

BSP ONLINE BUSINESS BANKING TERMS & CONDITIONS



1.0. Introduction

- 1.1.** In these Terms and Conditions, certain words and phrases, usually beginning with capital letters, are defined terms. Please refer to Clause 2 to see what they mean.
- 1.2.** If you use BSP OBB, you will automatically be bound by:
 - 1.2.1. these Terms and Conditions;
 - 1.2.2. our Electronic Banking Terms and Conditions;
 - 1.2.3. our International Payments Terms and Conditions;
 - 1.2.4. terms and conditions applicable to your Account(s);
 - 1.2.5. terms and conditions applicable to any BSP products or services you access using BSP OBB;
 - 1.2.6. any other terms and conditions we might publish from time to time which state that they are applicable to you, your Account(s) and products or services we supply to you; and
 - 1.2.7. any changes we might make to any of the terms and conditions referred to in Clauses 1.2.1 – 1.2.5.
- 1.3.** If there is any inconsistency between anything in these Terms and Conditions and anything in any of the terms and conditions referred to in Clauses 1.2.2 – 1.2.6, these Terms and Conditions will prevail for all Instructions and transactions using BSP OBB.
- 1.4.** We may, at our sole discretion, change any of these Terms and Conditions at any time. If we do, we will notify you of those changes in one or more of the following ways:
 - 1.4.1. by direct communication to you (e.g. a notice on your Account statement or via online broadcast);
 - 1.4.2. by notice displayed in any of our branches or on our website; or
 - 1.4.3. by advertisement in a national newspaper.
- 1.5.** Upon our doing any of the things referred to in Clauses 1.4.1 – 1.4.3, you will be deemed to have been notified of the relevant changes and your continued use of BSP OBB will be deemed to be your acceptance of them.
- 1.6.** From time to time we may add new functions to BSP OBB which may allow new or different transactions to be made on your Account(s) using your Security Information. By using BSP OBB, you are automatically agreeing to all of its current and future functions. If you do not want a particular BSP OBB function to be available for use in connection with your Account(s), you must make arrangements with us in writing for that function to be disabled.
- 1.7.** If you:
 - 1.7.1. do not understand anything in these Terms and Conditions; or
 - 1.7.2. require copies of any of the terms and conditions referred to in Clauses 1.2.2 – 1.2.5 or do not understand anything in any of them,you should:
 - 1.7.3. contact your Relationship Manager; or
 - 1.7.4. if you are located in PNG, telephone the BSP Call Centre on 180 1100; or
 - 1.7.5. if you are located outside of PNG, telephone +675 322 9900.

2. Definitions and interpretation

2.1. In these Terms and Conditions, the following words and phrases in bold type have the meanings set out next to them:

Account means a BSP account which we have made accessible by BSP OBB.

Authoriser means a person whom you or another Master User have appointed to authorize financial transactions using BSP OBB in accordance with Clause 6.1.1 and 7.2.2

Available account means an account of the type which we are prepared to make accessible by BSP OBB.

BSP means Bank of South Pacific Limited trading as Bank South Pacific and BSP.

BSP OBB means the BSP Online Business banking facility that provides BSP business customers the option of banking online 24 hours a day, 7 days a week.

BSP Identification Number means the identification number we issue to you to enable a User to access and/or operate your Account(s) using BSP OBB.

Business Day means any day on which BSP is open for business in PNG and does not mean any Saturday, Sunday or other day officially gazetted as a public holiday throughout PNG.

Daily Limit means the maximum total Kina value of transactions we will permit you to effect on an Account using BSP OBB on one calendar day.

Delegated User means a person (who must be either an Initiator or an Authoriser) whom you or a Master User have appointed, and to whom we have granted certain rights, to access and/or operate an Account using BSP OBB in accordance with Clause 7.

eToken Pass means a physical device which generates a new random short-term password or code at specified intervals which will enable a User to access and/or operate your Account(s) using BSP OBB.

Holding Company has the meaning given to it in Section 5 of the Companies Act 1997 (PNG) and includes you (if you are a holding company), your holding company (if any), any holding company of your holding company, any holding company of that holding company, and so on up the line to and including your ultimate holding company.

Information means information of the kind described in Clause 15.1.

Initiator means a person whom you or another Master User have appointed to initiate financial transactions using BSP OBB

Instructions means an Account-related transaction request made to us using BSP OBB.

Master User means a person whom you or another Master User have appointed, and to whom we have granted the right, to do any of the things referred to in Clause 6 using BSP OBB.

OBB means online business banking.

Password means a confidential alphanumeric sequence which we either:

- (a) provide to you or a User on a short-term basis via an eToken Pass; or
- (b) permit you or a User to select,

and which will permit a User to access and/or operate your Account(s) using BSP OBB.

PNG means the Independent State of Papua New Guinea.

Rules means your rules (if you are an incorporated association), your Memorandum of Association and Constitution (if you are a company) and the relevant statutory provisions setting out your powers, rights and obligations (if you are a statutory entity).

Security Identification means any and all of a BSP Identification Number, User Name, Password, eToken Pass or other confidential information provided to, or selected by, you to enable a User to access and/or operate Account(s) using BSP OBB.

Subsidiary has the meaning given to in Section 5 of the Companies Act 1997 (PNG) and includes you (if you are a subsidiary), any subsidiary of you, any subsidiary of such subsidiary, any subsidiary of that subsidiary, and so on down the line ad infinitum.

Subsidiary Account means a BSP account in the name of a Subsidiary.

Terms and Conditions means the terms and conditions set out in this document and any changes we may make to them from time to time.

Unauthorized Transaction means any transaction which is made without your knowledge, authority and consent.

use, uses and **using** BSP OBB includes its use by you, a User and anyone else accessing it with your Security Information.

User means either and both a Master User and a Delegated User.

User Identification Form means a Form completed by you or another Master User and provided to BSP to ascertain all security and identification issues pertaining to the relevant user

User Name means the name we or a Master User provide to you and Users to enable access to your Account(s) using BSP OBB.

We, we, Our, our and **us** each refers to BSP.

You, you, Your and **your** each refers to the Account holder to whom we grant access to BSP OBB.

2.2. In these Terms and Conditions:

- 2.2.1. words importing the singular include the plural and vice versa;
- 2.2.2. words importing any gender includes any other genders;
- 2.2.3. references to a person include a company;
- 2.2.4. an obligation of two or more parties bind them jointly and severally;
- 2.2.5. all references to Clauses are to clauses of this document;
- 2.2.6. a reference to "you", a "Holding Company", a "Subsidiary", "BSP" "we" and "us" includes that entity's executors, administrators, successors and permitted assigns and substitutes;
- 2.2.7. where a word or phrase is given a defined meaning in these Terms and Conditions, another part of speech or other grammatical form or tense of that word or phrase has a corresponding meaning;
- 2.2.8. a reference to Kina is to Papua New Guinean currency;
- 2.2.9. a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them; and
- 2.2.10. headings are for ease of reference and do not affect the interpretation of this agreement.

3. Linking an Available account to BSP OBB

3.1. We will only link BSP OBB to Available accounts.

3.2. Once you complete an application form and provide us with any other information we require, we may agree to link an Available account in your name or the name of one of your Subsidiaries to BSP OBB if:

- 3.2.1. we are satisfied that your Rules permit that to occur;
- 3.2.2. a resolution has been passed or such other steps as your Rules may require have been taken to permit that to occur; and
- 3.2.3. you or the relevant Subsidiary satisfy any other criteria which we may specify from time to time.

- 3.3.** If we agree to link an Available account to BSP OBB, we will provide you or one of your Master Users with your Users' Security Identification for that Account.

4. Non-Disclosure of Security Identification

- 4.1** You must ensure that you and your Users:

- 4.1.1. refrain from directly or indirectly disclosing any Security Identification to any third party;
- 4.1.2. store any record of Security Identification securely so that it cannot be accessed by any third party;
- 4.1.3. report any actual or possible third party access to Security Identification (including, without limitation, possible third party access resulting from the loss, misplacement or misuse of any Security Information) as soon as you become aware, or have reasonable grounds to suspect, that it has occurred.

- 4.2.** If we permit you to select a Password, you must ensure that such Password will not be reasonably recognizable as pertaining to you or any User (e.g. an alphabetical sequence which is a recognizable part of your name, the whole or part of your telephone number, etc.).

- 4.3.** You must ensure that you refrain from using BSP OBB from a computer or system that you know, or have reasonable grounds for suspecting, may permit a third party to ascertain, access or compromise any Security Identification, Instructions or Accounts.

5. BSP OBB Users

- 5.1.** Subject to clauses 5.3, 5.7 and 5.8, we may grant Users nominated by you the right to access and operate your Account(s) using BSP OBB. Users' right are personal to them and cannot be transferred or transmitted to any third party (such as an agent, attorney, executor, trustee or personal representative) other than in accordance with those Terms and Conditions relating to the appointment of other Users.

- 5.2.** If you are a Holding Company, we may agree to allow Master Users appointed in accordance with Clause 6 to appoint Users for Subsidiary Accounts if the relevant Subsidiaries authorize us generally in writing to act on such appointments.

- 5.3.** Security Identification will be provided to Users in accordance with the following procedures:

- 5.3.1 Approved Users will be provided with their own Security Identification to allow the User to use BSP OBB, subject to the relevant User satisfactorily completing the User Identification Form in accordance with clause 5.7 and provided BSP is satisfied with all security and identification issues pertaining to the relevant User.
- 5.3.2 We will provide Security Identification to Master Users appointed by us and to Delegated Users appointed by you;
- 5.3.3 A Master User will provide Security Identification to a Delegated User appointed by that Master User.

- 5.4.** If you are a Subsidiary, and you authorize us generally in writing to permit the appointments of Users for your Account(s) pursuant to Clause 5.2, you acknowledge and agree that :

- 5.4.1. Users may be appointed for your Account(s) by Master Users of any of your Holding Companies (which, as per the definition of "Holding Company" in Clause 2.1, includes Holding Companies of your Holding Companies up the line to and including your ultimate Holding Company);

- 5.4.2. you may not be aware of the number or identity of those Users or when and by whom they have been appointed;
 - 5.4.3. those Users will be able to access and operate your Account(s) using BSP OBB without reference to you; and
 - 5.4.4. you will have no claim against us for any loss or damage arising from or connected with such access to, and operation of, your Account(s) by those Users, including for any Unauthorized Transactions.
- 5.5.** Instructions received from Users are deemed to be Instructions from the entity in whose name the relevant Account is maintained.
- 5.6.** If you are:
- 5.6.1. a Holding Company and, either directly or through a Master User, you appoint Users for the Account(s) of a Subsidiary; or
 - 5.6.2. a Subsidiary and you authorize us generally in writing to act on the appointment of Users for your Account(s) by any of your Holding Companies or their Master Users,
you:
 - 5.6.3. are, or will be deemed to be, appointing such Users as your lawful agents for the purposes of their use of BSP OBB and they will have full authority to bind you by their actions;
 - 5.6.4. must ensure that those Users comply with these Terms and Conditions as if they were personally bound by them; and
 - 5.6.5. will be responsible for, and keep us indemnified in respect of, any use those Users make of BSP OBB, including for any loss or damage suffered by you, your Holding Companies, your Subsidiaries and any third parties arising from or in connection with such use.
- 5.7.** All proposed Users must complete the User Identification Form as precondition to BSP accepting anyone as a User under these terms and conditions.
- 5.8.** We reserve the right to refuse to accept the nomination or appointment of any User without giving reasons.
- 5.9.** An eToken Pass will be issued to a Master User or a Delegated User at the discretion of BSP.

6. Master Users

- 6.1.** You must appoint at least one Master User who will automatically have your full authority to:
- 6.1.1. To be a signatory to the Account (s);
 - 6.1.2. access and operate your existing Account(s); and
 - 6.1.3. appoint other Users for your Accounts, using BSP OBB.
- 6.2.** Other Master Users appointed pursuant to Clause 6.1.2 will have the right to do any of the things referred to in Clause 6.1.
- 6.3.** Subject to our receiving and being satisfied with the authorization referred to therein, we may grant Master Users appointed under Clause 6.2 the right to:
- 6.3.1. access and operate existing Subsidiary Accounts; and
 - 6.3.2. appoint Users for Subsidiary Accounts, using BSP OBB.

- 6.4.** Other Master Users appointed pursuant to Clause 6.3.2 will have the right to do any of the things referred to in Clause 6.3.

7. Delegated Users

- 7.1.** Subject to Clause 5, we may grant Delegated Users the right to access and operate your Account(s) using BSP OBB in accordance with such of the available authority levels and permitted functions you select.
- 7.2.** Delegated Users :
- 7.2.1 must be an Initiator or an Authoriser;
 - 7.2.2 who are Authorisers, must be a signatory to the Account(s).
- 7.3.** The specific authority levels and permitted functions to be granted to Delegated Users must be specified by you or your Master Users before we will allow them to access or operate any Account(s).
- 7.4.** Delegated Users may not:
- 7.4.1. access or operate Accounts other than those you or your Master Users specify or otherwise than in accordance with the authority levels and permitted functions you select; or
 - 7.4.2. appoint other Users.

8. Instructions

- 8.1.** All Instructions must be provided to us in accordance with the directions and requests:
- 8.1.1. on our BSP OBB site;
 - 8.1.2. on the BSP Website HYPERLINK "<http://www.bsp.com.pg>" www.bsp.com.pg; and
 - 8.1.3. we may otherwise issue from time to time.
- 8.2.** We will not check your Instructions. If you enter incorrect information when providing us with Instructions:
- 8.2.1. funds could be transferred to the wrong account;
 - 8.2.2. the wrong amount of funds could be transferred;
 - 8.2.3. funds could be transferred in the wrong currency;
 - 8.2.4. processing your Instructions could be delayed; or
 - 8.2.5. your Instructions might not be processed at all.
- 8.3.** We will not be liable for any mistakes you make when providing us with Instructions and will not be liable for any loss or damage you or anyone else suffers as a result of such mistakes.
- 8.4.** Before issuing Instructions, you must ensure that the relevant Account has sufficient available funds to cover them.
- 8.5.** If the requirements of Clauses 8.1 and 8.4 are not met, we may decline to process the Instructions.
- 8.6.** We may also delay, stop or decline to process Instructions if we are of the opinion that processing them may be unlawful or illegal.
- 8.7.** You must not issue Instructions or otherwise use BSP OBB to effect, assist or participate in any transaction which may involve the proceeds of crime or constitute or involve illegal or unlawful conduct.
- 8.8.** Notwithstanding anything else in these Terms and Conditions, we may decline to process Instructions without giving any reasons. If we do, we will inform you as soon as we reasonably can.

9. Processing Instructions

- 9.1. You authorize us to treat Instructions we receive using relevant Security Identification as if they were instructions provided to us in writing by the authorized signatory or signatories for the relevant Account. You understand and agree that we will not seek confirmation of Instructions from you.
- 9.2. If we receive more than one set of Instructions from you on any calendar day, we will decide in which order we process them. You must not assume that we will process Instructions in the same order as we receive them.
- 9.3. We will usually process Instructions for a funds transfer:
 - 9.3.1. between Accounts or to other BSP accounts on the same calendar day we receive them; and
 - 9.3.2. to accounts at other banks on the same Business day we receive them if we receive them by 02:30pm (PNG time).
- 9.4. Instructions for funds transfers to accounts at other banks which are received after the “cut off” times specified in Clause 9.3.2 will usually be processed the next Business Day.
- 9.5. The processing times referred to above are subject to change without notice to you.

10. International Payments

- 10.1 You will not be able to make international payments from your Account(s) using BSP OBB unless we have enabled that function for you.
- 10.2. Instructions for international payments made from your Account(s) are subject to:
 - 10.2.1. foreign exchange control regulations and other restrictions and requirements (including reporting requirements) imposed by law;
 - 10.2.2. any foreign exchange terms you have arranged with our Treasury or, otherwise, BSP currency exchange rates applicable to the transactions at the time they are processed; and
 - 10.2.3. relevant BSP fees and charges prevailing at the time the payments are processed.
- 10.3. It is your responsibility to inform yourself about each of the matters referred to in Clause 10.2. We may be able to assist you with such information if you:
 - 10.3.1. contact your Relationship Manager; or
 - 10.3.2. telephone the BSP Call Centre on 180 1100 (if you are located in PNG); or
 - 10.3.3 telephone +675 322 9900 (if you are located outside of PNG).

11. Daily Limits

- 11.1. All Instructions are subject to the Daily Limit of the relevant Account. Unless specific arrangements have been made with us to increase or decrease it, and subject to Clause 11.2, the Daily Limit for every Account is 500,000 Kina.
- 11.2. We may at any time, and without prior reference to you, change the Daily Limit of an Account at our own discretion or as required by law. Before providing us with any Instructions, it is your responsibility to ensure that they will not cause the Daily Limit of the relevant Account to be exceeded.
- 11.3. If processing any Instructions would cause the Daily Limit of the relevant Account to be exceeded, we will decline to process those Instructions in their entirety.

12. Liability

- 12.1.** You acknowledge and agree that we are entitled to act on any Instructions given to us using:
- 12.1.1. your Security Identification; or
 - 12.1.2. the Security Identification of a User who is authorized to access and operate your Account(s), without confirming those Instructions with you.
- 12.2.** Unless caused by fraudulent or negligent conduct on our part, and subject to Clause 12.6, we will not be liable to you for, and you will keep us indemnified in respect of, any loss or damage resulting from:
- 12.2.1. any Unauthorized Transaction which we process as the result of receiving Instructions using your Security Identification or the Security Identification of a User who is authorized to access and operate your Account(s);
 - 12.2.2. any breach of, or non-compliance with, any of these Terms and Conditions by you or by your Holding Companies, your Subsidiaries or any Users appointed (whether directly or indirectly) by you or any of your Holding Companies or Subsidiaries; or
 - 12.2.3. any illegal or unlawful conduct on your part or on the part of your Holding Companies, your Subsidiaries or any Users appointed (whether directly or indirectly) by you or any of your Holding Companies or Subsidiaries;
- 12.3.** We do not represent or guarantee that access to BSP OBB will be uninterrupted. We will not be liable to you for any loss or damage arising from any delays or errors in processing, or any failure to process, any Instructions caused by:
- 12.3.1 any third party (including another bank or financial institution);
 - 12.3.2. any downtime required for repair or maintenance purposes;
 - 12.3.3. any technical or systems failure at BSP or elsewhere; or
 - 12.3.4. anything else beyond our reasonable control.
- 12.4.** We will not be liable to you for any indirect, consequential or special loss or damage howsoever caused.
- 12.5.** To the extent that we may be prohibited by law from excluding our liability in accordance with Clauses 12.1 – 12.4, you agree that the extent of our liability for any of the matters referred to in those clauses will be limited to the cost of supplying the relevant services again.
- 12.6** You will not be liable for any loss or damage arising from any Unauthorized Transaction if it is clear that:
- 12.6.1. the Unauthorized Transaction was made using Security Identification after you had reported actual or possible third party access to that Security Identification pursuant to Clause 4.1.3; or
 - 12.6.2. neither you nor any User appointed (whether directly or indirectly) by you or any of your Holding Companies or Subsidiaries has contributed to that loss or damage through breach of any of these Terms and Conditions or otherwise.

13. Termination and suspension of access to BSP OBB

- 13.1.** We may terminate or suspend access to BSP OBB by you or any User at any time without giving reasons. If we do, we shall notify you in writing as soon as possible after that termination or suspension (which may include notifying you or your Users when you or they attempt to log on to BSP OBB).
- 13.2.** If we terminate or suspend access to BSP OBB by you or any User, we will not be liable for any loss or damage you may suffer as a result.

- 13.3.** If your access to BSP OBB is terminated, any unprocessed Instructions – including future-dated and recurring transfers – will be cancelled; or
- 13.4.** If your access to BSP OBB is suspended, any unprocessed Instructions will be processed subject to their being available funds in the relevant Account(s).
- 13.5.** We will terminate:
 - 13.5.1. the BSP OBB link to your Account(s); and/or
 - 13.5.2. Users' rights to access and operate your Account(s),
within 5 Working Days or receiving a written request to do so signed by the authorized signatory or signatories to the relevant Account(s).

14. Fees and charges

- 14.1.** You may be required to pay fees and charges for using BSP OBB. For details of those fees and charges, you should:
 - 14.1.1. contact your Relationship Manager; or
 - 14.1.2. if you are located in PNG, telephone the BSP Call Centre on 180 1100; or
 - 14.1.3. if you are located outside of PNG, telephone +675 322 9900.
- 14.2.** By using BSP OBB, you authorize us to debit those fees and charges to the Account(s) to which they relate. If there are insufficient funds in the relevant Account(s), you authorize us to debit the fees and charges to any of your other Account(s).

15. Privacy and Confidentiality

- 15.1.** When you apply to have an Account linked to BSP OBB, you are deemed to acknowledge and agree that we may collect and use information about you and your financial circumstances, including information about your Accounts and accounts and the transactions you perform.
 - 15.2. We may collect Information from or about you:
 - 15.2.1. to assist us in providing you with products and services or information about them;
 - 15.2.2. to consider requests from you about our products and services;
 - 15.2.3. to assist us in making arrangements with third parties (such as our Subsidiaries) regarding our products and services;
 - 15.2.4. to perform administrative and operational tasks (including risk management, systems developing and testing, credit scoring, staff training and market or customer satisfaction research);
 - 15.2.5. to prevent or investigate actual or potential fraud; and
 - 15.2.6. to comply with the law.
- 15.3.** When you apply to have an account linked to BSP OBB, you are also deemed to acknowledge and agree that we may provide Information about you to:
 - 15.3.1. any service provider we engage to assist us to provide products and services;
 - 15.3.2. any third party providing you with a product or service relating to your Account(s) or banking or financial needs;
 - 15.3.3. credit reporting or debt collection agencies;
 - 15.3.4. any of our Subsidiaries, affiliates, agents, contractors, employees, auditors and legal advisers;
 - 15.3.5. your authorized agents and legal representatives (including your Master Users and Delegated Users);

- 15.3.6. other parties to whom we are authorized or obliged to provide your Information by law; and
- 15.3.7. any other person to whom we consider it necessary or desirable to provide your Information so as to permit or assist us to perform our obligations to you, or to exercise our rights, under these Terms and Conditions or generally.

16. Governing Law

- 16.1.** These Terms and Conditions are to be governed by, and construed in accordance with, the laws of PNG and you and we submit to the non-exclusive jurisdiction of the Courts of PNG.

For more information

Visit your nearest BSP branch or
contact your Relationship Manager
BSP Call Centre on 180 1100
servicebsp@bsp.com.pg
Visit www.bsp.com.pg

