



mediterraneanbank

*Think Ahead. Bank Ahead.*

**GENERAL TERMS AND CONDITIONS  
RETAIL CLIENTS**

## GENERAL TERMS AND CONDITIONS

### 1. INTRODUCTION

In these General Terms and Conditions as amended and/or supplemented from time to time (the “**General Terms**”):

“**Account**” refers to any account, deposit and/or ancillary banking service we provide, but does not include Investment Services;

“**Account Opening Form**” means the form signed by the Customer to apply for a new Account and/or Service opening and includes any supplements thereto;

“**Business Day**” means a day on which banks are open for business, in Malta;

“**Cut-Off Time**” means 13.00 hours Central European Time;

“**Investment Services**” and related definitions are found in the Bank’s Terms and Conditions for Investment Services as amended and/or supplemented from time to time (the “**Investment Services Terms**”);

“**MFSA**” means the Malta Financial Services Authority; and

“**Service**” refers to any Account, Investment Service and/or other service we may provide from time to time.

Any terms defined in these General Terms shall have the same meaning in any other document governing the relationship between us and you, unless defined otherwise in such other document.

This document lays down the specific terms and conditions applicable to the provision of Accounts by Mediterranean Bank plc, having its offices at 10, St. Barbara Bastion, Valletta VLT 1961, Malta (the “**Bank**”, “**we**”, and as the context may require “**us**”, “**our**”) to its customers (the “**Customers**”, “**Account Holders**”, “**you**”, and as the context may require “**your**”). Unless the context otherwise requires, and to the extent not otherwise provided for in these General Terms or the Investment Services, these General Terms shall also apply to all and any Services provided by the Bank.

Where we have agreed to provide you with banking Services online through the Bank’s dedicated website, the Terms and Conditions for Personal Internet Banking in Annex 4 which set out the terms and conditions relating to such online Services shall also apply.

The relationship between us is governed by these General Terms, the Account Opening Form and any other agreements or documentation you sign in relation to any Services we render.

These General Terms shall be deemed accepted by you upon signature of the Account Opening Form including any required Customer profile information on or after the 6th of August 2012 (the “**Commencement Date**”). In the case of existing Customers who have, prior to the Commencement Date, already completed and signed an Account Opening Form duly accepted by us and/or who are bound by previous terms and conditions, these General Terms shall replace any agreement or understanding we may have had in

the past and if you are an existing Customer you shall be bound by these General Terms when you first transact with us after receipt of these General Terms.

These General Terms shall apply subject to any specific modifications expressly agreed to between us, in writing, from time to time.

### 2. ACCOUNT OPENING

We reserve the right at our discretion to refuse to open an Account without having to justify our decision.

In requesting us, by application, to open an Account or provide a service, you agree to complete our Account Opening Form fully and truthfully and to provide us with any supplementary documentation and information that we may require in order to undertake our due diligence obligations as required under the applicable prevention of money laundering and terrorist financing laws. We may undertake searches with appropriate credit reference and other agencies and databases prior to opening an Account and in view of this you consent to any disclosure of information we make to such credit reference agencies.

You also agree to the terms and conditions outline in Annex 5 (Type of Account).

Monies you or any other person or entity deposit will be credited to the Account on the same date, provided that the deposit takes place by the Cut-Off Time. Otherwise, monies deposited will be credited to your Account on the immediately following Business Day. In the event however that satisfactory due diligence requirements, in relation to such matters as we deem fit, have not been completed, any monies received by or on your behalf may be returned to the remitter at any time and at our absolute discretion.

Further, in the event that a deposit is made by means of a cheque which cannot be cleared for any reason whatsoever, we reserve the right to close the Account, debit the Account with whatever amount is due to us with respect to the returned cheque and take any other action that may be required.

Neither the Bank nor any of its directors, officers, agents or employees shall be liable for any costs, lost interest or any other loss incurred as a consequence of the funds being returned to the remitter for whatever reason.

### 3. REGULATION OF SERVICES

#### Instructions

We are hereby authorised:

- a. to carry out all such banking transactions as you may request us to do in your name;
- b. to honour and debit your Account(s) with all drafts, orders to pay, cheques, bills of exchange and promissory notes expressed to be drawn, signed, accepted, endorsed or made by you or on your behalf, whether your Account(s) is in credit or in debit

or may become overdrawn in consequence of such debit but without prejudice to our right to refuse any overdraft or an increase of overdraft beyond any specified limit;

- c. to honour and comply with any orders to withdraw any and all money on your Account(s);
- d. to act on your instructions with regard to the purchase or sale of any foreign currency;
- e. to enter into banking facility agreements and indemnities with you;
- f. to accept deposits into your Account;
- g. to arrange for us to offer products or Services to you which we consider to be in your interest from time to time;
- h. to act upon applications from you or requests from you to issue any guarantee or indemnity; and
- i. generally to act in accordance with your requests in relation to your Account(s) as may from time to time be opened, provided that any such instructions or requests are signed, issued, endorsed or accepted by you.

You agree that:

- a. you are liable to us for any debt on any Account in your name. Any such debt shall be repayable on demand unless we agree to the contrary in writing; and
- b. we may still debit your Account(s) with any instructions or withdrawals or other transactions made by us until such time as we receive a written notice of cancellation from you.

In the case of joint Accounts, we are hereby authorised, unless otherwise instructed in writing, to carry out the instructions of the signatory (signatories) as follows:

- a. to carry out all such banking transactions as you may request us to do;
- b. to honour and debit any Account(s) in your joint names with all drafts, orders to pay, cheques, bills of exchange and promissory notes expressed to be drawn, signed, accepted, endorsed or made by you or on your behalf, whether any Account(s) in your joint names is in credit or in debit or may become overdrawn in consequence of such debit but without prejudice to our right to refuse to allow any overdraft or an increase of overdraft beyond any specified limit;
- c. to honour and comply with any orders to withdraw any and all money on any Account(s) in your joint names;
- d. to act on your instructions with regard to the purchase or sale of any foreign currency;
- e. to enter into banking facility agreements and indemnities with you;
- f. to accept deposits into any Account in your joint names;
- g. to arrange for us to offer products or Services which we consider to be in your interests from time to time;
- h. to act upon applications from you or requests from you to issue any guarantee or indemnity; and
- i. generally to act in accordance with your requests in relation to any Account(s) in your joint names as may from time to time be opened, provided that any such instructions or requests are signed, issued, endorsed or accepted by the signatory (signatories).

We agree that if any of you informs us of a dispute between you, we may treat this information as notice of termination of the Account (the “**Notice of Termination**”) and, if we do, whatever the case, any further transaction will need the authority of all the joint Account Holders.

### Charges

We are entitled to impose charges for all Accounts provided to you in accordance with a document entitled “**Tariffs and Charges Schedule for Banking Services**”, a copy of which is available on our website. This document may be amended from time to time. We are also entitled to impose charges for any other Services we may provide to you from time to time.

These charges are applicable to you unless we have entered into a specific alternative arrangement with you in writing.

### Clearing

Cash funds, transfers and electronic payments paid into an Account will normally be dealt with and cleared by the close of business of the following Business Day.

Funds arising from cheques or other similar instruments will be made available to you only after the appropriate clearance is obtained from the bank(s) holding the funds in question. In the case of cheques or other instruments drawn on Maltese branches of banks licensed and regulated by (i) the MFSA or (ii) a reputable foreign financial services authority (“**Maltese Banks**”), the period of clearance required is normally three (3) Business Days. In the case of cheques or other instruments drawn on banks other than Maltese Banks (“**Foreign Banks**”), the period of clearance required is normally fifteen (15) Business Days but can take up to a period of one (1) month. We shall be entitled to block any amount in any Account you hold with the Bank until the funds are cleared.

We do not accept liability for any loss or damage suffered by you or any third party as a consequence of any delays, unless such delays arise from our own fraud or gross negligence.

### Conversion of Currencies

In the absence of specific instructions to the contrary, we reserve the right to convert incoming funds into the currency in which an existing Account is denominated. Conversions will be carried out at the prevailing rate on the date when the cleared funds are made available. You will have to incur currency conversion charges when applicable.

### Conflicting or Ambiguous Instructions

If we receive conflicting or ambiguous instructions from you in connection with any Service or if we are unable to authenticate satisfactorily the source of the instruction, we may, in our absolute discretion and without incurring any liability, act or decline to act upon the said instructions as we deem fit.

### Interest

Interest will be allowed or charged at such rates and on such terms and conditions as we may establish from time to time, unless specific interest rates have been agreed upon separately, in writing, between us. Interest rates applied to the Account(s) are available on our website.

### Taxation

Unless advised otherwise by you, withholding tax, at a rate fixed by the Maltese tax authorities, will be deducted from interest payments to Account Holders who are resident in Malta.

Any payments of interest or other amounts in relation to any Services shall be made subject to such deductions, whether attributable to tax or otherwise, as we may be required to make by law.

Any taxation or duty arising in connection with the Services provided to you shall be borne exclusively by you.

#### **Joint Account**

Two or more persons applying for the same Account are deemed to be joint Account Holders. Any such Account(s) will be established according to the instructions set forth in the Account Opening Form unless otherwise specified. Unless we are otherwise specifically instructed in writing by all the joint Account Holders, any instruction, notice, demand, acknowledgement or request to be given to you under these General Terms may be given by, or to, any one of you as joint Account Holders.

We will not recognise, or become involved in, any division of ownership of funds held in an Account, unless specifically required to do so by law. Unless instructed otherwise in writing, any funds received from you, on your behalf or on behalf of any or all of the joint Account Holders, shall be placed to the credit of the said joint Account(s).

Joint Account Holders acknowledge and agree that they shall be jointly and severally liable for any obligation incurred on the Account(s), including without limitation any loan, overdraft, facility or other accommodation that we may authorise on the Account(s) from time to time.

As soon as we are notified in writing that one of the joint Account Holders:

- a. has died, we shall take instructions in any such joint Account jointly from the heirs/legatees, as the case may be, of the deceased and the surviving Account Holder(s); or
- b. has been placed into liquidation, bankruptcy, administration or other similar condition, wherein a liquidator, curator, administrator, trustee or other similar officer is appointed and in whom legal authority and representation is vested, we shall take instructions in any such joint Account jointly from such officer and the other Account Holder(s).

Any transaction after a Notice of Termination will need the authority of all the joint Account Holders.

#### **Record-keeping**

We reserve the right to keep any documents or other information relating to you or the Services we offer you in an electronic format.

We may provide electronic copies to satisfy any request for original copies of the said documentation.

#### **Linked Account**

In the event that a Customer wishes to open an Account with the Bank online, without submitting certified copies of identification documentation that meet the Bank's requirements, the first payment into the Account may only be received from an account in the customer's name held with a bank located in the European Union (a "Linked Account"). Any funds sent out of the Account may only be sent to the Linked Account. Should the Customer wish to remove

this constraint, she/he may either visit one of the Bank's branches and provide original identification documents or alternatively submit the required certified identification documentation.

#### **Account Statements**

We will provide bank statements on each Account at least once yearly. You may opt for more frequent statements to be received on a monthly, quarterly or semi-annual frequency; however we may charge you in accordance with our Tariffs and Charges Schedule for Banking Services. If you have already received your bank statement but require a duplicate, a copy of the statement may be provided at a charge as set out in the Tariffs and Charges Schedule for Banking Services.

#### **Unauthorised Overdrafts**

Unless otherwise agreed between us in writing, we may charge you a fee whenever a cheque or other debit entry is passed on an Account(s) that then becomes overdrawn without our prior consent.

Similarly, we may charge you a fee whenever a cheque or other debit entry is passed on an Account that results in the balance exceeding any agreed overdraft limit.

Whenever an Account is overdrawn without our prior authorisation, we retain the right to charge interest on the amount overdrawn.

Both the fee and the applicable debit rate will be as indicated in the Tariffs and Charges Schedule for Banking Services.

#### **Right of Retention**

In line with the Investment Services Act (Control of Assets) Regulations, 1998, as amended and/or supplemented from time to time, unless otherwise agreed between us in writing, we may exercise a right of retention over all your assets and money held under our control until all the outstanding fees, costs, charges, expenses and liabilities due to us have been paid in full.

#### **Termination of Services**

We reserve the right at our sole discretion to terminate the provision of any and/or all Services at any time, and without providing any justification for our decision, by sending you a notice in writing specifying the date on which such termination shall take place. For the avoidance of doubt, unless otherwise required to do so by any applicable law or regulation, we will not close a Fixed Term Deposit Account (as defined in Annex 5) or The Now Account (as defined in Annex 5) prior to the maturity of the said Accounts.

The provisions relating to your rights of termination of the Account(s) are set out specifically under each different type of Account. Unless otherwise agreed in writing between us, you may terminate any Service provided to you by sending us written instructions.

On termination of any Service by either party, we will:

- a. be entitled to receive from you all fees, costs, charges, expenses and liabilities accrued in relation to such Service up to the date of termination, including any additional expenses or losses reasonably and properly incurred in terminating the Service and, if applicable, any charges for transferring your assets or money to you or to your order;

- b. as soon as reasonably practicable, if applicable, deliver or cause your assets and money to be delivered to you or to your order provided that we shall be entitled to exercise a right of set-off as provided in these General Terms, including without limitation to exercise the right to set-off against your assets or money held by us, of any outstanding fees, costs, charges, expenses and liabilities you have in our regard. If we are unable to obtain instructions from you as to such delivery and transfer, we shall be entitled, upon giving you notice in writing, to deliver and transfer all your assets or money to a delegate, transferee or assignee we shall appoint at our discretion and on such terms as we shall deem fit and at your expense; and
- c. subject to the above, refund to you *pro rata* share of any fee that has been paid in advance.

The termination of any Service will not affect any outstanding order or transaction or any legal rights or obligations that may have already arisen. We will complete transactions in progress at the date of termination as soon as reasonably possible. In addition, you confirm that when you terminate an Account in accordance with these General Terms, all guaranteed forms of payment you issued have been debited from the Account(s) prior to closure and that all unused cheques issued for use on the Account(s) have been destroyed. Termination of any one or more Accounts shall not affect the remaining Account(s).

In the event of death of a Customer we are entitled to assume that the relationship between us and the Customer is still in existence until it is notified to us in writing that the Customer has died. In such an event, we shall take instructions from the person(s) who is(are) legally vested with the rights and obligations appertaining to the Service(s). We may rely on such evidence as we may require, at the Customer's expense, to establish the proper entitlement and authority of such person(s) and we are not bound to act until such time as we are so satisfied. All terms governing the Services remain binding on the successor in title whom we are asked to acknowledge.

#### 4. GENERAL PROVISIONS

##### Notices and Communications

Notices may be sent to you by mail, facsimile or electronic mail to the address, facsimile number or e-mail address last known to us. You must notify us immediately of any change of your address or other relevant details, by visiting our offices, by writing to us or online.

In your interest, however, we have no obligation to accept any instruction made by you via public or unencrypted electronic communications systems, and we reserve the right to decide, on a case by case basis and at our sole discretion, whether to act or decline to act on enquiries received via a public or unencrypted electronic communications system.

Any telephonic communications between us and your agent may be recorded in your interest.

A notice sent by post, including registered mail, shall be deemed to have been received on the seventh (7th) calendar day after the day it was sent; if by facsimile transmission, twenty-four (24) hours after the time it was sent, and by electronic mail, immediately.

##### Disclaimer/Indemnity

Neither the Bank nor any of its directors, officers, agents or employees shall be liable for any damages or loss you suffer in connection with any Services provided, or otherwise, unless such damages or loss arise from our gross negligence or fraud. Neither the Bank nor any of its directors, officers, agents or employees shall be liable for any damages or loss you suffer arising directly or indirectly from any act or omission of any other person. In particular, and without prejudice to the generality of the foregoing, we shall not be held liable for any loss or damage which arises from the closing or refusing to open an Account or for the termination of or refusal to provide any Service.

You shall at all times indemnify and keep us and any of our directors, officers, agents or employees indemnified against all actions, suits, proceedings, claims, demands, costs, fines, expenses and liabilities whatsoever which may arise or occur or be taken, commenced, made or sought from or against us or any of our directors, officers, agents or employees in connection with the Services we provide, save as a result of any fraudulent or grossly negligent act or omission on our part.

##### Force Majeure

Neither the Bank nor any of its directors, officers, agents or employees shall be held responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of, or caused directly or indirectly by, circumstances beyond the Bank's reasonable control including acts of God, earthquakes, fires, floods, wars, civil or military unrest, sabotage, epidemics, riots, interruptions, loss or malfunctions of utilities, computers (hardware or software) or communication services, accidents, labour disputes, acts of civil or military authority or any government interventions. However, we shall make every reasonable effort to resume operations as soon as reasonably possible.

##### Obligations

We must be duly notified in writing of any change or dispute that may affect the signing arrangements of an Account or may otherwise affect the provision of Services. No such amendment will affect any outstanding order or transaction or any legal right or obligation that may already have arisen prior to our receiving notice of such amendments.

Where you are acting as trustee or fiduciary, you shall notify us of any removal from office or any other variation of the information you supplied us with in respect of the said relationship and you warrant to us that you are duly authorised to enter into such a Service with us and that no other person needs to give his prior consent or authorisation thereto.

##### Third Parties

Nothing in these General Terms shall confer any right on any third party to enforce or to benefit from any aspect of these provisions.

##### No Obligation to Process Orders

We shall not be obliged to process any order or instruction in the event that:

- a. the balance in your Account is not sufficient to cover the sum of the order, plus related costs and expenses;
- b. there exists a garnishee or other Court order in relation to your funds;

- c. there exist reasonable suspicions about the source or use of funds in terms of applicable legislation enacted to prevent money laundering or terrorist financing; and/or
- d. there exist other similar and comparable circumstances.

#### Changes to Terms and Conditions

We may amend, vary or supplement these General Terms or any other terms and conditions governing any Service at our discretion by sending a notice to you. Such changes will become effective on a date to be specified in the notice and such effective date will be at least seven (7) calendar days after the notice is sent to you. Such changes may be made without prior notice if the change is not material or is favourable to you.

#### Assignment of Rights

You may not assign or transfer in any way all or any of your rights or obligations arising under any Service.

#### Death of Account Holder

In the case of a deceased Customer, Accounts are blocked upon notification of the death of the Customer. Subsequently the Bank will demand that the person(s) claiming to be the rightful heirs of the Customer submit a list of relevant documents certified by a local public notary in order to enable the Bank to ascertain how the funds held by the Bank in the name of the deceased Customer should be allocated/distributed. The Bank's legal department will vet such documentation to establish and confirm rightful ownership of funds by the heirs. The Bank will charge an administration fee to carry out this investigation as per the Tariffs and Charges Schedule for Banking Services.

Prior to the settlement of the estate of the deceased Customer, the Bank is not obliged to provide information in relation to actions and transactions that have been carried out before the time of the death of the Customer.

## 5. TYPE OF ACCOUNTS

Terms applying to the Accounts offered by the Bank are outlined in Annex 5 to this General Terms and Conditions.

## 6. WAIVERS AND SET-OFF

The waiver by the Bank in respect of any breach of any provision governing the Services shall be in writing and shall not be construed as a waiver in respect of any subsequent breach.

You hereby waive any right of counter-claim or right to set-off any balances in the Account(s), or any other balances held to your credit under any other Service(s), against any obligations you may have towards us.

We shall have the right at any time and in our absolute discretion to set-off all and any amount(s) due to us by you, against any amount due by us to you (whether solely or jointly with any other person(s)) under any agreement between us (which for the purposes

of this clause shall constitute one agreement), in accordance with the provisions of the Set-Off and Netting on Insolvency Act, 2003, as may be amended and/or supplemented from time to time.

For the purposes of the foregoing:

- a. we shall be entitled to combine or consolidate all monies now or hereafter standing to your credit on any Account with us and in any currency;
- b. if the obligations are in different currencies, we may convert all obligations into Euro, or any foreign currency, at the rate of exchange at which we would be able, acting in a commercially reasonable manner and in good faith, to purchase such currency;
- c. we shall be entitled to convert a non-financial obligation into a monetary obligation of equivalent value and to value such obligation, including without limitation, the right to estimate the value of all and any of your assets held under our control in a commercially reasonable manner and in good faith and to convert our obligation to deliver such assets held under our control to you or to your order into a monetary obligation owed by us to you; and
- d. if any obligation between us is unliquidated or unascertained, we may estimate the value of such an obligation in a commercially reasonable manner and in good faith.

## 7. COMPANY INFORMATION

We are a Bank established under the laws of Malta with registration number C34125.

We are also licensed to conduct the business of banking and investment services business by the MFSA.

Our registered office and head office is situated at 10, St. Barbara Bastion, Valletta VLT 1961, Malta.

Telephone Number: 2557 4400  
 Facsimile Number: 2557 4900  
 Website: [www.medbank.com.mt](http://www.medbank.com.mt)

## 8. COMPLAINTS PROCEDURES

Should you have a complaint in relation to your dealings with us, such complaint should be raised in the first instance with your usual contact at the Bank. If you are not satisfied with their response (or if you prefer not to raise the matter with your usual contact), you may raise the matter with our Head of Compliance at Mediterranean Bank plc, 10, St. Barbara Bastion, Valletta VLT 1961, Malta or telephonically on 2557 4106. E-mail complaints may be addressed to [complaints@medbank.com.mt](mailto:complaints@medbank.com.mt).

If you are not satisfied with the manner in which your complaint was handled, you may also refer your complaint to the MFSA's Consumer Complaints Manager at the Malta Financial Services Authority, Notabile Road, Attard BKR3000, Malta, via freephone at 8007 4924, telephonically at 2144 1155 or via e-mail at [consumerinfo@mfsa.com.mt](mailto:consumerinfo@mfsa.com.mt). The MFSA's consumer website is at <http://mymoneybox.mfsa.com.mt>.

## 9. STATUTORY COMPENSATION SCHEMES

Depositors benefit from the depositor compensation scheme provided for by regulation 4 of the Depositor Compensation Scheme Regulations, 2015, as may be amended from time to time, subject to the terms and conditions provided for therein. Currently, deposits are covered up to one hundred thousand (100,000) Euro (or equivalent) per person per institution. Further information on such compensation schemes are set out in Annex 6 to these General Terms and may be obtained from us or the MFSA.

## 10. SEVERABILITY PROVISION

Each of the provisions contained in these General Terms or in any other terms and conditions governing any Service is severable and distinct from the others and if at any time one or more of these provisions is or becomes invalid, illegal or unenforceable under the laws of any jurisdiction neither the validity, legality and enforceability of the remaining provisions of the said terms and conditions (nor the validity, legality and enforceability of those provisions in any other jurisdiction) shall in any way be affected or impaired thereby.

## 11. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

These General Terms as well as any other terms and conditions governing any Service are governed by the laws of the Republic of Malta.

We shall endeavour to settle amicably and out-of-court any dispute, controversy or claim arising out of or relating to these General Terms or any other terms and conditions governing any Service(s) or as to the interpretation, validity, performance or breach thereof (the “**Dispute**”). Any such Dispute not settled in accordance with the above within thirty (30) calendar days after receipt by one party of another party’s request for such amicable settlement (the “**30-Day Period**”) shall be referred to and finally resolved by arbitration under the UNCITRAL Rules of Arbitration in accordance with the provisions of Part V (International Arbitration) of the Arbitration Act, 1996. Any arbitration commenced pursuant to this clause shall take place in Malta and be administered by the Malta Arbitration Centre.

There shall be one arbitrator appointed by mutual agreement between us. If we fail to agree on such an arbitrator within fifteen (15) calendar days from the lapse of the 30-Day Period, such arbitrator shall be appointed by the Chairman of the Malta Arbitration Centre.

No appeal shall lie from any such award given.

## 12. METHODS OF COMMUNICATION

Where you have agreed to receive information in electronic format, we shall provide you with information in an electronic format including, but not limited to, the use of the internet and e-mail. All information which we will provide will be in the English language.

## 13. TELEPHONE AND SECURE MAIL INSTRUCTIONS

We may accept instructions made by telephone or secure mail, if we believe, in our absolute discretion, that such instructions are genuine. When we process instructions received by telephone or secure mail, you agree to indemnify us and to comply with the terms of use set out in Annex 3 to these General Terms. If you do not want us to accept instructions communicated to us by telephone or secure mail you should indicate this in the Account Opening Form or in any other written notice to us. Please note that both inbound and outbound calls may be recorded for quality and security purposes.

## ANNEX 1: TERMS AND CONDITIONS FOR PAYMENT SERVICES

Mediterranean Bank plc shall apply the following general terms and conditions to payment services, provided that both the service provider of the Payer (as defined in clause 1) and the service provider of the Payee (as defined in clause 1) are located within the European Economic Area (the “EEA”). Where one of the service providers is located outside the EEA, these payment services terms and conditions will have limited application. In the case of a sole payment service provider, these terms and conditions will apply if the provider is located in Malta. These terms and conditions shall apply only to payment services made in Euro or in any EEA currency. They are applicable in whole or in part and should be read in conjunction with any other terms and conditions and/or agreements governing the Customer’s(s) Account(s), the instrument(s) used and/or the specific Service being provided.

### 1. INTRODUCTION

In addition to the terms defined in the General Terms, the following definitions shall apply in these terms and conditions (the “**Payment Services Terms**”), unless the context otherwise requires:

“**Direct Debit**” means an instruction from a Customer to the Bank authorising an organisation to collect varying financial amounts from the Customer’s Account with the Bank;

“**Framework Contract**” means a payment service contract which governs the future execution of individual and successive Payment Transactions;

“**Payee**” means any person(s) or entity who is the intended recipient of funds;

“**Payer**” means any person(s) or entity who gives a payment order;

“**Payment Instrument**” means a device or set of procedures, agreed between the Customer and the Bank, used to initiate a payment order;

“**Payment Service User**” means the party making use of the payment service offered by the Bank;

“**Payment Transaction**” means an act, including but not limited to direct debit, direct credit, inward and outward credit transfer, initiated by the Customer, consisting in the placement, transfer or withdrawal of funds, where such transaction is done either electronically or is paper initiated;

“**Reference Exchange Rate**” means the exchange rate which is used as the basis to calculate any currency exchange;

“**Unique Identifier**” means a combination of letters, numbers or symbols specified to the Customer by the Bank such as the IBAN (International Bank Account Number). This is to be provided by the Customer to ensure definite identification of the Payee; and

“**Value Date**” means a reference date used by the Bank for the calculation of interest on funds held in a payment account.

### 2. INFORMATION REQUIREMENTS FOR PAYMENT SERVICES

The Bank shall provide to the Customer, free of charge, before she/he is bound by any single payment service contract, the following information:

- a. a specification of the information or Unique Identifier that has to be provided by the Customer in order for a payment order to be properly executed;
- b. the maximum execution time for the payment service to be provided;
- c. a breakdown of all charges payable by the Customer to the Bank; and
- d. where applicable, the actual or Reference Exchange Rate to be applied to the Payment Transaction

Where the Payment Transaction is covered by a Framework Contract, the Payer may be requested to provide additional information.

The Customer shall indicate her/his consent to have a Payment Transaction effected either by signing the relevant instructions to be given to the Bank or by pre-arranged methods and/or procedures agreed with the Bank. Authorisation may only be withdrawn by agreement with the Bank. The Bank reserves the right to impose a fee or charge should it agree to withdraw authorisation.

A Direct Debit may be revoked, following written instructions from both the Payer and the Payee, received, at the latest, by the end of the Business Day preceding the day when funds are to be debited.

When a payment order for a single Payment Transaction is transmitted by a Payment Instrument covered by a Framework Contract, the Bank shall not be obliged to provide information which is already given on the basis of a Framework Contract with another payment service provider or which will be given to that Framework Contract.

The Bank reserves the right to charge for additional or more frequent information, or transmission by means of communication other than those specified in a Framework Contract, provided at the Payment Service User’s request. Such charges shall be appropriate and in line with the Bank’s actual cost.

In cases of low-value Payment Instruments and electronic money, the Bank reserves the right to provide the minimum information required by law.

### 3. RIGHTS AND OBLIGATIONS IN RELATION TO THE PROVISION AND USE OF PAYMENT SERVICES

Where a Customer places cash in a payment account, the Bank shall ensure that the amount is value-dated immediately after the point in time of receipt of funds. Where the Payment Service User is not a Customer, the amount shall be value-dated at the latest on the next Business Day after receipt of funds.

When the Payer requests the Bank to effect a Payment Transaction, the Customer shall be obliged to provide sufficient information in order to ensure that the Payment Transaction is effected correctly. The Bank may request the Customer to provide it with any or all of the following details pertaining to the Accounts held by both Payer and Payee:

- a. the numbers, names and personal details of the Account Holders;
- b. the necessary Unique Identifier(s);
- c. the currency of the Payment Transaction and the amount to be transferred; and
- d. the reason for requesting the Payment Transaction.

If the Unique Identifier(s) provided by the Customer is/are incorrect, the Bank shall not be liable for non-execution or defective execution of the Payment Transaction.

Where a Payment Transaction does not involve any currency conversion, the Payee shall pay the charges levied by her/his payment service provider, and the Payer shall pay the charges levied by his payment service provider; i.e., the charges will be shared (SHA).

The point in time of receipt of a payment order shall be the time when the payment order is received by the Bank. If the payment order is not received on a Business Day or if it is received after Cut-Off Time, the payment order shall be deemed to have been received on the following Business Day.

The Payment Service User initiating the payment order can also agree with the Bank that the execution of a payment order shall start on a specific date. In such cases, the point in time of receipt is deemed to be the agreed date.

The Payment Transaction shall be executed at the latest, within one (1) Business Day from the point in time of receipt. This period may be extended by a further Business Day for paper-initiated Payment Transactions.

The debit Value Date for the Payer's payment account shall be no earlier than the point in time at which the amount of the Payment Transaction is debited to that payment account.

As part of our fraud prevention procedure, the Bank conducts regular checks on transactions affected through your Account(s). Where any suspicious activity is detected the Bank reserves the right to hold any payments made out of your Account(s) for the time necessary for the Bank to clear any such suspicion. The Bank undertakes to inform you as soon as reasonably practicable where any payments are held due to suspicion of fraud.

The Bank is required to observe and to act in accordance with national and international laws and regulations and hence it does not accept liability for any actions taken by it in complying with the said laws and regulations.

Immediately after execution of a payment order, the Bank shall provide the following information to the Payer:

- a. the date of receipt of the payment order;
- b. the reference enabling the Payer to identify the Payment Transaction and, where appropriate, information relating to the Payee;
- c. the amount of the Payment Transaction in the currency used in the payment order;
- d. a breakdown of charges payable by the Payer, which charges shall be passed separately; and
- e. where applicable, the exchange rate used and the amount of the Payment Transaction after any currency conversion.

Additional information may be provided by the Bank, at the Payer's request, but might be subject to a charge.

Funds received for the credit of an Account shall be credited by the Bank on the Business Day on which the funds are received by the Bank. When funds are received after the Cut-Off Time or on a day which is not a Business Day, the Account shall be credited on the immediately following Business Day. The amount credited to the Payee shall be net of fees, charges, commissions and any interest due to the Bank.

Immediately after execution of the payment order, the Bank shall provide the following information to the Payee:

- a. the reference enabling the Payee to identify the Payment Transaction and, where appropriate, the Payer and any information transferred with the Payment Transaction;
- b. the amount of the Payment Transaction in the currency in which the funds are at the Payee's disposal;
- c. a breakdown of charges payable by the Payee;
- d. where applicable, the exchange rate used and the amount of the Payment Transaction before that currency conversion; and
- e. the credit Value Date.

### 4. LIABILITY FOR PAYMENT TRANSACTIONS

The Bank shall not be liable should any Payment Transaction not be effected due to the Customer not providing the correct and/or necessary information or because the Bank is prevented or prohibited by law from effecting the Payment Transaction. To the extent permitted by applicable law or regulation, the Bank shall inform the Customer on the immediately following Business Day as to the reason(s) why the Payment Transaction was not effected. The Bank shall proceed to effect the Payment Transaction once the missing information is provided by the Customer or when any impediment preventing execution is removed. The date of receipt shall be the date when the Bank can actually process the Payment Transaction.

The Bank shall not be liable for any Payment Transaction it effects when following instructions given by the Customer, even if the instructions it receives are incorrect or incomplete. Where possible,

in the case of funds transferred incorrectly, the Bank shall try to recover funds so transferred after first informing the Customer of any fees, charges, commissions and interest applicable.

The Customer should immediately notify the Bank of any unauthorised or defective Payment Transaction. Where the Bank establishes that, as a result of the fault of the Bank, a Payment Transaction has been effected that was unauthorised or erroneously effected by the Bank, the Bank shall proceed to refund to Customer the amount of the unauthorised or erroneous Payment Transaction plus any charges thereon.

The Bank shall not be liable in cases of non-execution of a Payment Transaction due to abnormal and unforeseeable circumstances beyond the Bank's control or where a payment service provider is bound by other legal obligations covered by national or Community legislation.

## **5. DATA PROTECTION**

The Bank shall process personal data, when this is necessary, to safeguard the prevention, investigation and detection of payment fraud. The processing of such personal data shall be carried out in accordance with the Data Protection Act (Cap. 440).

## **6. PAYMENT LIMITS**

As a fraud prevention measure, daily limits may be placed by us on the maximum amount and number of transactions you may effect. The amount/type of limits may be changed from time to time by us, as we deem appropriate in the circumstances. You can obtain all the information about these limits from our website, any of our branches or by contacting us on (+356) 2557 4400. If you want to modify any of these limits, we may at our discretion do so on your own responsibility.

## ANNEX 2: PRIVACY STATEMENT

The privacy of your personal data is important to us. This privacy statement sets out our commitment to your privacy, the information which we may collect about you, what we use it for and your rights in relation to such information.

### 1. INFORMATION THAT WE COLLECT ABOUT YOU

We only collect information that we believe to be relevant and necessary in the context of the banking, investment or other Service(s) requested by you or which you volunteer to provide us with. All our forms and agreements clearly indicate which information is necessary for us to provide the Service requested and which information is merely optional.

We may also monitor telephone conversations in order to offer additional security and resolve complaints.

### 2. USE OF YOUR INFORMATION

We use the information that we collect about you in the following manner and for the following purposes:

- a. for the provision of information or other Services in relation to any specific requests that you may make to us;
- b. for internal assessment and analysis;
- c. for research and statistics;
- d. for the detection and prevention of any illegal acts;
- e. to develop and improve the Bank's products and services;
- f. for the provision of a personalised service, including the issuing of statements and provision of products and services;
- g. for direct marketing purposes by whatever medium or means of communication supplied by the Bank;
- h. to recover debts and to assist in debtor tracing; and
- i. to check your identity and address.

### 3. ACCESS TO YOUR INFORMATION

We constantly strive to ensure that your information is kept safe and secure at all times. Access to your personal information is restricted to our employees on a "need-to-know" basis. According to the applicable law, each and every member of our staff is personally responsible for maintaining Customer confidentiality.

We may transfer your personal information to third parties duly authorised in any other way by the Bank or its subsidiaries, yet processing will only take place for those purposes listed above.

Otherwise, we will only disclose personal data to third parties if this is required for the purpose of fulfilling any specific request that you may make to us.

We will not process or provide third parties with information regarding your financial transactions/Accounts held with us unless we are required or permitted to do so by law or regulation, by court order or with your explicit consent.

Whenever third parties process your information on our request we will bind them to keep such information in strict confidentiality.

### 4. SWIFT PAYMENT ORDERS

Personal data in relation to transactions effected via SWIFT (Society for Worldwide Interbank Financial Telecommunication) may be required to be disclosed to the United States authorities in order to comply with legal requirements applicable in the United States for the prevention of crime.

### 5. DIRECT MARKETING

Unless we receive an objection in writing from you, we may use your contact details and process your personal data to inform you of relevant opportunities, developments, events and products that may be of interest to you. We may use and share relevant information about you with other entities forming part of the Mediterranean Bank plc group to give you information about products, services and promotions available from us or any other group entities by post, telephone, electronic and other means.

You have a right to instruct the Bank not to send any such information when you open an Account.

### 6. CHANGE OF DETAILS

Although we will take all reasonable steps to ensure that your information is at all times correct and up to date, you can help us by informing us of any changes to your personal information by visiting our offices, by writing to us or online.

You have the right to request a copy of the personal data that we hold about you and to have any inaccuracies corrected. You may also change your preference as regards direct marketing. Please address any such requests in writing to the Data Protection Officer, Mediterranean Bank plc, 10 St. Barbara Bastion, Valletta VLT 1961, Malta or by e-mail at [customerservice@medbank.com.mt](mailto:customerservice@medbank.com.mt).

## ANNEX 3: TELEPHONE AND SECURE MAIL INDEMNITY

Insofar as you give us instructions by telephone or secure mail the following terms of use shall also apply.

Until you shall give us written notice to the contrary, you hereby request and authorise us from time to time without further authority or notice from you to act upon instructions to us given or purporting to be given by you by telephone or secure mail communications, in connection with any or all Services provided by us to you. In consideration of our agreeing so to do you, on a joint and several basis, hereby undertake to keep us at all times fully and effectually indemnified against all losses, costs, damages, claims, demands and expenses which we may incur or sustain through our acting or failing to act upon any such instructions as aforesaid whether or not such instructions are given without your authority, and you further agree that we may nevertheless debit your Account(s) with any such instructions whether such Account(s) be in credit or debit.

It is agreed that any transaction requested as aforesaid shall be subject to the General Terms.

We shall be entitled but not bound to act on such instructions received by telephone or secure mail in accordance with this authority. You understand that we shall not be liable in any way for any loss whatsoever incurred by you as a result of our acting or failing to act (wholly or in part) on instructions which we believe to have been given in conformity with the above.

It is further agreed that:

- a. our written advice or other record shall be conclusive evidence that a telephone conversation took place with you; and
- b. our written advice or other record shall be conclusive evidence of such instruction unless a manifest error appears to have been made by us of which immediate notice is given to us by you upon receipt of such advice or other record.

We undertake to comply with any instruction given to us by you and in particular we understand that you may require written confirmation of any instruction.

This authority and indemnity shall be read and construed according to the laws of Malta.

## ANNEX 4: TERMS AND CONDITIONS FOR PERSONAL INTERNET BANKING

Insofar as you opt to avail yourself of the personal internet banking services provided by Mediterranean Bank plc, the following terms of use shall also apply.

### 1. INTRODUCTION

In addition to the terms defined in the General Terms, the following definitions shall apply in these Terms and Conditions For Personal Internet Banking, as amended and/or supplemented from time to time, (the “**Personal Internet Banking Terms**”) unless the context otherwise requires:

“**Customer Instruction**” refers to any request or instruction that is received by the Bank through internet banking; and

“**E-Signature Device**” refers to any device designated by the Bank for use by each Customer to generate a security code to access any online Service. An E-Signature Device may be in the form of a token, an application on the Bank’s website or other form. E-Signature Device also includes any PIN (personal identification number), memorable word and security question to be used in conjunction with the E-Signature Device.

This document lays down the specific terms and conditions applicable to the provision of online Accounts by the Bank to its Personal Customers (the “**Internet Banking Services**”).

Unless the context otherwise requires, and to the extent not otherwise provided for in the General Terms or the Investment Services Terms, these Personal Internet Banking Terms shall also apply to all and any other Services provided by the Bank.

These Personal Internet Banking Terms shall apply subject to any specific modifications expressly agreed to between us, in writing, from time to time.

### 2. RELATION TO THE GENERAL TERMS AND CONDITIONS

The relationship between us is governed by these Personal Internet Banking Terms, the General Terms, the Account Opening Form for establishment of any Account and any other agreement or documentation you sign in relation to any Service we render.

These Personal Internet Banking Terms form an integral part of the General Terms, should be seen as one whole for the Customer and complement each other.

### 3. REGULATION OF SERVICES

Access to and use of online banking is only permitted via the Bank’s dedicated website.

The Internet Banking Services may be modified, suspended or (partly or wholly) terminated. The Internet Banking Services can be suspended for reasons of technical problems or faults, maintenance or security problems.

When making use of the Internet Banking Services, the Customer will comply with these Personal Internet Banking Terms and any amendments hereto. The Bank will timely inform the Customer of any modifications to these Personal Internet Banking Terms or the Internet Banking Services via its website.

### 4. ACCESS

The Customer has access to the following Accounts for financial transactions carried out using the Internet Banking Services:

- a. all Accounts of which she/he is (co-)holder;
- b. all Accounts for which she/he is authorised; and
- c. all Accounts opened in the name of a person who is legally represented by her/him.

Whenever she/he carries out a transaction using the online banking service, the Customer may consult the list of Accounts to which they have access to on the terminal screen. The list is constantly updated to take account of events that affect the status of these Accounts or the Customer’s position in relation to these Accounts.

The Bank provides the Customer with an E-Signature Device when the application for the service is accepted. The service is activated by means of initial usage.

When registering for the Internet Banking Services you will automatically be given access to the online payment services, whereby you will be able to instruct payments to third party accounts. If you opened an Account with the Bank online, you may only instruct outward payments to your Linked Account unless you have removed this constraint as explained in clause 3 of the General Terms.

The Customer agrees to comply with the instructions and information for the use of the E-Signature Device provided by the Bank in writing or on the website.

### 5. TERMS OF USE AND SECURITY

You agree to comply with the provisions of the Personal Internet Banking Terms, the General Terms and any other reasonable instructions or recommendations we may issue to you regarding Internet Banking security. You agree that it is your sole responsibility to set up, maintain and regularly review security arrangements concerning access to, and use of, the Internet Banking Services, and information stored on your computing and communications systems.

You confirm that you have assessed the security features of internet banking and have determined that they are adequate to protect your interests.

You must keep your E-Signature Device secure and secret at all times and take steps to prevent unauthorised use thereof.

Once you have logged on to your internet banking you must not leave at any time the internet terminal from which you have accessed your internet banking or let anyone else use the internet terminal until you have logged off.

You must not access your internet banking from any computer connected to a LAN (local area network) or any public internet access device or access point without first making sure that the computer and the network are free of viruses, spyware, destructive or disruptive component, malicious code or any other software or component which will or may compromise either the Bank's or your access to and/or use of the Bank's website and the Bank's Internet Banking Services and that no-one else will be able to observe or copy their access or get access to internet banking or the Bank's website pretending to be you.

You must notify us immediately of the following:

- a. any unauthorised access to internet banking, the Bank's website or any unauthorised transaction or instruction which you know of or suspect; or
- b. if you suspect someone else has access to your E-Signature Device or knows any of the security details to be used in conjunction with it. In the event of any such breach or suspected breach of security you must change your security details immediately to one which you have not used before. You hereby agree to comply immediately with all reasonable requests for assistance from us and/or the police in trying to recover any losses or identify actual or potential breaches of security. We may disclose information about you, or your account to the police or other third parties if we think it will help prevent or recover losses, without further notice to you.

You agree that you are solely responsible for the performance and protection of any browser used in connection with internet banking.

By using the Internet Banking Services you acknowledge and consent with the instructions, terms of use, consents, disclaimers, statements and other provisions of any nature of the Bank or its third-party servicers, as expressly stipulated or referred to on the website. In particular, you agree with the terms of use of the information provided on the website by the Bank or its third-party service providers.

You agree to keep us indemnified against all actions, proceedings, costs, loss and damage of any kind which we may suffer as a result of our, or any representative of the Bank, acting on any Customer Instruction in accordance with the Personal Internet Banking Terms, or as a result of any failure on your part, to comply with the duties stipulated under this clause 5.

## 6. ONE TIME PASSCODE

The One Time Passcode is an added security function integral to your use of the Internet Banking Services. For the One Time Passcode to operate, you must have registered your mobile phone number with us in respect of your Account(s). If you do not register a mobile phone number with us or provide us with an incorrect or invalid mobile number, your usage of the Internet Banking Services may be limited.

You will be sent a text message containing a One Time Passcode to the mobile phone number registered with us in order for you to verify and complete outward payment instructions executed through your Account(s) that exceed the low-value payment amount as defined in the Payment Services Directive 2007/64/EC.

This One Time Passcode can only be used once per transaction and will expire as soon as you use it or if your session is ended before the One Time Passcode is used.

You shall notify us as soon as possible should your registered mobile phone number change or in case your registered mobile phone is lost, stolen or no longer under your control.

## 7. FOREIGN EXCHANGE SERVICES

Any exchange rate, interest rate, dealing rate and other prices and information quoted by us on the Bank's website or otherwise in response to an online inquiry is for reference only and is not binding. For the purpose of the relevant transaction, the rate, price and information that shall be binding shall be that provided by the Bank at the time of confirming the rate, value and information relating to the transaction completed by the Customer irrespective of any different rate, price or information quoted by the Bank previously.

A two per cent (2%) mark up on the value of the transaction shall be held as security by the Bank, from when the Customer confirms a transaction until the transaction is actually executed to allow for any fluctuation in rates quoted. Once the transaction is completed the difference between the amount secured and the actual value of the transaction shall be immediately released. The amount debited from the Customer's account shall be equal to the final executed amount and there shall not be any mark up on the amount debited.

## 8. RIGHT OF USE AND INTELLECTUAL PROPERTY

The Customer has a strictly personal right to use software provided by the Bank as part of the Internet Banking Services. This software is and remains the property of the Bank and/or persons that have assigned the operating rights to the Bank.

It is strictly forbidden for any other party (including the Customer) to use or share this software as part of, or from, another internet application or software program – to extract data via online banking or execute transactions, for instance.

The design of the Bank's online banking website, the text, graphics and other components of this are the property of the Bank and must under no circumstances be altered, reproduced or distributed without the Bank's prior written consent.

In case of theft, loss, abuse or unauthorised reproduction of an E-Signature Device, the Customer shall immediately notify the Bank's Customer Service by calling (+356) 2557 4400. If Customer Service is unreachable, the client can send an e-mail to [customerservice@medbank.com.mt](mailto:customerservice@medbank.com.mt), and the Bank shall acknowledge said e-mail by the end of the next Business Day. In these cases, the Bank will suspend the Internet Banking Services.

The Bank shall keep an internal log of transactions carried out through Internet Banking for a period of ten (10) years as from the 1st of January in the year following the date on which the last transaction was carried out.

## 9. SERVICE DISRUPTIONS

We may suspend any Service provided to you under the Internet Banking Services without notice where we consider it necessary or advisable to do so, for example to protect you when there is a suspected breach of security or we need to suspend the Internet Banking Services for maintenance or other reasons.

Whenever possible, we will use reasonable efforts to inform you without undue delay through the Internet Banking Services, and/or our website if any Service under the Internet Banking Services is not available. In the event that we have levied any charge to you which is specifically expressed to be for a particular service which is not available then we will reimburse you this sum. Other than reimbursing any fee as set out above, we will have no further liability to you.

It may be necessary from time to time to suspend some or all of the Internet Banking Services for routine, non-routine or emergency maintenance where we consider it necessary to do so. In the event of such a suspension being necessary, we will in so far as is possible, provide you with a reasonable period of notice prior to the suspension by means of a notification on the Bank's website.

## 10. LIABILITY OF THE BANK

The Bank may suspend the execution of a Customer's transactions for the purpose of a regulatory check and/or refuse to execute them for regulatory reasons. The Bank cannot be held liable for any damages arising out of such suspension or refusal.

The Bank does not accept any liability whatsoever for any loss whatsoever, direct or indirect, arising either as a result of defective functioning of the Customer's equipment or of telecommunication services provided by a third party, or as a result of the service being suspended for reasons beyond the Bank's control.

## 11. CUSTOMER INSTRUCTIONS

Instructions given using internet banking shall bind the Customer unconditionally. The Bank reserves the right to refuse performance of the Customer Instruction if the Customer does not comply with the applicable terms of use or does not use the appropriate required E-Signature Device supplied by the Bank.

The Bank carries out the instructions based on the account number and information specified by the Customer and is not liable for the accuracy of the instructions and is not required to verify or check this information.

The Bank reserves the right to refuse the execution of instructions that are incomplete or unclear or whose authenticity is uncertain.

If the instructions do not specify an execution date, the Bank shall implement the instructions immediately. A payment instruction is considered received at the time it is sent via the Internet Banking Services, unless a specific implementation date has been specified. In this case the implementation date will be considered the date of receipt. A payment instruction received before the Cut-Off Time will be executed on the date of receipt. A payment instruction received after the Cut-Off Time will be performed on the next Business Day.

## 12. PROOF

Entries made using the online Internet Banking Services platform and electronic communications constitute full proof of instructions given to the Bank by the Customer. In the event of dispute, they may be produced as evidence before the body appointed to resolve the dispute.

If the Customer considers that there has been an error or irregularity in the recording system, they shall be required to prove this.

The Bank reserves the right, when it deems useful or necessary in its sole discretion, to ask the Customer to confirm instructions and/or requests by means of letter, facsimile, e-mail or any other electronic message system. The Bank may postpone the execution of instructions pending receipt of such confirmation.

Facsimile copies, printed e-mail messages and messages sent by any other electronic message system shall be deemed to be written documents and shall have the same evidential value as original documents.

The Bank reserves the right to postpone the execution of instructions or requests confirmed by facsimile, e-mail or any other electronic message system if it is of the opinion that such instructions are not sufficiently authentic, and to request a paper instruction or substantiating documents.

## 13. TERM OF THE INTERNET BANKING SERVICES

These Personal Internet Banking Terms are valid for an indefinite period.

The Customer may terminate its Accounts or Services with the Bank in accordance with the General Terms.

## 14. ELECTRONIC MESSAGING SERVICE

The Bank's website and/or the Internet Banking Services may provide you with the ability to send and receive electronic messages to and/or from us. Please remember that we may not immediately receive an electronic message sent by you. No action will be made on any electronic message you send us until we actually receive your message and have a reasonable opportunity to act on it. You cannot send an electronic message to any other person using the Internet Banking Services.

## ANNEX 5: TYPE OF ACCOUNTS

### 1. NOW ACCOUNT

The Now Account (the “TNA”) is available in all major currencies. Full details of the currencies available will be provided upon request.

The minimum balance required in respect of the TNA is five thousand (5,000) Euro (or equivalent).

The interest rate is fixed for the full period of the TNA at the rate prevailing on the date of receipt of cleared funds and will be paid upfront as explained in more details below.

Before maturity of the TNA the Customer shall, by means of written instructions, inform the Bank whether:

- a. she/he would like to re-invest the principal for a similar period at the rate of interest then prevailing; or
- b. she/he would like to transfer the principal to an account the details of which shall be provided to the Bank.

Should no such instructions be received by the Bank, the principal shall automatically be transferred into the Customer’s SA.

Interest is credited upfront and placed into the Customer’s SA, once funds deposited to open the TNA have been cleared and paid to the Bank, as follows:

- a. if capital is paid by means of a cheque drawn on a Maltese Bank, by bank transfer or in cash, interest is paid within ten (10) Business Days after depositing or receiving the amount, assuming amount is deposited or received before the Bank’s Cut-Off Time. If amount is deposited or received after the Bank’s Cut-Off Time, the ten (10) Business Day period will start to run from the immediately following Business Day; or
- b. if capital is paid in by means of a cheque drawn on a Foreign Bank, interest is paid within thirty (30) Business Days after depositing the cheque, assuming the cheque is paid in before the Bank’s Cut-Off Time. If the cheque is paid in after the Bank’s Cut-Off Time, the thirty (30) Business Day period will start to run from the immediately following Business Day.

Withdrawals may be made only upon maturity of the TNA. Early termination of a TNA shall not be permitted.

A Customer cannot open a TNA with the balance made up entirely from the interest earned and paid from another TNA.

### 2. FIXED TERM DEPOSIT ACCOUNT

The Fixed Term Deposit Account (the “FTDA”) is available in all major currencies. Full details of the currencies available will be provided upon request.

The minimum balance required in respect of a FTDA is five thousand (5,000) Euro (or equivalent).

Interest is credited annually or on maturity, as elected by the Customer in the Account Opening Form for such Account, in the Customer’s SA.

The interest rate is fixed for the full period of the FTDA at the rate prevailing on the date of receipt of cleared funds.

Before maturity of the FTDA the Customer shall, by means of written instructions, inform the Bank whether:

- a. she/he would like to re-invest the principal for a similar period at the rate of interest then prevailing and instruct the Bank as to where to transfer the interest accrued; or
- b. she/he would like to transfer both the principal and the interest to an account the details of which shall be provided to the Bank.

Should no such instructions be received by the Bank, the principal shall automatically be transferred into the Customer’s SA

Withdrawals may be made only upon maturity of the FTDA. Early termination of a FTDA shall not be permitted.

### 3. Me12 SAVINGS ACCOUNT

The Me12 Savings Account (the “Me12SA”) is available in Euro and Pound Sterling.

There is no minimum deposit requirement to open a Me12SA.

Interest is calculated on the daily cleared balance of the Me12SA and credited every six (6) months on the last Business Day of June and December in the Customer’s Me12SA. The interest rate for the Me12SA will be set initially on the date the account is established and may be changed by us only with twelve (12) months’ notice. Interest rates will vary in line with market conditions and will be provided upon request.

Deposits may be made at any time, and withdrawals are subject to twelve (12) months’ prior notice. No notice of withdrawal can be made during the first three (3) months following account opening.

You are not permitted to overdraw the Me12SA unless prior arrangements have been made with us.

You may terminate the Me12SA at any time, subject to the above clauses by giving us your written instructions.

### 4. Me3 SAVINGS ACCOUNT

The Me3 Savings Account (the “Me3SA”) is available in Euro and Pound Sterling.

There is no minimum deposit requirement to open a Me3SA.

Interest is calculated on the daily cleared balance of the Me3SA and credited every six (6) months on the last Business Day of June and December in the Customer’s Me3SA. Interest rates will vary in line with market conditions and will be provided upon request.

Deposits may be made at any time, and withdrawals may be made at any time subject to a three (3) month prior notice.

You are not permitted to overdraw the Me3SA unless prior arrangements have been made with us.

You may terminate the Me3SA at any time, subject to three (3) months prior notice by giving us your written instructions.

## 5. SAVINGS ACCOUNT

The Savings Account (the “SA”) is available in all major currencies. Full details of the currencies available will be provided upon request.

Interest is calculated on the daily cleared balance of the SA and credited every six (6) months on the last Business Day of June and December in the Customer’s SA. Interest rates will vary in line with market conditions and will be provided upon request.

Deposits may be made at any time, and withdrawals may be made at any time subject to a two (2) Business Day prior notice.

You are not permitted to overdraw the SA unless prior arrangements have been made with us.

You may terminate the SA at any time by giving us your written instructions.

## 6. TERM INVESTMENT Me ACCOUNT

The Term Investment Me Account (the “tiMe Account”) is a savings account into which customers are required to make monthly contributions over the course of a year totalling a minimum of three thousand Euro (€3,000) by the end of the one-year period. No monthly contribution may be less than one hundred Euro (€100), and monthly contributions need not be the same each month.

On the nineteenth (19th) day of the month following the twelfth (12th) monthly contribution (the “**Conversion Date**”), the aggregate amount contributed to the TiMe Account prior to the Conversion Date (which must equal or exceed three thousand Euro(€3,000)) will be applied by Mediterranean Bank to purchase a diversified investment portfolios of accumulator UCITS funds designed to address a balanced risk tolerance level and focused on potential medium to long-term returns (the “**Balanced Model Portfolio**”).

The Model Portfolio purchased with the proceeds of a tiMe Account must be held for a minimum of three (3) months following the Conversion Date.

The tiMe Account is available only in Euro.

Interest is calculated on the daily cleared balance of the tiMe Account and is paid on the Conversion Date and applied to the purchase of the Model Portfolio. Interest rates will vary in line with market conditions and will be provided upon request.

In addition, a bonus incentive payment is payable on the Conversion Date, calculated based on the amount used to purchase the Model Portfolio, using the bonus incentive rate provided in the Bank’s Interest Rate Sheet, which can be downloaded on the bank’s website.

No withdrawals are permitted during the period prior to and including the Conversion Date.

Any contributions by a customer to the tiMe Account which are received by Mediterranean Bank after the Conversion Date will not be held in the tiMe Account but will rather be used to add to the Model Portfolio held by the customer.

## ANNEX 6: DEPOSITOR INFORMATION SHEET

Basic information about the protection of deposit	
<b>Deposits in Mediterranean Bank plc are protected by:</b>	The Depositor Compensation Scheme <sup>1</sup> , established under regulation 4 of the Depositor Compensation Scheme Regulations, 2015
<b>Limit of protection:</b>	EUR 100,000 per depositor per credit institution <sup>2</sup>
<b>If you have more deposits at the same credit institution:</b>	All your deposits at the same credit institution are “aggregated” and the total is subject to the limit of EUR 100,000
<b>If you have a joint account with other person(s):</b>	The limit of EUR 100,000 applies to each depositor separately <sup>3</sup>
<b>Reimbursement period in case of credit institution’s failure:</b>	20 working days <sup>4</sup>
<b>Currency of reimbursement:</b>	Euro
<b>Contact:</b>	Depositor Compensation Scheme, c/o Malta Financial Services Authority, Notabile Road, Attard BKR3000, Malta; Tel: (+) 356 21441155; E-mail: info@compensationschemes.org.mt
<b>More information:</b>	<a href="http://www.compensationschemes.org.mt">www.compensationschemes.org.mt</a>

### <sup>1</sup> Scheme responsible for the protection of your deposit

Your deposit is covered by a statutory Deposit Guarantee Scheme. If insolvency of your credit institution should occur, your deposits would in any case be repaid up to EUR100,000.

### <sup>2</sup> General limit of protection

If a deposit is unavailable because a credit institution is unable to meet its financial obligations, depositors are repaid by the Depositor Compensation Scheme, in accordance with the regulations. This repayment covers a maximum of EUR 100,000 per credit institution. This means that all deposits at the same credit institution are added up in order to determine the coverage level. If, for instance, a depositor holds a savings account with EUR 90,000 and a current account with EUR 20,000, he or she will only be repaid EUR 100,000.

In addition to the protection described above, deposits may be protected in some cases up to a maximum of EUR 500,000 for six months after the amount has been credited or from the moment when such deposits become legally transferable. In order to qualify for such higher protection, a deposit in excess of EUR 100,000 must meet any one of the following additional criteria:

- (A) it comprises:
- (a) monies deposited in preparation for the purchase of a private residential property by the depositor; or
  - (b) monies which represent the proceeds of sale of a private residential property of the depositor; or
- (B) it comprises sums paid to the depositor in respect of:
- (a) a separation, divorce or dissolution of their civil union; or
  - (b) benefits payable on retirement; or
  - (c) a claim for compensation for unfair dismissal; or
  - (d) a claim for compensation for redundancy; or
  - (e) benefits payable for death or bodily injury; or
  - (f) a claim for compensation for wrongful conviction.

More information can be obtained under

[www.compensationschemes.org.mt](http://www.compensationschemes.org.mt)

### <sup>3</sup> Limit of protection for joint accounts

In case of joint accounts, the limit of EUR 100,000 applies to each depositor.

However, deposits in an account to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, without legal personality, are aggregated and treated as if made by a single depositor for the purpose of calculating the limit of EUR 100,000.

### <sup>4</sup> Reimbursement

The responsible Deposit Guarantee Scheme is the Depositor Compensation Scheme, c/o Malta Financial Services Authority, Notabile Road, Attard BKR3000, Malta; Tel: (+)356 21441155; Email: info@compensationschemes.org.mt. It will repay your deposits up to EUR 100,000 within 20 working days until 31 December 2018; within 15 working days from 1 January 2019 until 31 December 2020; within 10 working days from 1 January 2021 until 31 December 2023; and within 7 working days from 1 January 2024 onwards.

As of 31 May 2016, where the Depositor Compensation Scheme cannot make the repayable amount(s) available within 7 working days, depositors shall have access to an amount, not exceeding one thousand five Euro (€1,500), to cover the cost of living, within 5 working days of a request. The Depositor Compensation Scheme shall only grant access to such amount within 5 working days on the basis of data provided by the credit institution.

If you have not been repaid within these deadlines, you should make contact with the Depositor Compensation Scheme since the time to claim reimbursement may be barred after a certain time limit. Further information can be obtained from [www.compensationschemes.org.mt](http://www.compensationschemes.org.mt).

**Other important information**

In general, all retail depositors and businesses are covered by the Depositor Compensation Scheme. Exceptions for certain deposits are stated on the website of the Depositor Compensation Scheme.

Your credit institution will also inform you on request whether certain products are covered or not. If deposits are covered, the credit institution shall also confirm this on the statement of account.

Deposits which are excluded from protection under the Depositor Compensation Scheme in terms of the regulation (regulation 9 (2)) include the following:

1. deposits arising out of transactions in connection with which there has been a criminal conviction for money laundering;
2. cases where the holder and any beneficial owner of the deposit has never been identified in accordance with prevention of money laundering requirements at the compensation date;
3. a deposit made by a depositor which is one of the following:
  - credit institution for deposits made on its own behalf and for its own account
  - financial institution
  - investment firm
  - insurance undertaking
  - reinsurance undertaking
  - collective investment undertaking
  - pension or retirement fund
  - public authority
4. the deposit consists of debt securities issued by a credit institution and liabilities arising out of own acceptances and promissory notes;
5. the deposit is held with a credit institution participating in the Depositor Compensation Scheme but in a branch of that credit institution which is located in a non-EEA<sup>1</sup> Member State.

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<sup>1</sup> The 'EEA' stands for the European Economic Area which currently comprises the 28 EU Member States (i.e. Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom) plus, Iceland, Liechtenstein and Norway.

