which the banks in Papua New Guinea are open for business and are able to effect settlement through the Central Bank of Papua New Guinea.

“Biller” means an organisation registered as a receiver of payments under BillPay.

“BillPay” is a function within BSP Telephone Banking, BSP.online and BSP Mobile Phone Banking through which you can request BSP to make payments on your behalf to accounts held by Billers. BillPay is operated with the co-operation between Papua New Guinea financial institutions.

“BillPay payment” refers to a payment from your account with BSP to a Biller through BillPay.

“BSP Identification Number” means a unique identification number issued by BSP to allow you access to the Electronic Banking Service and by which BSP identifies you.

“BSP Mobile Phone Banking” is part of the BSP.online service enabling you to perform transactions using your mobile device.

“BSP SMS Banking” means the service which enables the electronic receipt and transmission of information about your account/s and to carry out a range of transactions using your mobile device.

“BSP Telephone Banking” means BSP Banking Services available via the use of a telephone or mobile device.

“BSP.online” means an Internet based service that provides access to BSP Banking Services via www.bsp.com.pg.

“Cut Off Time” means the time, as BSP advises you from time to time, by which your payment instructions must be received by us in order for these instructions to be processed that day by BillPay or to allow for transmission to an external party or other financial institution.

“EFTPOS” means an Electronic Funds Transfer at Point of Sale system or device installed in selected retail and service outlets.

“Electronic Banking Services” means collectively, BSP Telephone Banking, BSP.online (including BillPay), BSP Mobile Phone Banking, BSP SMS Banking, ATM and EFTPOS services provided to you. This term is used interchangeably with **“Service”**.

“Electronic Terminal” includes, but is not limited to a computer, mobile device, telephone, ATM or EFTPOS terminal.

“External Transfer” means an electronic funds transfer made using BSP Telephone Banking, BSP.online, BSP Mobile Phone Banking or BSP SMS Banking to an account that is not one of your nominated account/s at BSP or an account held with another financial institution.

“FAQs” means the list of Frequently Asked Questions set out on BSP’s Website.

“GPRS” means General Packet Radio Service which is a mobile phone technology that delivers high-speed data to mobile devices. It is this technology that allows fast and easy access to Internet on your mobile device.

“Helpdesk” means the BSP Helpdesk support team which can be contacted on 180 2333.

“Instruction” means a request or instruction to BSP which is effected with the Electronic Banking Service by use of a PIN or a PAC and a BSP Identification Number.

“KunduCard” means your debit card that is linked to your nominated account/s and can be used at any ATM or EFTPOS. A **“SaveCard”** can also be defined interchangeably as a KunduCard.

“Linked Account” means your Account/s which you link to a card or one of BSP’s Electronic Banking Services.

“Merchant” means a retailer or any other provider of goods or services.

“Mobile Device” is a device that you have registered for use in connection with BSP SMS Banking and communicate with BSP via SMS or is capable of GPRS communications and can connect to BSP Mobile Phone Banking. This term is used interchangeably with **“Mobile Phone”**.

“Monetary Transactions” refers to transfer of funds from your nominated account/s or third parties, which are linked to the Electronic Banking Service including BillPay.

“Non-Monetary Transactions” refers to transactions where monies are not withdrawn from your account/s, i.e. view Account Balances, view Transaction History, order a chequebook, download transaction history and add, modify or delete Personal BillPay Biller and transfer details.

“PAC” means your Personal Access Code. This is provided by BSP and allows you to access BSP Telephone Banking BSP.online, and BSP Mobile Phone Banking services, or execute instructions via the Electronic Banking Service.

“Payment” means monetary transactions from your account with BSP to an account of a person other than yourself.

“PIN” means the Personal Identification Number allocated by BSP or personally selected by you for accessing banking services with your KunduCard, or any other card issued by BSP.

“SMS” means the Short Message Service, which enables you to send and receive short text messages through mobile devices and other SMS enabled devices such as a personal digital assistant.

“SMS Tag” means a short word to describe a Transfer used in association with SMS Banking that is selected by you at the time of registration and which may be changed by visiting a BSP Branch or by any other method BSP advises is acceptable.

“Terms and Conditions” means these terms and conditions as amended from time to time by BSP.

“Transfer” means the transfer of funds between accounts or to make a payment to an account that is not one of your nominated accounts at BSP or is an account held with another financial institution.

“Top-up Voucher” means a voucher or receipt issues by BSP’s Electronic Banking Services which is used to top-up an account with a Top-up Voucher Provider.

“Top-up Voucher Provider” means a business or entity which is able to sell and distribute its top-up vouchers through BSP’s Electronic Banking Services.

“Unauthorised Transaction” means any transaction made without your knowledge or consent. It does not include transactions carried out by you, or by anyone performing a transaction with your knowledge and consent.

“Website” means BSP’s website accessible at www.bsp.com.pg.

“You” means the person who has accepted these Terms and Conditions, has an account in his or her own name or in joint names, liable for the use of the account jointly or severally, and on whose instructions BSP may act.

“Your” has a corresponding meaning as “You”.

3. BSP Electronic Banking Services

3.1. BSP Telephone Banking

Banking services provided by the use of a touch-tone telephone.

3.2. BSP.online

Internet based service that provides access to BSP Banking Services via www.bsp.com.pg.

3.3. BillPay

BillPay is an electronic payments scheme accessible through BSP Telephone Banking, BSP.online and BSP Mobile Banking which allows you to pay your bills from your designated account/s.

3.4. BSP Mobile Phone Banking

BSP Mobile Phone Banking uses your mobile device to conduct banking functions and is part of the BSP.online service.

3.4.1. Who can use BSP Mobile Phone Banking?

You can use BSP Mobile Phone Banking, provided that you:

- a) Are registered to use BSP.online;
- b) Have an eligible mobile device capable of GPRS communications which is for your own exclusive use; and
- c) Are authorised to use and incur charges on a mobile device in relation to BSP Mobile Phone Banking.

3.4.2. Functionalities of BSP Mobile Phone Banking

The functionality offered through BSP Mobile Phone Banking is similar the that available through BSP.online, though BSP may at any time add to, remove, change or impose restrictions on the functionalities of BSP Mobile Phone Banking in any respect including, without limitation:

- a) Generally;
- b) In relation to a user or class of users;
- c) In relation to an account or a class of account/s;
- d) Who can use BSP Mobile Phone Banking; or
- e) In relation to passwords or other security devices used to access BSP Mobile Phone Banking.

3.4.3. Mobile devices

- 3.4.3.1. Not all mobile devices may be capable of accessing and using BSP Mobile Phone Banking. You are responsible for using, having or obtaining a compatible mobile device in connection with any use of BSP Mobile Phone Banking. BSP is not responsible for any inability of a mobile device to access BSP Mobile Phone Banking or any loss or damage to a mobile device resulting from your access or use or attempted use of BSP Mobile Phone Banking.
- 3.4.3.2. If you travel outside of PNG you may still have access to BSP Mobile Phone Banking. You should check with your mobile service provider that the mobile device will be able to use the GPRS network in those countries in which you are travelling.
- 3.4.3.3. Any conditions of use and charges relating to a mobile device are your responsibility. You must notify your mobile device and/or mobile service provider if the mobile device is lost or stolen.

3.4.4. Access to BSP Mobile Phone Banking

- 3.4.4.1. You will be automatically registered for Mobile Phone Banking when you register for BSP.online. You may request to register for BSP.online:

- (a) At any BSP Branch;
 - (b) By other methods made available by BSP from time to time. BSP will make this information available to callers using the HelpDesk, at BSP's Website or via BSP Mobile Phone Banking.
- 3.4.4.2. BSP will approve a request to register for BSP.online in accordance with 3.4.4.1 at BSP's absolute discretion.
- 3.4.4.3. During registration you will be asked to provide sufficient identification and may have your photograph taken.
- 3.4.4.4. You may use BSP Mobile Phone Banking in accordance with these terms and conditions unless your use of the service is cancelled or suspended under these terms and conditions.
- 3.4.4.5. Access to BSP Mobile Phone Banking, or access to certain functionalities of the service, may only be allowed by BSP:
- (a) If the procedures specified by BSP have been complied with; and
 - (b) If BSP has received in a form, and in the manner satisfactory to it, any document, information or photograph, including any document or photograph which identifies you, as BSP reasonably requires.
- 3.4.4.6. Access to BSP Mobile Phone Banking:
- (a) Will be denied if you send a number of consecutive invalid logon requests to BSP Mobile Phone Banking. The number of consecutive invalid requests is the same as that for BSP.online.
 - (b) May be denied by BSP if any instruction, including any comment, message or note provided in connection with any instruction is made in language BSP considers to be inappropriate.

3.4.5. Transfers and BillPay payments

- 3.4.5.1. You may be able to transfer funds from and to your accounts which are accessible using BSP Mobile Phone Banking and make BillPay payments. The amount which is able to be transferred or paid may be subject to a daily limit set by BSP.

You may also be able to perform External Transfers and transfer funds to other external parties. Refer to 8. "External Transfers" for further detail. The amount which is able to be transferred may be subject to a daily limit set by BSP.

BSP reserves the right to restrict certain types of transfers and limit the amount which may be transferred from an account using this service.

You should refer to FAQs at BSP's Website for details of any restrictions or applicable daily limits.

- 3.4.5.2. The limits advised by BSP are not an undertaking by BSP to limit the amounts transferred by use of BSP Mobile Phone Banking. However, the advised limits do limit your liability for unauthorised transactions.
- 3.4.5.3. You are responsible for all instructions given in relation to your accounts which are authorised by the use of your mobile device in connection with BSP Mobile Phone Banking or undertaken by another person with your knowledge or consent.

3.4.6. Your responsibilities

- 3.4.6.1. You acknowledge that BSP does not record your mobile phone number or device details against the BSP Mobile Phone Banking service and cannot limit or restrict the mobile devices from which the service can be used.
- 3.4.6.2. You must notify BSP if you become aware of any unauthorised transaction or error on an account using BSP Mobile Phone Banking.
- 3.4.6.3. You should check your account records carefully and promptly notify BSP of any apparent discrepancy by calling the HelpDesk or visit a BSP Branch.

3.4.7. You must ensure you:

- a) Lock your mobile device or take other measures to stop unauthorised use of BSP Mobile Phone Banking;
- b) Immediately logoff your mobile device from BSP Mobile Phone Banking when you have finished using the service;
- c) Do not provide your mobile device to any other person;
- d) Do not disclose your BSP Identification Number and PAC to any other person;
- e) Take other measures to secure your use of BSP Mobile Phone Banking, your BSP Identification Number and PAC in a similar manner as would be required in these terms and conditions for BSP.online.

3.4.8. Security of BSP Mobile Phone Banking

- 3.4.8.1. BSP takes vigorous security measures to protect customers' data. BSP will endeavour to provide a secure system within which you can retrieve account information and carry out banking using BSP Mobile Phone Banking.
- 3.4.8.2. However you are responsible for taking reasonable and appropriate security measures in relation to your own mobile device. BSP has no control over who can access the information supplied by BSP to your mobile device using BSP Mobile Phone Banking after the information has been delivered to you. Information is deemed to

have been delivered to you at the time when the communication was sent by BSP.

- 3.4.8.3. You should ensure you restrict access to the information sent to your mobile device.
- 3.4.8.4. If unauthorised access to your account occurs through your failure to have such security measures in place, you may be liable for any loss that you may suffer as a result of those unauthorised transactions.
- 3.4.8.5. You will be required to use the BSP Identification Number and PAC used for BSP.online to access BSP Mobile Phone Banking.

You should read 13. “Security of BSP Electronic Banking” and 15. “Liability for Unauthorised Transactions” and 16. “Other Liability”.

3.4.9. Fees and charges

- 3.4.9.1. You must pay BSP’s standard fees and charges relating to BSP Mobile Phone Banking in accordance with 3.4.9.
- 3.4.9.2. When you use BSP Mobile Phone Banking:
 - (a) To request information, BSP may debit the account to which the enquiry relates with the standard fee and charge relating to the request;
 - (b) To make a transfer, BSP may debit the account from which the funds have been debited with the standard fee and charge relating to the transfer;
 - (c) To make any other transaction, BSP may debit the account to which the particular transaction relates with the standard fee and charge relating to the transaction.
- 3.4.9.3. If you incur fees and charges in connection with your account and you subsequently request a change to the details of the account (for example, you request BSP to transfer to another personal account or to close your account and to open another account or otherwise), BSP may debit any such fees and charges to the new account.
- 3.4.9.4. The amount and nature of the standard fees and charges relating to BSP Mobile Phone Banking including the use of the service by you can be found on the BSP Website. These fees and charges are subject to change.
- 3.4.9.5. You may also incur charges from your mobile service provider including GPRS charges. Any such charges are your sole responsibility and any matters regarding these charges should be raised with your mobile service provider.
- 3.4.9.6. If the fees and charges for BSP Mobile Phone Banking cause the relevant account to become overdrawn, BSP may require you to pay the fees in any other manner BSP determines.

- 3.4.9.7. If you close your account, BSP will select another account to which fees and charges relating to BSP Mobile Phone Banking may be charged. If BSP determines there is no satisfactory account, BSP may immediately cancel the availability of BSP Mobile Phone Banking to you until such time as you open an account which is satisfactory to BSP or you pay BSP the fees in some other manner acceptable to BSP.
- 3.4.9.8. BSP may at its discretion waive any fee or charge to your account to which it is entitled. The failure by BSP to collect any fee or charge which applies to your account does not give rise to a waiver of that fee or charge in the future.

3.4.10. Cancellation and suspension

- 3.4.10.1. In addition to any other right to suspend or cancel access to BSP Mobile Phone Banking described in these terms and conditions, BSP can suspend or cancel access to BSP Mobile Phone Banking without giving you notice and without being responsible for any loss which you suffer as a result. In suspending or cancelling BSP Mobile Phone Banking, your access to BSP.online would also be suspended or cancelled.
- 3.4.10.2. You may end the use of BSP Mobile Phone Banking at any time by giving notice to BSP by visiting a BSP branch. In cancelling BSP Mobile Phone Banking, you would also cancel your access to BSP.online.
- 3.4.10.3. If you do not use BSP Mobile Phone Banking and BSP.online for 12 months, BSP may end it without notice to you.

3.4.11. Liability for losses

- 3.4.11.1. This section sets out important rules which govern accountholder's liability for unauthorised transactions through BSP Mobile Phone Banking. The liability set out below overrides any other sections to the extent of any conflict or inconsistency for all transfers on the account.
- 3.4.11.2. You should read 15. "Liability for Unauthorised Transactions" and 16. "Other Liability".
- 3.4.11.3. You are liable for all losses if you have acted fraudulently, either alone or together with any other person.
- 3.4.11.4. Subject to 3.4.11.3, where it is clear that you have contributed to the losses because you have failed to comply with 3.4.7 "Your responsibilities", then you may be liable for those losses except for that portion of the total losses incurred that exceeds the balance of your account, including any pre-arranged credit or any applicable daily limit on the day of the unauthorised transaction.

To remove any doubt for the purpose of applying this section 3.4.11 “Liability for losses” each transaction by you using BSP Mobile Phone Banking in connection with an account that can be operated by no more than 1 signatory is a use that is authorised by each account holder and signatory on the account.

3.5. BSP SMS Banking

BSP SMS Banking uses your mobile device to conduct certain banking functions by sending a SMS.

3.5.1. Who can Register for SMS Banking?

You can register for the BSP SMS Banking, provided that you:

- a) Are aged 16 years or older;
- b) Have an Account/s;
- c) Have an eligible mobile device capable of SMS Messaging and which is for your own exclusive use; and
- d) Are authorised to use and incur charges on a mobile device in relation to BSP SMS Banking.

3.5.2. Functionalities of BSP SMS Banking

BSP may at any time add to, remove, change or impose restrictions on the functionalities of BSP SMS Banking in any respect including, without limitation:

- a) Generally;
- b) In relation to a user or class of users;
- c) In relation to an account or a class of account/s;
- d) Who can use BSP SMS Banking; or
- e) In relation to passwords or other security devices to access BSP SMS Banking.

3.5.3. Accounts

- 3.5.3.1. There is a limit on the type of accounts which can be accessed by means of BSP SMS Banking. BSP provides this account information and information about transactions you can undertake using BSP SMS Banking when you register for the service. You may also refer to the FAQs at BSP’s Website for further details.
- 3.5.3.2. Accounts which are designed primarily for a business or established primarily for business purposes cannot be accessed using BSP SMS Banking.
- 3.5.3.3. BSP SMS Banking is only available on accounts which are accessible through BSP Telephone Banking or BSP.online or

nominated during the registration process or registered at a BSP branch or by any other method BSP advises is acceptable.

- 3.5.3.4. New eligible accounts which are opened may be automatically registered during the account opening process. If registration does not automatically occur, it will be your responsibility to register it.
- 3.5.3.5. In respect of joint accounts, BSP SMS Banking will be limited to accounts that can be operated by no more than 1 signatory.
- 3.5.3.6. If, in accordance with the terms of your account, BSP approves:
 - (a) Your request to change an account which is not eligible to be accessed using BSP SMS Banking, to an account which can be accessed using the service; or
 - (b) Your request to change an account which is eligible to be accessed by BSP SMS Banking, to an account which is not eligible to be accessed by the service

then BSP may automatically add or remove the account to SMS Banking as the case may be. If registration or deregistration does not occur automatically occur it will be your responsibility to register or deregister it.

3.5.4. Mobile devices

- 3.5.4.1. Not all mobile devices may be capable of accessing and using BSP SMS Banking. You are responsible for using, having or obtaining a compatible mobile device in connection with any use of BSP SMS Banking. BSP is not responsible for any inability of a mobile device to access BSP SMS Banking or any loss or damage to a mobile device resulting from your access or use or attempted use of BSP SMS Banking.
- 3.5.4.2. If you travel outside of PNG you may still have access to BSP SMS Banking. You should check with your mobile service provider that the mobile device will be able to use the SMS network in those countries in which you are travelling and that you can retain the mobile phone number registered for BSP SMS Banking.
- 3.5.4.3. Any conditions of use and charges relating to a mobile device are your responsibility. You must notify your mobile device and/or mobile service provider if the mobile device is lost or stolen.
- 3.5.4.4. If you believe your mobile device is lost, stolen or damaged please refer to 3.5.7. "Your responsibilities" for the action to take to limit your liability.

3.5.5. Access to BSP SMS Banking

- 3.5.5.1. You may request to register for BSP SMS Banking:
 - (a) At any BSP Branch;

- (b) By other methods made available by BSP from time to time. BSP will make this information available to callers using the HelpDesk, at BSP's Website or via BSP SMS Banking.
- 3.5.5.2. BSP will approve a request to register for BSP SMS Banking in accordance with 3.5.5.1 at BSP's absolute discretion. If BSP approves a request for registration, BSP will send a "Welcome Message" via SMS to the mobile device you nominated for use with BSP SMS Banking within 48 hours of the request for registration being received in Port Moresby. When this message is received, you can use BSP SMS Banking. If the Welcome Message is not received from BSP within 72 hours of the request for registration, you should contact the HelpDesk.
- 3.5.5.3. During registration, you will be asked to:
 - (a) Provide sufficient identification and may have your photograph taken; and
 - (b) Provide the mobile phone number of your mobile device capable of SMS messaging and which is for your exclusive use; and
 - (c) Nominate a SMS Tag for each Transfer Account.
- 3.5.5.4. You may use BSP SMS Banking in accordance with these terms and conditions unless your use of the service is cancelled or suspended under these terms and conditions.
- 3.5.5.5. Access to BSP SMS Banking, or access to certain functionalities of the service, may only be allowed by BSP:
 - (a) If the procedures specified by BSP have been complied with; and
 - (b) If BSP has received in a form, and in the manner satisfactory to it, any document, information or photograph, including any document or photograph which identifies you, as BSP reasonably requires.
- 3.5.5.6. Access to BSP SMS Banking:
 - (a) Will be denied if:
 - (i) Your mobile device number expires or is otherwise cancelled or suspended; or
 - (ii) You send three consecutive invalid SMS instructions to BSP SMS Banking.
 - (b) May be denied by BSP if any instruction, including any comment, message or note provided in connection with any instruction is made in language BSP considers to be inappropriate.

3.5.6. Transfers

- 3.5.6.1. You will be able to transfer funds from and to your accounts which are accessible using BSP SMS Banking. The amount which is able to be transferred may be subject to a daily limit set by BSP.

You may also be able to perform External Transfers and transfer funds to any other external parties. Refer to 8. “External Transfers” for further detail. The amount which is able to be transferred may be subject to a daily limit set by BSP.

BSP also reserves the right to restrict certain types of transfers and limit the amount which may be transferred from an account using this service.

You should refer to FAQs at BSP’s Website for details of any restrictions or applicable daily limits.

- 3.5.6.2. The limits advised by BSP are not an undertaking by BSP to limit the amounts transferred by use of BSP SMS Banking. However, the advised limits do limit your liability for unauthorised transactions.
- 3.5.6.3. You must nominate a SMS Tag for each Transfer Account and keep this information confidential.
- 3.5.6.4. You are responsible for all instructions given in relation to your accounts which are authorised by the use of your mobile device in connection with BSP SMS Banking or undertaken by another person with your knowledge or consent.

3.5.7. Your responsibilities

- 3.5.7.1. You must notify BSP if:
- (a) Your mobile device used to access and use BSP SMS Banking is lost, stolen, fraudulently accessed or the mobile phone number of the mobile device has changed;
 - (b) You become aware of any unauthorised transaction or error on an account using BSP SMS Banking.
- 3.5.7.2. You should check your account records carefully and promptly notify BSP of any apparent discrepancy by calling the HelpDesk or visit a BSP Branch.
- 3.5.7.3. You must ensure you:
- (a) Lock your mobile device or take other measures to stop unauthorised use of BSP SMS Banking;
 - (b) Do not provide your mobile device to any other person;
 - (c) Do not disclose your SMS Tag details to any other person;
 - (d) Delete SMS messages you have sent to or received from BSP.

3.5.8. Security of BSP SMS Banking

- 3.5.8.1. BSP takes vigorous security measures to protect customers' data. BSP will endeavour to provide a secure system within which you can retrieve account information and carry out banking using BSP SMS Banking. Instructions and other messages including SMS messages are not encrypted as they do not contain sufficient information to enable a person to access your accounts.
- 3.5.8.2. However, you are responsible for taking reasonable and appropriate security measures in relation to your own mobile device. BSP has no control over who can access the information supplied by BSP to your mobile device using BSP SMS Banking after the information has been delivered to you. Information is deemed to have been delivered to you at the time when the communication was sent by BSP.
- 3.5.8.3. You should ensure you restrict access to the information sent to your mobile device and delete any SMS messages you have sent to and received from BSP.
- 3.5.8.4. If unauthorised access to your account occurs through your failure to have such security measures in place, you may be liable for any loss that you may suffer as a result of those unauthorised transactions.
- 3.5.8.5. No password or other secure access code is issued in connection with BSP SMS Banking.
- 3.5.8.6. Only instructions or messages which BSP is able to confirm have been sent from your mobile device will be replied to by BSP. When BSP receives an instruction to transfer, BSP responds to the transfer detailing your request and will require you to respond with identifier generated by BSP (a 7 digit code) when you confirm the instruction to BSP. BSP will confirm the transfer by sending a confirmation SMS to your mobile device including a transfer reference number. You should contact the support team in the event BSP does not accept any instruction using the identifier or a transfer confirmation is not received by your mobile device. Provision of the identifier does not alter your responsibility for the transaction.

You should read 13. "Security of BSP Electronic Banking" and 15. "Liability for Unauthorised Transactions" and 16. "Other Liability".

3.5.9. Fees and charges

- 3.5.9.1. You must pay BSP's standard fees and charges relating to BSP SMS Banking in accordance with 3.5.9.
- 3.5.9.2. When you use BSP SMS Banking:
 - (a) To request information, BSP may debit the account to which the enquiry relates with the standard fee and charge relating to the request;

- (b) To make a transfer, BSP may debit the account from which the funds have been debited with the standard fee and charge relating to the transfer;
 - (c) To make any other transaction, BSP may debit the account to which the particular transaction relates with the standard fee and charge relating to the transaction.
- 3.5.9.3. If you incur fees and charges in connection with your account and you subsequently request a change to the details of the account (for example, you request BSP to transfer to another personal account or to close your account and to open another account or otherwise), BSP may debit any such fees and charges to the new account.
 - 3.5.9.4. The amount and nature of the standard fees and charges relating to BSP SMS Banking including the use of the service by you can be found on the BSP Website. These fees and charges are subject to change.
 - 3.5.9.5. You may also incur charges from your mobile service provider including charges for sending or receiving SMS messages. Any such charges are your sole responsibility and any matters regarding these charges should be raised with your mobile service provider.
 - 3.5.9.6. If the fees and charges for BSP SMS Banking cause the relevant account to become overdrawn BSP may require you to pay the fees in any other manner BSP determines.
 - 3.5.9.7. If you close your account, BSP will select another account to which fees and charges relating to BSP SMS Banking may be debited. If BSP determines there is no satisfactory account, BSP may immediately cancel the availability of BSP SMS Banking to you until such time as you open an account which is satisfactory to BSP or you pay BSP the fees in some other manner acceptable to BSP.
 - 3.5.9.8. BSP may at its discretion waive any fee or charge to your account to which it is entitled. The failure by BSP to collect any fee or charge which applies to your account does not give rise to a waiver of that fee or charge in the future.

3.5.10. Cancellation and suspension

- 3.5.10.1. In addition to any other right to suspend or cancel access to BSP SMS Banking described in these terms and conditions, BSP can suspend or cancel access to BSP SMS Banking without giving you notice and without being responsible for any loss which you suffer as a result.
- 3.5.10.2. You may end the use of BSP SMS Banking at any time by giving notice to BSP by visiting a BSP branch.
- 3.5.10.3. If you do not use BSP SMS Banking for 12 months BSP may end it without notice to you.

3.5.11. Liability for losses

- 3.5.11.1. This section sets out important rules which govern accountholder's liability for unauthorised transactions through BSP SMS Banking. The liability set out below overrides any other sections to the extent of any conflict or inconsistency for all transfers on the account.
- 3.5.11.2. You should read 15. "Liability for Unauthorised Transactions" and 16. "Other Liability".
- 3.5.11.3. You are liable for all losses if you have acted fraudulently, either alone or together with any other person.
- 3.5.11.4. Subject to 3.5.11.3, where it is clear that you have contributed to the losses because you have failed to comply with 3.5.7.2 and 3.5.7.3 "Your responsibilities", or the user has unreasonably delayed notifying BSP under 3.5.7.1 "Your responsibilities", then you may be liable for those losses except for that portion of the total losses incurred that exceeds the balance of your account, including any pre-arranged credit or any applicable daily limit on the day of the unauthorised transaction.
- 3.5.11.5. You acknowledge that any mobile phone number that you have authorised to be linked to your BSP SMS Banking service will have full access to all functions and features of the service, including access to any transfers that you have setup. Any transactions performed by an authorised linked mobile phone number are considered to have been authorised and approved by you.
- 3.5.11.6. To remove any doubt for the purpose of applying this section 3.5.11 "Liability for losses" each transaction by you using BSP SMS Banking in connection with an account that can be operated by no more than 1 signatory is a use that is authorised by each account holder and signatory on the account.

3.6. How to use your KunduCard

- 3.6.1. BSP will allocate a PIN to you when you are first issued with a KunduCard. You may:
- Access your funds in your Linked Account/s to purchase goods and services, or obtain cash at locations throughout the country.
 - Obtain cash at ATMs displaying the KunduCard sign.
 - Access the EFTPOS system at any store or business that displays the KunduCard sign.
 - If the record of the PIN is lost or stolen, BSP may issue you with a new PIN and if necessary, a replacement KunduCard. You may be charged a fee to cover the cost of issuing the replacement KunduCard.
- 3.6.2. The card can only be used to perform transactions on your Linked Account/s.

- 3.6.3. If a Linked Account is in the name of more than one person, then each party to that account will be jointly and severally liable for all transactions on that account.
- 3.6.4. We will advise from time to time:
- What transactions can be performed using the KunduCard
 - What ATMs and EFTPOS terminals of other financial institutions may be used.
- 3.6.5. Transactions may not necessarily be processed to your Linked Account/s on the same day.
- 3.6.6. You will continue to be liable to BSP for the value of any transactions occurring after your Linked Account/s are closed or your KunduCard is cancelled.

3.7. ATM

- 3.7.1. At an ATM you can perform the following transactions:
- Cash withdrawals
 - Transfer funds between Linked Accounts
 - Check account balance/s
 - Obtain a top-up voucher.
- 3.7.2. You may find that not all these transactions are provided at non-BSP ATMs as they may impose their own restrictions and charge their own fees.
- 3.7.3. When withdrawing cash from an ATM, you should immediately check that the correct sum has been delivered. If there is a discrepancy, between the amount of cash delivered by an ATM, and the amount shown on the receipt, report the facts as soon as possible to BSP.
- 3.7.4. When obtaining a top-up voucher from an ATM, it is your sole responsibility to ensure that you have chosen the correct provider and the voucher amount that you require. BSP is not responsible for any error that may occur in obtaining a top-up voucher nor can it refund the value of any top-up voucher you select. If there is a discrepancy or error, you should contact the top-up voucher provider.

3.8. EFTPOS

- 3.8.1. To use EFTPOS:
- Present your KunduCard to the operator who will key the total amount of your purchase, including any cash that you may require into the terminal.
 - You must then select the account from which you want the payment withdrawn and key in your PIN.
 - Once authorised, the transaction amount will be debited from your nominated account. The operator will hand back your KunduCard, any

cash withdrawn and a transaction receipt, which should be retained to check against your account statement.

- Your use of EFTPOS at individual stores and businesses is subject to purchase and cash withdrawal limits that may be set by them.

3.8.2. You may find that not all locations where KunduCards are accepted (BSP and non-BSP EFTPOS machines) will provide the option for cash back with your purchase. BSP accepts no responsibility for such restrictions or any fees that may be charged.

3.8.3. You may also find where KunduCards are accepted at non-BSP EFTPOS devices provided by other financial institutions, they may impose their own fees and restrictions. BSP accepts no responsibility for such fees and restrictions.

4. Using the Electronic Banking Service

- 4.1. The Electronic Banking Service will only be used to complete basic monetary and non-monetary transactions including obtaining the balance of your account/s, transferring funds between your accounts, payments to third party accounts, using the BillPay features and requesting transaction lists to be issued in relation to your account/s. The types of transactions available may be varied at BSP's discretion.
- 4.2. You are responsible for acquiring and maintaining any equipment (such as a computer, mobile device or touch tone telephone), which may be necessary for your continued access to and use of the Electronic Banking Service. You are responsible for the costs of maintaining your computer, mobile device and telephone and all communication and software costs.

5. Access to the Electronic Banking Service

You agree that:

- 5.1. Under no circumstances shall you allow anybody access to your account through the Electronic Banking Service.
- 5.2. Any person who supplies BSP with your KunduCard and PIN or BSP Identification Number and PAC may be allowed access to the Electronic Banking Service and your account/s.
- 5.3. BSP need not act on an Instruction immediately, and may delay acting on an Instruction, or may ask for more information before acting on an Instruction.
- 5.4. You may not stop payment on electronic funds transfers. Therefore, you should not employ electronic access for purchases or services unless you are satisfied that you will not need to stop payment.

5.5. BSP may specify limits on transaction types and values in respect of certain Accounts of the Electronic Banking Service and may refuse to act on an Instruction if the transaction exceeds a particular limit. These may include:

- ATM Cash withdrawal and purchases
- EFTPOS purchases
- Transfer between accounts
- BillPay payments
- External transfers
- Transactions performed at Branches and Agencies

Limits may be varied at BSP's absolute discretion.

5.6. You acknowledge that third party organisations including merchants and other financial institutions both in Papua New Guinea and overseas may impose additional restrictions on the amount of funds that may be withdrawn, paid or transferred.

5.7. We do not currently impose a limit for transfer to other accounts held with BSP, including accounts held in different names.

5.8. BSP will advise you if we make a change to the limit for External Transfers or introduce new transaction limits for any of the Electronic Banking Services.

5.9. BSP will not act on an Instruction to the extent that it would result in you withdrawing more than the credit balance of an account or withdrawing against uncleared funds.

5.10. Where BSP receives Instructions for more than one payment from an account BSP will determine the order of priority in which the payments are made.

6. Processing Monetary Value Transactions

6.1. When you make a monetary transaction by using the Electronic Banking Service a receipt number will be issued to you upon BSP receiving an Instruction for Funds Transfer or a BillPay Payment. It is your responsibility to retain this receipt number together with any other details.

6.2. An Instruction will be processed by BSP when there are funds in the Available Balance. An Instruction will not be processed if there are insufficient funds in your account/s.

6.3. If a monetary transaction or any fees associated with it or your account overdraws your account, it will be your responsibility to repay this amount plus any associated fees and interest that may apply.

7. BillPay Payments

- 7.1. BillPay payments may be made via BSP Telephone Banking, BSP.online and BSP Mobile Phone Banking.
- 7.2. Funds will usually be credited to the Biller's account by the next Banking Day. A record of your payment will be sent to the Biller the following Banking Day for reconciliation purposes.
- 7.3. You are responsible for ensuring that you authorise a BillPay payment taking into account the Biller's due date for payment.
- 7.4. BSP shall not be liable if the Biller does not update its records after receipt of your payment details or for any error whatsoever in making this payment.
- 7.5. Where delays occur in the processing of a BillPay payment, BSP will not be responsible for any of your loss or damages arising out of these delays:
 - Due to a public or a bank holiday after BSP has been instructed to make a BillPay payment to a Biller; or
 - Due to another participating financial institution involved in BillPay failing to comply with its obligations.
- 7.6. If your BillPay payment is not in accordance with the Terms and Conditions or if BSP considers the information supplied by you is incorrect or incomplete, then BSP will not be obliged to act on a BillPay payment instruction.
- 7.7. If a Biller advises BSP that it is unable to process your BillPay payment, BSP will:
 - Advise you of this; and
 - Credit your account with the amount of that BillPay payment; and
 - Where possible, BSP will take all reasonable steps to advise you of alternatives in arranging your payment to the Biller subject to your instructions.
- 7.8. When BSP accepts your instructions to pay a Biller, this does not protect you against any fraud by that Biller or some other party involved in BillPay. BSP will provide you reasonable assistance to pursue enquiries in relation to allegations of fraud, however, ultimately you could bear any resultant loss.
- 7.9. At all times BSP maintains that it is your responsibility to exercise due care when dealing with a Biller. Please protect your PAC, your PIN, all other access passwords and the accuracy of your instructions to BSP.
- 7.10. If you instruct BSP to make any BillPay payment, but close the account to be debited before the BillPay Payment is processed, you will remain liable for any dishonour fees incurred in respect of that BillPay payment,
- 7.11. You acknowledge that third party organisations (such as Billers or other financial institutions) may impose additional restrictions on your access to and use of BillPay.

- 7.12. You acknowledge that the receipt by a Biller of a mistaken or erroneous payment does not or will not constitute under any circumstances part or whole satisfaction of any underlying debt owed between you and that Biller.
- 7.13. To pay bills using BSP Telephone Banking, BSP.online and Mobile Phone Banking:
- You must use a telephone, computer or mobile device to authorise a BillPay payment from your designated account.
 - Your BillPay payment will be made by transferring funds to the Biller by electronic means.
 - You agree that the use of your BSP Identification Number and PAC is your authorisation for any payments made using BillPay.
 - We will debit the value of each BillPay payment and any applicable fees to the account.
 - You must ensure that you print out or record all transaction confirmations.
- 7.14. A BillPay payment instruction is irrevocable. Except for future-dated BillPay payments (refer to 7.20.3), you cannot stop a BillPay payment once you have instructed BSP to make it and we cannot reverse it.
- 7.15. You should notify us immediately if you think that you have made a mistake when making a BillPay payment or if you did not authorise a BillPay payment that has been made from your account.
- 7.16. A BillPay payment is treated as received by the Biller to whom it is directed:
- On the date you direct us to make it, if BSP receives it by the Cut Off Time on a Banking Day; or
 - Otherwise, on the next Banking Day after you direct us to make it. The BillPay payment may take longer to be credited to a Biller if you tell us to make it on a Saturday, Sunday or a public holiday or if another participant in BillPay does not process a BillPay payment as soon as they receive it.
- 7.17. Notwithstanding this, a delay may occur when processing a BillPay payment if:
- There is a public or bank holiday on the day after you instruct us to make the BillPay payment;
 - You tell us to make a BillPay payment on a day which is not a Banking Day or after the Cut Off Time on a Banking Day; or
 - A Biller or other financial institution participating in BillPay does not comply with its BillPay obligations.
- 7.18. You must be careful to ensure you tell us the correct amount you wish to pay. If you make a BillPay payment and later discover that
- The amount you paid was greater than the amount you needed to pay, you must contact the Biller to obtain a refund of the excess; or

- The amount you paid was less than the amount you needed to pay, you will need to make another BillPay payment for the difference between the amount you actually paid and the amount you needed to pay.

7.19. You acknowledge and agree that:

- We may refuse for any reason to give effect to any direction you give us in respect of a BillPay payment to be made; and
- We are not liable to you or any other person for any loss or damage which you or that person may suffer as a result of such refusal.

7.20. Future-dated BillPay payments

BSP may offer you the ability to arrange BillPay payments in advance of the date that they are due for payment through BSP.online. If you use this option you should be aware that:

- 7.20.1. If the Available Balance in your Account is not sufficient to comply with your BillPay payment authorisation, the BillPay payment will not be made and you may be charged a dishonour fee.
- 7.20.2. You are responsible for checking your Account transaction details or Account statement to ensure the future-dated Payment is made correctly. You should contact us immediately if there are any problems with your future-dated BillPay payment.
- 7.20.3. You can elect to cancel a future-dated BillPay payment after you have given the direction but before the date for payment, by making the relevant changes using BSP.online. You cannot stop the BillPay payment on or after the date for payment.

8. External Transfers

8.1. External transfer functionality can be used to make a payment to an account, which is not one of your nominated accounts at BSP or is an account held by another BSP customer or with another financial institution, through BSP Telephone Banking, BSP.online, BSP Mobile Phone Banking and BSP SMS Banking.

8.2. When you tell us to make an external transfer:

- For recipients who are customers of BSP and registered for Telephone Banking, you must tell us their BSP Identification Number, BSP Account number, account name, a reference or description for the transfer, the amount to be paid and the account from which the amount is to be paid.
- For recipients who are customers of BSP and but not registered for Telephone Banking, you must tell us their BSP BSB Number, BSP Account number, account name, a reference or description for the transfer,

the amount to be paid and the account from which the amount is to be paid.

- For recipients who are customers of other financial institutions, you must tell us the financial institution's BSB Number, the Account number at the other financial institution, account name for the account, a reference or description for the transfer, the amount to be paid and the account from which the amount is to be paid.
- 8.3. You acknowledge that BSP is not required to effect the transfer if you do not give us all the required information or if any of the information you give us is inaccurate.
- 8.4. We will debit the value of each transfer and any applicable fees to the account.
- 8.5. A transfer instruction to BSP by you constitutes a valid and irrevocable authority to BSP to follow that instruction and that BSP is not obliged to make any further enquiry. Except for future-dated transfers (refer to 8.13.4), you cannot stop a transfer once you have instructed BSP to make it and we cannot reverse it.
- 8.6. We will treat your transfer instruction as valid if, when you give it to us, you use the correct BSP Identification Number and PAC.
- 8.7. You should notify us immediately if you think that you have made a mistake when making a transfer or if you did not authorise a transfer that has been made from your account.
- 8.8. A transfer is treated as received by the recipient:
- On the day after direct us to make it, if BSP receives your direction by the Cut Off Time on a Banking Day; or
 - Otherwise, on the next Banking Day after you direct us to make it. The transfer may take longer to be credited to a recipient if you tell us to make it on a Saturday, Sunday or a public holiday or if the other financial institution does not process a transfer as soon as they receive its details.
- 8.9. Notwithstanding this, a delay may occur when processing a transfer if:
- There is a public or bank holiday on the day after you instruct us to make the transfer;
 - You tell us to make a transfer on a day which is not a Banking Day or after the Cut Off Time on a Banking Day; or
 - Another financial institution does not comply with its obligations.
- 8.10. If BSP is advised that your transfer cannot be processed by the other financial institution, we will:
- Advise you of this where practicable;
 - Credit your account with the amount of the transfer once it has been returned from the other financial institution;

- Take all reasonable steps to assist you in making the transfer as quickly as possible.
- 8.11. You must be careful to ensure you tell us the correct amount you wish to transfer. If you make a transfer and later discover that
- The amount you paid was greater than the amount you needed to transfer, you must contact the external party to obtain a refund of the excess; or
 - The amount you paid was less than the amount you needed to transfer, you will need to make another for the difference between the amount you actually paid and the amount you needed to transfer.
- 8.12. You must be careful to ensure you tell us the correct information when making a transfer. You acknowledge that BSP is not liable to you or any other person for any loss or damage which you or any other person may suffer as a result of transfers you make where the transfer information you provide is incorrect and funds are processed to another recipient. If you make a transfer and later discover that the information you provided is incorrect, we will endeavour to recover the funds on your behalf. If we are unable to recover the funds, it will be your responsibility to take any necessary action to recover the funds from the recipient who you paid them to.
- 8.13. You acknowledge and agree that:
- We may refuse for any reason to give effect to any direction you give us in respect of a transfer to be made; and
 - We are not liable to you or any other person for any loss or damage which you or that person may suffer as a result of such refusal.

8.14. Future-dated External Transfers

BSP may offer you the ability to arrange transfers in advance of the date that they are due for payment through BSP.online. Future-dated Transfers can be once only or recurring transfers and may be used to transfer funds to Accounts held with BSP and accounts held with other financial institutions. If you use this option the following conditions apply:

- 8.14.1. If the Available Balance in your Account is not sufficient to comply with your transfer authorisation, the transfer will not be made and you may be charged a dishonour fee.
- 8.14.2. You are responsible for checking your Account transaction details or Account statement to ensure the future-dated transfer is made correctly. You should contact us immediately if there are any problems with your future-dated transfer.
- 8.14.3. You can elect to cancel a future-dated transfer after you have given the direction but before the date for transfer by making the relevant changes via BSP.online. You cannot stop a transfer on or after the date for transfer.

9. The Security of your BSP Identification Number, PAC and PIN are your responsibility

- 9.1. BSP will provide you with a BSP Identification Number and a PAC. You may change the PAC from time to time by selecting the “change PAC” option by BSP Telephone Banking, BSP.online or by contacting your branch. BSP may change your BSP Identification Number and your PAC at any time. It is not possible to change your PAC through Mobile Phone Banking
- 9.2. You must notify BSP immediately if you wish to cancel your access to BSP.online and BSP Telephone Banking.
- 9.3. You must:
 - Keep your PAC and PIN secure and take steps to prevent unauthorised use of it;
 - Not tell or show your PAC or PIN to another person or allow it to be seen by another person (including family or friends);
 - Not keep a record of your PAC or PIN in a way which can be determined by another person;
 - Not record your BSP Identification Number and PAC together; and
 - Not keep your KunduCard and PIN together.
- 9.4. Where BSP allows you to select a PIN or change your PIN you must not select:
 - A numeric code which represents your birth date; or
 - An alphabetical code which is a recognisable part of your name.

10. What to do if your KunduCard or PIN is lost or stolen

- 10.1. You must immediately notify your local BSP branch or telephone 180 2333 if:
 - Your KunduCard is lost or stolen; and/or
 - A record of your PIN is lost or stolen; and/or
 - You become aware or suspect another person has made unauthorised use of your KunduCard.

BSP will give you a reference number or other form of acknowledgment that verifies the date and time you contacted the Bank, which you should retain. If your report is made to BSP by telephone, you must subsequently confirm it at your local BSP branch and you may be required to complete a written report.

- 10.2. BSP will put a stop on your KunduCard to prevent further use.
- 10.3. You must go to your local BSP branch where you may be issued with a new PIN and, if necessary, a replacement KunduCard. You may be charged a fee to cover the cost of issuing the replacement KunduCard.

11.What to do if your PAC is lost or stolen

11.1. You must immediately notify your local BSP branch or telephone 180 2333 if:

- A record of your PAC is lost or stolen; and/or
- You become aware or suspect another person knows your PAC or has made unauthorised use of it or the Service.

BSP will give you a reference number or other form of acknowledgment that verifies the date and time you contacted the Bank, which you should retain. If your report is made to BSP by telephone, you must subsequently confirm it at your local BSP branch and you may be required to complete a written report.

11.2. BSP may cancel a BSP Identification Number or PAC at any time without notice if BSP believes either is being used without your authorisation.

11.3. You agree that BSP may disclose information about you or your Account/s to the Police or other authority or third parties if BSP thinks it will help prevent or recover losses.

12.Account Records

You should carefully check your Account records and statements when you receive them. If you believe that there has been a mistake in any transaction using the Electronic Banking Service, or an unauthorised transaction, you must notify BSP immediately in accordance with clause 10.1 and clause 11.1.

13.Security of BSP Electronic Banking

13.1. BSP will use such measures as it considers reasonable to help ensure a high level of security of the Electronic Banking Service. In respect of BSP.online and BSP Mobile Phone Banking, BSP employs a range of security measures, including firewalls and data encryption protocols that help provide a secure connection for your Internet transactions. However, BSP cannot guarantee that any data transmission over the Internet is totally secure. BSP encourages you to protect your BSP Identification Number and your PAC. BSP refers you to Appendix A which gives you some advice on how to protect yourself from unauthorised use of your property.

13.2. You are solely responsible for ensuring that you have a secure telecommunication service provider to access BSP.online or BPS Mobile Phone Banking. All telephone, mobile service provider and other communications costs will be borne by you.

- 13.3. By applying for this BSP Electronic Banking Service, you consent to use of the data provided to BSP for the purpose of providing this Electronic Banking Service and you acknowledge that the data provided may be encrypted, transmitted and stored by BSP and that, except as otherwise provided by law in Papua New Guinea, BSP shall have no liability in respect of such data.

14.Interruption to BSP Electronic Banking

- 14.1. BSP makes no representation, warranty or guarantee that access to the BSP Electronic Banking Service will be uninterrupted.
- 14.2. You acknowledge that this Electronic Banking Service may be affected by outages, faults or delays. Such outages, faults or delays may be caused by factors including but not limited to technical difficulties with the performance or operation of BSP's or any another person's software, equipment or systems, data traffic or technical difficulties with the Internet, or infrastructure failures such as damaged telephone lines or interference with digital or mobile phone signals.
- 14.3. Where BSP's equipment or BSP's system are unavailable for use or malfunctioning, BSP's responsibilities will be limited to the correction of any errors in the account holder's account. BSP will also not be liable for any losses caused by the failure of BSP's equipment or BSP's systems where BSP's systems or BSP's equipment did not accept a request for or process a transfer or BillPay payment or for the refund of any charges or fees imposed on the account holder as a result other than those levied or charged directly by BSP.

15.Liability for Unauthorised Transactions

- 15.1. You are liable for all transactions carried out via the BSP Electronic Banking Service by you or anybody carrying out a transaction with your consent regardless of when the transactions is processed to your account by us.
- 15.2. If you are responsible for a mistaken BillPay payment or transfer and BSP cannot recover the amount from the person who received it, you will be liable for that payment.
- 15.3. You will not be liable for any loss of funds arising from an unauthorised transaction on an Account:
- That occurs before you have received your KunduCard, PIN, BSP Identification Number or PAC; or
 - If the transaction occurs after you notify BSP in writing that your PAC, KunduCard or PIN has been misused, lost or stolen or become known to someone else; or
 - That is related to the use of a KunduCard, PIN, BSP Identification Number or PAC that had been cancelled by BSP.

15.4. You will be liable for any loss of funds arising from any unauthorised transaction on your Account if the loss occurs before you notify BSP that your PAC or PIN has been misused, lost or stolen or become known to someone else and if:

- You fail to look after and keep your PAC or PIN secure in accordance with clause 9; or
- You unreasonably delay notifying BSP of the misuse, loss or theft of your PAC or PIN or of it becoming known to someone else and the loss occurs between the time you did, or should reasonably have become aware of these matters, and the time you notify BSP; or
- You voluntarily disclose your PIN or PAC; or
- You kept a record of your PIN or PAC without making a reasonable attempt to disguise it, or in a way that it could be lost or stolen with your card. However BSP does not consider the following examples to provide a reasonable disguise and you agree not to:
 - (i) Record a disguised PIN on your card;
 - (ii) Disguise your PIN by reversing the number sequence;
 - (iii) Describe the disguised record as a 'PIN record' or 'Password record';
 - (iv) Disguise your PIN as a telephone number, part of a telephone number, postcode or zip code, or date of birth;
 - (v) Disguise your PIN using alphabetical characters, eg.: A=1, B=2, C=3 etc;
 - (vi) There may be other forms of disguise which may be similarly unsuitable because of the ease another person discerning your PIN;
- You otherwise fail to protect the security of your PIN; or
- Act with extreme carelessness in failing to protect the security of your PIN.

15.5. Your liability will not exceed the lesser of:

- The balance of the Account; or
- The amount you are able to withdraw from your Account on the day the unauthorised transaction takes place.

16. Other Liability

Subject to clause 15 and to the extent permitted by law:

16.1. You agree that BSP will not be responsible for any liability, damage, loss including legal costs, whether consequential or not, whether directly or indirectly from any error, delay, failure in performance, inability to use the Electronic Banking Service or of any of its obligations caused by circumstances beyond BSP's control (including, but not limited to, the unavailability of the Electronic

Banking Service or any delay, error or failure to carry out an Instruction for any reason), except for wilful default on the part of BSP, or a breach of a condition or warranty implied by statute in contracts for the supply of services which cannot be excluded, modified or restricted.

- 16.2. You will be liable for and agree to indemnify BSP against any loss or damage BSP may suffer due to any claim, demand or action of any kind brought against us arising directly or indirectly because you did not observe your obligations under these Terms and Conditions or acted negligently or fraudulently when using the Service.
- 16.3. BSP shall not be liable if you do not have sufficient available funds in your designated Account to complete the transaction you initiate or if the account is closed.
- 16.4. BSP shall not be liable if you have not given BSP proper instructions via BSP Telephone Banking, BSP.online, BSP Mobile Phone Banking or BSP SMS Banking.
- 16.5. BSP shall not be liable if the funds in your designated account are subject to legal process or other encumbrance restricting such payment or transfer.
- 16.6. BSP shall not be liable if you or anyone you permit to utilise BSP's Electronic Banking Services and your PAC or PIN commits any fraud or violates any law or regulation.
- 16.7. You will not be liable for losses that are caused by the fraudulent or negligent conduct of BSP's employees or agents or companies involved in networking arrangements or of merchants or of their agents or employees.
- 16.8. You are not liable for loss resulting from the same transfer being incorrectly debited more than once to the same account due to the failure of BSP's equipment or BSP's systems.

17.Disclaimer of Warranties

- 17.1. You expressly understand and agree that use of the Electronic Banking Service is at your sole risk subject to these Terms & Conditions. The service is provided on an "as is" and "as available" basis. Subject to these Terms & Conditions, BSP expressly disclaims all warranties of any kind, whether expressed or implied, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose and non-infringement.
- 17.2. We do not warrant that a Merchant or Electronic Terminal displaying the KunduCard or BSP signs or promotional material will accept the card in payment for goods and services or for the performance of transactions. You should always enquire beforehand before selecting goods or services.
- 17.3. We do not accept any responsibility should a merchant, bank or other institution displaying the KunduCard or BSP signs or promotional material, refuse to accept

or honour the card. We do not warrant that electronic terminals displaying the KunduCard or BSP signs or promotional material will accept the card.

- 17.4. We are not responsible for any defects in goods and services acquired by you through the use of the card or and other BillPay payment or transfer. You acknowledge and accept that all complaints about these goods and services must be addressed to the supplier or Merchant of those goods and services.

18.No Warranty

Subject to these Terms & Conditions, BSP makes no warranty that:

- The Electronic Banking Service will meet customers requirements;
- The Electronic Banking Service will be uninterrupted, timely, secure or error free;
- The results that may be obtained from the Electronic Banking Service will be accurate or reliable; and
- Any errors in the technology will be corrected.

19.Fees and Charges

If you use the Electronic Banking Service to effect a transaction you may incur a fee or charge on the Account you access. You agree to pay the fees and charges for your use of BSP's Electronic Banking Service. The fees for this Electronic Banking Service will be debited to an Account nominated by you, or in the absence of such a nomination, to an Account selected by BSP. If there are insufficient funds in your nominated Account, you authorise BSP to deduct the fee from any other account you have with BSP.

20.Information

You authorise BSP to give information about you and any Account to others in order to execute your Instructions or where BSP reasonably thinks it necessary for the provision of the Electronic Banking Service.

21.Recording Telephone Calls

BSP may record telephone calls made to the Electronic Banking Service for training, transaction verification and quality control purposes.

22. Notices

BSP may vary these Terms and Conditions and fees and charges from time to time generally by providing written notice before a change becomes effective in the following manner:

- A written notice to your last known address BSP maintains in its records; or
- Notices on or with periodic account statements; or
- A public notice in any of the daily newspapers circulating in Papua New Guinea ; or
- By notice displayed at BSP's branches; or
- By notice displayed on the BSP website.

Use of the Electronic Banking Service, after the notification methods referred to above, will mean your acceptance of the variation.

23. Electronic Communication

- 23.1. Where permitted, BSP may use electronic means to communicate with you in connection with notices, consents, approvals and other communications in connection with these terms and conditions.

This means BSP may communicate by electronic communication:

- (a) To your nominated electronic address including SMS to your mobile device; or
- (b) By making particulars available at BSP's Website. BSP will promptly notify you by electronic communication in accordance with (a) above that the information is available for retrieval at BSP's Website and the nature of the information and you will be given the opportunity to retrieve that information for future reference by printing it.

- 23.2. You may change your nominated mobile phone number by giving BSP notice.
- 23.3. You may request a paper copy of a communication given electronically within 6 months of the electronic copy being received or made available.
- 23.4. A communication is deemed to be received when the communication enters the recipient's designated mobile device or information system or is capable of being viewed from a recipient's computer, and is effective when received even if no person is aware of its receipt.

24. Termination

You may stop your use of the Electronic Banking Service at any time by giving written notice to BSP. BSP may terminate the Electronic Banking Service at any time by giving you a written notice.

25. KunduCard remains the property of BSP

- 25.1. You agree that your KunduCard remains the property of BSP and agree to return the KunduCard to BSP upon:
 - BSP's request;
 - Closure of your nominated account/s;
 - Termination of your authority to operate all nominated account/s.
- 25.2. Your KunduCard may be retained by an ATM should repeated entry of an invalid PIN occur. The number of additional entries allowed after the first invalid entry may be varied at BSP's discretion and is not subject to any prior notice.
- 25.3. BSP reserves the right to cancel any KunduCard at any time without prior notice if:
 - BSP believes that continued use of the KunduCard might cause a loss to either you or BSP.
 - For security reasons.
 - You breach these terms and conditions.
 - For any reason by giving you 30 days written notice. The notice does not have to specify the reasons for the cancellation.
- 25.4. You must return your card to us when:
 - BSP notifies you that it has cancelled the card.
 - You close your Linked Account/s.
 - You cancel your card.
 - You alter the authorities governing the use of your Linked Account/s unless BSP otherwise agrees.
- 25.5. You will continue to be liable to for ant transactions you make using the KunduCard before the card is cancelled but which are not posted to your Linked Account/s until after the cancellation of the card.
- 25.6. You may cancel your KunduCard at any time by giving us written notice.

26. Governing Law

BSP's agreement with you on these Terms and Conditions and the transactions carried out under that agreement are governed by the law in force in the

Independent State of Papua New Guinea, and you and BSP submit to the non-exclusive jurisdiction of the courts of that jurisdiction in respect of any dispute about them.

27. Money Laundering Prevention and Counter-Terrorism Requirements

- 27.1. BSP meets the regulatory and compliance obligations of Anti Money Laundering and Counter Terrorism laws of Papua New Guinea and overseas. These obligations meant that:
- We will not allow a person to operate any accounts until his or her identity has been verified in accordance with any identification procedures BSP deems necessary to meet out obligations. This applies equally to all Account owners and authorised signatories.
 - We may be required to obtain additional information from you where required by any law in Papua New Guinea or any other country.
 - We may be required to disclose information provided to us or any other information where required by law in Papua New Guinea or any other country. This includes the release of information regarding Electronic Banking transactions to overseas regulators.
 - Your transactions could be delayed, blocked or frozen if we believe on reasonable grounds that making a payment may be in breach of the law in Papua New Guinea or any other country.
 - We incur no liability to you if BSP delays or blocks any transaction, or refuse to pay any money in the reasonable belief that a transaction or payment would contravene and law in Papua New Guinea or any other country
- 27.2. You agree that you will not initiate, engage or effect a transaction or payment that may breach any law in Papua New Guinea or any other country. If you do so, you indemnify BSP against any loss we may incur which arises from such transaction or payment.
- 27.3. In accepting these Terms and Conditions, you will also be taken to have accepted the release by BSP of any information BSP possesses (or has access to) concerning an Electronic Banking Service transaction where an enquiry has been made to BSP, or any of the related entities, into the legality or good faith of the transaction, by a Regulator or Government Agency in a jurisdiction other than where you are registered for BSP's Electronic Banking Service. For the purposes of this clause, the terms 'Regulator' and 'Government Agency' mean a body in that other jurisdiction authorised by the law of that jurisdiction to make such an enquiry.

28.Acceptance

- 28.1. These Terms and Conditions apply to you and to all transactions involving the use of BSP's Electronic Banking Service. This includes the use of BSP Electronic Banking Services to make payments via BillPay.
- 28.2. Your use of BSP's Electronic Banking Services constitutes agreement to these Terms and Conditions and any modifications thereof.
- 28.3. These Terms and Conditions operate in conjunction with the terms and conditions applicable to the account/s, which you have nominated to be accessed by use of BSP's Electronic Banking Service. Unless specifically stated otherwise, where there is any inconsistency between the Terms and Conditions of BSP's Electronic Banking Service and the separate terms and conditions for an account, these Terms and Conditions will prevail.

29.Changing these Terms and Conditions

- 29.1. BSP reserves the right to change and vary these Terms and Conditions (including imposing new fees and charges, changing the amount, type or method of calculation of fees and charges payable) and any other information it has issued about the Electronic Banking Service at any time.
- 29.2. BSP may make a variation without prior notice where such variation is necessary to restore or maintain the security of the Electronic Banking System or any accounts.
- 29.3. Notice of any change will be given in writing (for example on account statements) or adverts placed in the newspapers no later than the date on which the change takes place.
- 29.4. If the rules and regulations of BillPay require that these Terms and Conditions be changes, in any way at any time (including without prior or full notice to you) then BSP will have the right to change these Terms and Conditions accordingly.

30.Internal Compliant and Dispute Resolution

- 30.1. If for any reason you have cause to register a complaint with us you can do so at any BSP Branch or call BSP's Helpdesk on 180 2333 or by emailing us through our website.
- 30.2. Our staff will be understanding of your situation and wherever possible take immediate steps to resolve your issue. For more complex matters BSP may request that you make a written submission and we will then give you an expectation of when the matter should be resolved and advise you accordingly.

- 30.3. A dispute arises you make a complaint to us about a product or service and you are not satisfied with the response you receive. You can request a resolution of a dispute with us via email or by mail.
- 30.4. If you are not satisfied with the outcome of BSP's Internal Dispute Resolution Process and which to progress your complains further, we can make arrangements for the dispute to be mediated by a mediator mutually selected from the Papua New Guinea Commercial Dispute Centre and will be conducted in PNG. Your costs related to the use of the mediation centre will be for your care.

31.Limited Use Licence

- 31.1. BSP grants you a limited non-exclusive, non-transferable license to use and view its Electronic Banking Services, solely for your use in connection to your banking relationship with us.
- 31.2. You may not use, distribute, sell, modify, transmit, revise, reverse engineer, republish, post or create derivative works (where applicable) of the trade-marks, trade names, logos, information, software or other material or content in these Terms of Conditions, referred to (collectively, as the "content") of this Service without BSP's prior written permission.
- 31.3. You acknowledge and agree that this Service and its content are the property of BSP its affiliates or their respective service providers, suppliers or licensors and you will not acquire any rights or licenses in any trade-marks, patents, copyright or other intellectual property.

APPENDIX A

– BSP.online and BSP Mobile Phone Banking User Precautions

This section details the types of precautions that you should take if you decide to use BSP's Electronic Banking Service.

BSP agrees to help you maintain the security and privacy of your account information, irrespective of any other security measures introduced by BSP. Given these you are advised to:

- Protect the secrecy of your BSP Identification Number, PIN or PAC;
- Use a PAC that is not a simple numeric sequence, or the same as your account number, or birth date, or any other number easily associated with you;
- Change your PAC regularly;

- Always log-in to BSP.online or Mobile Phone Banking via BSP's main website - (make it easy by adding this site to your browser's list of favorites);
- Check the last login time and date displayed when you login;
- Verify that you are connected to BSP's "trusted" Web server by checking the Secure Certificate details. Do not just look to see if the lock symbol is displayed;
- Log-out promptly when you have finished using the system;
- Not use publicly accessible kiosks or Internet café PCs;
- Keep your PC system up-to-date and virus free;
- Use a "firewall" to protect your computer from unauthorised access over the Internet if you are accessing the Internet through an "always on" connection (ADSL, Cable, etc);
- Promptly advise BSP of any problems.

You agree to develop your own prudent email policy as follows:

- To only click on a link in an email if you are absolutely certain that it is from a reliable source.
- Not to click on emails where you do not know the sender or source or be duped by great offers coming through email.
- To refrain from forwarding emails titled "great offer" to a friend/relative.
- To avoid opening suspicious or dubious emails or attachments, even if the email is from someone you trust (the email and attachment could have been forwarded automatically without the person's knowledge).
- To avoid replying to "spam" emails or emails where you do not know the sender or source as it simply confirms that your email address is valid and you may receive further emails from them. You should simply delete the email.
- To screen any suspicious emails received from any financial institution and to contact the relevant financial institution directly to verify the email.
- To refrain from acting on any email instructions until the email is verified.

To prevent unauthorised use of your account/s through BSP.online or Mobile Phone Banking, it is BSP policy that BSP will never send you an email requesting your login details and BSP will never send a link to a BSP login page via email, whereupon you may unknowingly divulge your login details to a third party.

You should be aware of spyware software, which can be downloaded onto your computer without your express permission and can be used to secretly obtain personal information including your PAC and keyboard activity. You agree to

use specialised software products available to help stop or remove spyware from your computer and any anti-virus products which include some sort of filter.

– Guidelines for ensuring the security of your KunduCard and PIN

- Sign your card as soon as you receive it;
- Keep the card in a safe place;
- If you change the PIN, you must not select a PIN that represents your birth date or a recognisable part of your name;
- Never write the PIN on the card;
- Never write the PIN on anything that is kept with or near the card;
- Never lend the card to anybody;
- Never tell or show the PIN to another person;
- Use care to prevent anyone seeing the card number and PIN being entered into Electronic Terminals;
- Immediately report loss, theft or unauthorised use of the card to your local BSP branch or telephone the Helpdesk 180 2333;
- Keep a record of the card number and the Helpdesk telephone number for your area with your usual list of emergency telephone numbers
- Examine your periodical statement immediately upon receiving it to identify and report, as soon as possible. Any instances where the card has been used without your authority;
- Immediately notify us of any change of your address;
- Use your card in accordance with these terms and conditions;
- Destroy any expired card;
- If a temporary card has been issued to you, you agree to destroy it upon receipt of a personalised card.