

# GENERAL TERMS AND CONDITIONS GOVERNING DEPOSIT ACCOUNTS



These General Terms and Conditions shall govern all deposit accounts opened with Sterling Bank of Asia Inc. (A Savings Bank) and the products, services and facilities connected with them. Any Additional or Special Terms and Conditions applicable to a particular type of deposit account, product, service, or facility must be read together with these General Terms and Conditions. In case of inconsistency between these General Terms and Conditions and any Additional or Special Terms and Conditions, the provisions contained in the Additional or Special Terms and Conditions shall prevail.

**1. Defined Terms.** The following terms shall have the meanings stated below:

- "Account" refers to any current, savings, fixed-term, or other types of deposit account, regardless of currency, which is opened with the Bank.
- "Bank" refers to Sterling Bank of Asia Inc. (A Savings Bank). The term includes the Bank's directors, officers, and employees.
- "Depositor" refers to a natural or juridical person or any legal organization which opens an Account with the Bank. The term includes the Depositor's duly authorized representatives and signatories.
- "Product, Service, or Facility" refers to any product, service, or facility that the Depositor avails of in connection with the Account.

**2. Account Opening.** The Bank may, at its sole discretion, allow a Depositor to open an Account subject to (a) the Depositor's complete submission of duly accomplished account opening and client information forms, signature cards, and other documentary requirements; (b) the Bank's verification, in accordance with its customer acceptance policies and procedures, of any and all information relating to the Depositor, to confirm the latter's identity, business, and transactions; and (c) the Depositor's delivery of the initial deposit amount. The opening of the Account shall not preclude the Bank from conducting further verification and customer identification procedures as may be necessary.

Whenever applicable, the Bank shall require the Depositor to submit a written authorization, in the form prescribed by the Bank, identifying the Depositor's authorized signatories for the opening and maintenance of the Account. All acts and transactions executed by such authorized signatories shall be valid, binding, and effective upon the Depositor.

Unless otherwise allowed under existing laws and regulations, the Bank shall maintain the Account only in the true and full name of the Depositor.

**3. Deposits.** The Bank may accept deposits in the form of cash, checks or similar instruments, or through debit from another Account. All deposits shall be made by the Depositor by using the Bank's prescribed deposit or fund transfer forms.

Check deposits, which are not "on-us," shall only be accepted for collection. The proceeds of such checks shall be credited to the Account only after clearance by the Philippine Clearing House Corporation, in the case of local currency-denominated checks, or by the foreign correspondent banks, in the case of foreign currency-denominated checks. Accordingly, the Depositor shall hold the Bank free and harmless from all liabilities, expenses, or costs arising from clearing system defects, electronic or communication line failures, fault or negligence of correspondent banks, or fortuitous events.

The proceeds of "on-us" check deposits shall be immediately credited to the Account, unless the Depositor requests that such checks undergo the normal clearing process of the Philippine Clearing House Corporation, in which case, the immediately preceding paragraph shall apply.

The Depositor guarantees the genuineness of all cash or checks that will be deposited to the Account. The Bank may reverse any amount previously credited to the Account upon receipt of notice that the check or instrument which ordered the payment of the amount is invalid by reason of (a) forgery; (b) any circumstance resulting in the Depositor not being entitled to the proceeds thereof; or (c) any other analogous ground as may be determined by the Bank. For this purpose, an affidavit of the payee, endorser, or any other party to the check or instrument attesting to the forgery of any signature or endorsement thereon, or to the alteration of any material part thereof, or to any fact which puts in question the right of the Depositor to the proceeds thereof, shall be considered sufficient notice and proof of the check or instrument's invalidity, at the sole determination of the Bank.

The Depositor shall hold the Bank free and harmless from any and all claims, liabilities, expenses, and costs arising from or in connection with the Bank's acceptance of deposits to the Account.

Subject to existing laws, regulations, and policies, the Bank shall have the right to refuse deposits of whatever type as it may deem appropriate.

**4. Withdrawals and Fund Transfers.** The Bank shall allow withdrawals or fund transfers only from the cleared balances of the Account. Deposits shall become cleared funds only after the completion of clearing or holding periods prescribed by the Bank. All withdrawals or fund transfers shall be made by the Depositor by accomplishing the Bank's prescribed withdrawal or fund transfer forms, which shall be subject to verification. Any erasure, correction, or alteration on a withdrawal or fund transfer form must be authenticated by the signature of the Depositor. The Bank shall consider the signature of the Depositor on a withdrawal or fund transfer form as an unqualified instruction to the Bank to act on the request for withdrawal or fund transfer. Thus, the Bank shall not be liable for allowing any withdrawal or fund transfer based on a withdrawal or fund transfer form bearing the apparent signature of the Depositor.

Withdrawals in foreign currency are subject to the availability of foreign currency notes. Fractions of foreign currency may, at the Bank's discretion, be paid in the local currency. Conversion to the local currency shall be based on the Bank's prevailing buying and selling rates.

In case the Account is for a fixed term or is denominated in foreign currency, the Bank may charge service fees for withdrawals made earlier than the prescribed holding period of the Bank.

Subject to existing laws, regulations, and policies, the Bank shall have the right to refuse any request for withdrawal or fund transfer as it may deem appropriate.

**5. Minimum Balance.** Unless the Account is a Neo Savings, Bayani OFW Savings, or Solo Basic Savings Account, or is otherwise exempted under the Bank's existing policies, the Depositor shall maintain the required Minimum Average Daily Balance (MADB) every month. The Bank shall notify the Depositor of the MADB upon the opening of the Account, and of any subsequent changes to the MADB. If the Depositor shall fail to maintain the MADB, the Bank shall collect from the Depositor a maintenance fee at the end of the relevant month.

If, at any point, the balance of a Solo Basic Savings Account exceeds Php50,000.00, or the latest prescribed threshold amount, the Account shall automatically be reclassified as a Solo Savings Account and shall be subject to the MADB requirement and applicable service fees.

**6. Interest.** The Account shall earn interest if it meets the required MADB set by the Bank. Interest shall be computed annually, at the rate specified by the Bank in accordance with the rules and regulations of the Bangko Sentral ng Pilipinas, based on the Account's monthly average daily cleared balance. The Account shall be subject to the applicable withholding tax unless the law provides for its exemption.

**7. Joint Accounts.** In case the Account is in the name of two or more Depositors, any of the Depositors may deposit to the Account any check or similar instrument that is payable to any one or more of them. However, withdrawal from, or disposition of, the Account may be allowed only when the applicable bank forms are signed by:

- Any of the Depositors, for a Joint "OR" Account; or
- All of the Depositors, for a Joint "AND" Account, unless a different instruction is indicated in the account-opening and client information forms.

Any fund withdrawn shall be payable to any of the withdrawing Depositors of a Joint "OR" Account, or all of the Depositors of a Joint "AND" Account, during the Depositors' lifetime. Unless otherwise indicated in the account-opening and client information forms, the Bank shall consider the Account equally shared by the Depositors.

**8. Dormancy of the Account.** The Account shall be classified dormant if it has no activity, other than Bank-initiated transactions, for one (1) year, if the Account is a current account, or two (2) years, if the Account is a savings account. The Bank shall impose a dormancy fee on the Account starting on the fifth (5th) anniversary of the date of the last Depositor-initiated transaction in case the Account falls below the MADB. The dormancy fee shall be in addition to the maintenance fee due under Section 5.

**9. Service and Other Bank Charges.** The Bank shall debit all impossible service, maintenance, and dormancy fees from the Account, or in case of its insufficiency, from the Depositor's other Accounts. This right shall have preference over the payment of any fund transfer instruction, check or similar instrument, which may have been charged against or drawn from the Account. The Bank shall not be liable for any unpaid fund transfer instruction or dishonored check or instrument that may result from such deduction.

**10. Corrections by the Bank and Reversal of Credits.** The Bank may, at any time and without prior notice to the Depositor, reverse any credit made to the Account: (a) if amounts were credited to the Account due to fraud or mistake; (b) if the Bank failed to obtain cleared funds for the check or non-cash item deposited to the Account; (c) if the drawer or drawee bank asked the Bank to return the funds; or (d) if the Bank has any other reasonable ground for doing so.

**11. Authority to Carry Out Instructions.** The Bank may act on any of the Depositor's instructions received by telephone, facsimile, short or multimedia messaging services, or other digital or electronic means, as may be allowed by the Bank's policies. Before acting on such instructions, the Bank may require the Depositor to confirm such instructions in a form or manner acceptable to the Bank, or to issue a waiver of the Bank's liability or letter of indemnity in favor of the Bank. The Depositor acknowledges the risks in communicating with or issuing instructions to the Bank via telephone, facsimile, short or multimedia messaging services, or other digital or electronic means. Such risks include delay or non-receipt, whether or not due to any technical malfunction in either party's systems; third-party interception; interference; and data corruption. The Depositor shall bear such risks and shall hold the Bank free and harmless from liability for any loss which the Depositor or any third party may suffer as a result of the Bank's reliance on, or compliance with, such communications or instructions.

**12. Conclusiveness of Bank's Records.** In the absence of manifest error, the records of the Bank shall be conclusive as to any matter pertaining to the Account.

**13. Right to Set Off and Authority to Sell.** The Bank shall have the right to apply, at its discretion, all money, deposits, or credits in the Account, to the payment of all existing and future indebtedness of the Depositor to the Bank, whether arising from the Account or from any other transaction. Upon the maturity of any such indebtedness, and regardless of the adequacy of any other collateral securing the same, the Bank may, without need of any notice to the Depositor, debit the Account to the extent of the amount owed. This right shall have preference over the payment of any fund transfer instruction, check or similar instrument, which may have been charged against or drawn from the Account. The Bank shall not be liable for any unpaid fund transfer instruction or dishonored check or instrument that may result from such deduction.

For properties other than money that may come into the Bank's possession, the Depositor hereby irrevocably appoints the Bank as its Attorney-in-Fact, to sell or dispose of such properties, in whole or in part, by public or private sale, and to apply the proceeds of such transaction to the Depositor's indebtedness to the Bank.

The Depositor shall hold the Bank free and harmless from any and all liabilities arising from or in connection with the exercise by the Bank of its rights under this Section.

**14. Unclaimed Credit Balances.** The Bank shall consider all available funds in the Account as unclaimed balances if the Depositor has been known to be dead or has not made any transaction on the Account in the last ten (10) years or more. Unclaimed balances shall no longer earn interest or be subjected to service charges. The Bank shall report all unclaimed balances to the Treasurer of the Republic of the Philippines for escheatment in accordance with Act No. 3936 (Unclaimed Balances Law).

**15. Death of Depositor.** In case of the death of the Depositor of a solo Account, the Bank shall pay the balance of the Account to the Depositor's legal heirs, or to the executor of the Depositor's will, or to the administrator of the Depositor's estate, after compliance with all the requirements of the Bank by the legal heirs, executor, or administrator.

In case of the death of a Depositor of a Joint Account that is subject to a survivorship clause or agreement, the surviving Joint Depositors must comply with all the requirements of the Bank before the balance of the Account may be released to them.

If the Joint Account is not subject to a survivorship clause or agreement, the funds in the Account shall be presumed to be owned in equal shares by the Joint Depositors in the absence of a written agreement to the contrary. The share of the deceased Depositor shall be released to the Depositor's legal heirs, or to the executor of the Depositor's will, or to the administrator of the Depositor's estate, after compliance with all the requirements of the Bank by the legal heirs, executor, or administrator.

**16. Freezing or Closure of the Account.** The Bank shall have the right to immediately freeze or close the Account, at the Bank's option and without need of prior notice to the Depositor, upon the occurrence of any of the following events:

- a. The Depositor fails, within the prescribed period, to submit any document required by the Bank, or to comply with any other requirement of the Bank, for the maintenance of the Account;
- b. The Bank discovers that the Depositor submitted any information or document which is false, inaccurate, erroneous, or unverifiable;
- c. The Bank determines that the Account is fictitious or used for illegal or fraudulent purposes;
- d. The Bank resolves that the continued maintenance of the Account is prejudicial to its interests or unduly exposes it to risks;
- e. The Account's balance becomes zero (0) and no activity thereon is recorded, other than Bank-initiated transactions, for the last six (6) months, if the Account is a Current, Solo Savings, or Fixed Deposit Account; or for the last twelve (12) months, if the Account is a Neo Savings, Bayani OFW, or Solo Basic Savings Account;
- f. The Account becomes dormant and its balance becomes zero (0);
- g. The Account is mishandled, as when the Depositor frequently issues unfunded or insufficiently funded checks, or when the Depositor's unfunded check returns consistently exceed the number of the Depositor's honored checks, or when the Depositor issues a check for an amount that greatly exceeds the balance of the Account.
- h. The Depositor fails to settle fees promptly, as those imposed for a returned check;
- i. The Bank discovers that the Depositor is engaged in check kiting or other forms of check fraud;
- j. The Bangko Sentral ng Pilipinas, Anti-Money Laundering Council (AMLC), or other appropriate government agency, office, court, or body orders the freezing or closure of the Account; or
- k. Any other event or circumstance analogous to any of the foregoing.

The Bank shall notify the Depositor in writing about the freezing or closure of the Account. In case of closure, the Bank shall issue a manager's check or a demand draft payable to the Depositor for the balance of the Account, if any. The Bank shall inform the Depositor about the availability of the manager's check or demand draft through the above-mentioned notice of closure, or separately, through other means. All unused checks shall be surrendered to the Bank prior to the release of the manager's check or demand draft to the Depositor.

The Depositor confirms the Bank's authority to report the freezing or closure of the Account and the reasons therefor to the Bangko Sentral ng Pilipinas, Anti-Money Laundering Council, Banker's Association of the Philippines, or other appropriate government agency, office, court, or body. The Bank shall not be held liable for any claim, cost, expense, loss, or damage arising from or in connection with the exercise by the Bank of its rights or duties under this Section.

**17. Use and Disclosure of Information.** The Depositor warrants that all information provided by the Depositor in the account-opening and client information forms, and all the documents which the Bank receives from the Depositor, are complete, true and correct, and that all signatures thereon are genuine. The Depositor consents to the Bank's use of any information or data obtained by the Bank from the Depositor or from the Depositor's use of the Bank's products, services, and facilities, to verify the Depositor's identity, process the Depositor's transactions, market or cross-sell the Bank's products, and improve the Bank's services.

The Depositor authorizes the Bank to share the above-mentioned information with (a) third parties, agents, or service providers contracted to provide a variety of valuable services on behalf of the Bank; (b) other financial institutions and merchants in accordance with the standard banking industry practice; (c) government regulators, agencies, bodies, entities, or courts as required or permitted by law or regulation; or (d) such other persons or entities entitled to receive such information when required by the circumstances, as when the Bank participates in any ATM network or electronic fund and card network, or when the Bank outsources its functions as allowed by the Bangko Sentral ng Pilipinas.

For the above purposes, the right to confidentiality of information and to secrecy of bank deposit under Republic Act No. 8791 (General Banking Law of 2000), Republic Act No. 1405 (Law on Secrecy of Bank Deposits), and Republic Act No. 6426 (Foreign Currency Deposit Act), and other similar laws, rules, and regulations are expressly waived by the Depositor. If the information involves personal, sensitive, or privileged information as defined under Republic Act No. 10173 (Data Privacy Act of 2012), the Depositor consents to the processing of such information only to the extent that it serves the legitimate interests of the Bank, complies with the Depositor's instructions, or is necessary for the Bank to comply with the orders of competent government authority.

**18. Updating of Information.** The Depositor shall promptly notify the Bank, in writing, of any change with respect to the information indicated in the Depositor's account opening and client information forms, signature cards, or bank records. It shall then be the responsibility of the Depositor, without need of any demand from the Bank, to update the account opening and client information forms or signature cards, and to submit documents in support thereof. However, no change to the latest submitted authorization relative to the Depositor's signatories shall be binding upon the Bank prior to its receipt of a valid written revocation or amendment of the authorization from the Depositor. Even if no such change occurs, the Bank shall require the Depositor to submit new signature cards once every three (3) years, or at such frequency and in such manner as the Bank may determine.

The Bank shall consider the Depositor's non-submission of updated information and documentary requirements as a confirmation that the information and documents which the Bank has on record remain current, valid, and effective. The Depositor shall indemnify the Bank for any damage, liability, loss, or suit that may result from such reliance.

**19. Inquiries and Concerns.** The Depositor may communicate any inquiry or concern regarding the Account or any Related Product, Service, and Facility by calling the Bank's Customer Service Helpline at (+632) 8721-6000 or (+632) 8672-6300, or by sending an electronic mail to customer.service@sterlingbankasia.com. All inquiries and concerns shall be treated with utmost confidentiality and urgency, and shall be recorded, reviewed, and investigated. The Bank shall acknowledge receipt of an inquiry or concern within two (2) calendar days from its receipt of the communication from the Depositor. The Bank shall resolve a simple inquiry or concern within nine (9) calendar days from receipt of the Depositor's communication. If the inquiry or concern is complex, resolution shall be made by the Bank within forty-seven (47) calendar days from notice of the Depositor's communication. For this purpose, an inquiry or concern is considered complex if its assessment, verification, or investigation requires the intervention of a third party. The Bank shall notify the Depositor if it needs additional time to resolve the inquiry or concern and state the reason for this. In such case, the inquiry or concern shall be resolved within forty-five (45) calendar days from the date the notice was given by the Bank to the Depositor. As the Bank is regulated by the Bangko Sentral ng Pilipinas, the Depositor may also communicate inquiries and concerns directly to the Bangko Sentral ng Pilipinas - Financial Consumer Protection Department by calling (+632) 8708-7087 or by sending an email to consumeraffairs@bsp.gov.ph.

**20. Telephone Recording.** The Bank may, with prior notice to and consent of the Depositor, record its telephone conversations with the Depositor. In such instances, the Depositor waives any right under Republic Act No. 4200 (Anti-Wire Tapping Act) or any similar law, rule, or regulation. Conversations to be recorded may include the Depositor's instructions, complaints, inquiries, advises, and reminders in relation to the Account or any Related Product, Service, or Facility. The Bank may use these recordings for any legal purpose in any proceeding as allowed under the law.

**21. Notices.** All communications sent to the Depositor by mail, telephone, facsimile, electronic mail, short or multimedia messaging services, or other digital or electronic means using the contact information provided by the Depositor to the Bank shall be deemed valid and effective notice to the Depositor for all legal purposes.

The Depositor shall be considered to have received any written communication (a) upon personal delivery; (b) when sent by confirmed facsimile, if sent during normal business hours; if not, then on the next business day; (c) when sent by mail, ten (10) days after deposit with the post office, with postage prepaid; (d) one (1) day after deposit with a private courier; or (e) when sent electronically, as soon as the same is posted and becomes available for viewing.

The Bank shall not be liable for any loss or damage that may be suffered by the Depositor arising from the Depositor's failure to receive or act upon such notification, provided the Bank sent the notification to the Depositor through the latter's last known or given residential, office, or electronic mail address, or landline or mobile number.

**22. Deposit Insurance.** The Account, together with the Depositor's other Accounts with the Bank, is insured with the Philippine Deposit Insurance Corporation (PDIC) up to the aggregate limit of Php500,000.00. If the Account is in the name of two or more Depositors, the insurance coverage limit shall be divided equally between the Depositors, unless the account opening and client information forms indicate a different sharing arrangement. The requirements and procedure for filing insurance claims and payment of insurance proceeds shall be governed by Republic Act No. 3591 (Philippine Deposit Insurance Corporation Act), its implementing rules and regulations, and the Bank's policies and procedures.

**23. Garnishment, Attachment, or Levy of the Account.** In the event that the Bank receives from any competent court, quasi-judicial agency, or government instrumentality or office any notice, order, writ, or other legal process garnishing, attaching, or levying the Account, or any property of the Depositor in the Bank's possession, in order to satisfy a legal obligation, the Bank shall immediately put the Account on hold or prohibit any disposition of the property, unless the Account or property is exempt from such processes under any applicable law, rule, or regulation. The Bank need not notify the Depositor before performing any of the foregoing acts.

If the notice, order, writ, or legal process so requires, the Bank shall debit from the Account an amount equivalent to the legal obligation or, if the balance of the Account is insufficient to settle the legal obligation, such available balance, and deliver the same in cash or in check to the appropriate court, quasi-judicial agency, or government instrumentality or office. The Bank shall likewise deliver the garnished, attached, or levied property to the said authorities, as it may be directed, to discharge the legal obligation.

**24. Limitation on the Bank's Liability.** The Bank shall not be liable for any loss, expense, cost, or damage incurred by the Depositor or any third party, arising from, or connected with, any of the following:

- a. The Depositor's inability to access the Account or any Related Product, Service, or Facility due to causes beyond the control of the Bank;
- b. Any disruption, failure, or delay in the processing of any transaction, or in implementing the instructions of the Depositor relative to the Account or any Related Product, Service, or Facility due to circumstances beyond the control of the Bank;
- c. The improper, fraudulent, or unauthorized use of the Account or any Related Product, Service, or Facility, due to theft or unauthorized disclosure of account information, usernames, passwords, access codes, personal identification numbers, and other security codes, or violation of other security measures, with or without the Depositor's participation;
- d. The Depositor's receipt of inaccurate, incomplete, or delayed information due to disruption or failure of any communication facilities used by the Bank; or
- e. Any other cause which is beyond the control of, or is not attributable to, the Bank.

In no event shall the Bank be liable for any indirect, incidental, or consequential loss or damage, or for any loss of business or profits, in connection with these General Terms and Conditions or any related Additional or Special Terms and Conditions.

- 25. Indemnity.** The Depositor agrees to indemnify and hold harmless the Bank from and against any and all losses, liabilities, deficiencies, costs, damages, and expenses that may be incurred by the Bank as a result of (a) any breach of the representations, warranties, or covenants made by the Depositor in these General Terms and Conditions or any related Additional or Special Terms and Conditions; (b) the improper or fraudulent use by the Depositor of the Account or any Related Product, Service, or Facility; or (c) the reliance by the Bank on the genuineness, completeness, and correctness of any applicable form, document, or instruction provided by the Depositor.
- 26. Attorney's Fees, Other Charges, and Costs.** In the event that the Bank is compelled to seek judicial or administrative relief to enforce its rights under these General Terms and Conditions or any related Additional or Special Terms and Conditions, the Depositor agrees to pay the Bank a sum equivalent to ten percent (10%) of the total amount claimed, including legal interest, as attorney's fees, which in no case shall be less than Php20,000.00. In case the Bank obtains the reliefs sought without filing any judicial or administrative action, the Depositor agrees to reimburse the Bank for whatever expenses it may have incurred.
- The Depositor agrees that all expenses, including legal costs, associated with the enforcement of the Bank's rights under these General Terms and Conditions or any related Additional or Special Terms and Conditions shall be for the account of the Depositor and may be debited from any of the Depositor's Accounts without need of prior notice to the Depositor.
- 27. Venue.** The Depositor irrevocably consents that any legal action, suit, or proceeding arising out of or in connection with the Account or any Related Product, Service, and Facility shall be filed in any competent court in Makati City or San Juan City, at the option of the Bank, to the exclusion of all other venues.
- 28. Laws, Rules and Regulations.** All pertinent laws, including Republic Act No. 8791 (General Banking Act of 2000), Republic Act No. 1405 (Law on Secrecy of Bank Deposits), Republic Act No. 10173 (Data Privacy Act of 2012), Republic Act No. 9160 (Anti-Money Laundering Act of 2001), including amendments thereto, and all relevant rules, regulations, and issuances of the Bangko Sentral ng Pilipinas, Banker's Association of the Philippines, Bureau of Internal Revenue, and Philippine Clearing House Corporation on deposit accounts, investment placements, and foreign exchange purchases shall form part of these General Terms and Conditions.
- 29. Amendments.** The Bank reserves the right to change, amend, modify, or supplement any or all of the provisions of these General Terms and Conditions at any time and without need of prior notice to the Depositor. Any such change, amendment, supplement, or modification shall be binding upon the Depositor after the Depositor is notified of the same through mail, publication, posting in the Bank's premises or website, or such other means as may be deemed effective by the Bank, including digital and electronic means.
- 30. Separability.** In case any part of these General Terms and Conditions is declared invalid, illegal, or unenforceable under any applicable law by a competent legal authority, such invalidity, illegality, or unenforceability shall not affect the other parts, which shall remain valid and binding.
- 31. Effectivity.** These General Terms and Conditions shall be effective upon the opening of the Account and shall continue to be in force until the closure of the Account. The closure of the Account or the termination of these General Terms and Conditions shall not affect any rights or obligations of the Bank or the Depositor that may have accrued on or before the date of such closure or termination.

#### ADDITIONAL TERMS AND CONDITIONS FOR CURRENT ACCOUNTS

- 32. Dishonor of Checks.** The Bank shall not pay any check issued by the Depositor (a) if it is drawn against insufficient funds (DAIF), uncollected deposits (DAUD), or a closed Account; (b) if it contains any forgery, alteration, or material or technical defect; or (c) when the Bank has a reasonable ground for nonpayment under applicable laws, rules, or regulations, without need of prior notice to the Depositor.
- 33. Stop Payment Requests.** The Depositor may, upon the payment of a service charge, request the Bank to stop the payment of any check drawn against the Account, provided that the Bank has not paid or accepted the check for payment. The stop payment request must be: (a) written in the prescribed stop payment request form, stating the full details of the check and the reasons for the stop payment request, and (b) served personally, together with all available supporting documents, on any authorized officer of the Branch of the Bank where the Account is maintained. The acceptance of a stop payment request does not guarantee that the same will be successfully carried out. Any cancellation of the stop payment request must also be in writing. The Depositor agrees to hold the Bank free and harmless for any payment made prior to the stop payment request, or for acting on the stop payment request or the cancellation of the same.
- 34. Electronic Statement of Account.** The Bank shall periodically send an electronic statement of account (the "eSOA"), enumerating the transactions and the balances of the Account and containing the images of all negotiated checks, to the Depositor's designated electronic mail address. The Depositor must promptly notify the Bank in writing of any exception to the eSOA within ninety (90) days from receipt of the same. Otherwise, the Depositor shall be deemed to have accepted the correctness of the eSOA and of the transactions listed therein. The Depositor may request the Bank to retrieve, generate, print, or resend the eSOA outside of the regular eSOA distribution schedule subject by accomplishing the prescribed form and paying the applicable service charge.
- 35. Checkbooks.** The Bank shall issue a checkbook to the Depositor upon the latter's submission of a duly accomplished checkbook requisition form and payment of the applicable fee. The Depositor may request for a checkbook over-the-counter or through other available channels and facilities, and pay the applicable fee in cash or by debiting the Account. The Bank shall not be liable for any loss, expense, cost, or damage incurred by the Depositor as a result of the deduction of the applicable fee from the Account.
- The Bank shall make the ordered checkbook available to the Depositor within a reasonable time. The Depositor must claim the ordered checkbook within ninety (90) calendar days from notice of its availability. Otherwise, the checkbook shall be destroyed, without obligation on the part of the Bank to return any payment received for the issuance of the checkbook. The Bank reserves the right not to process or release the checkbook ordered for any of the grounds stated in Section 16 of the General Terms and Conditions.
- The Depositor shall be responsible for the safekeeping and security of the checkbook. The loss of any unissued check should be reported immediately to the Bank. The Bank shall not be liable for any loss, expense, cost, or damage arising from the payment of a check lost by the Depositor, if the Bank has made the payment without notice of the check's loss.

#### SPECIAL TERMS AND CONDITIONS FOR SHOPNPAY VISA DEBIT CARD

- 36. Defined Terms.** The terms defined in the General Terms and Conditions are used in these Special Terms and Conditions as so defined. In addition, the following terms shall have the following meanings:
- "ATM" refers to an Automated Teller Machine of the Bank, or of other ATM Network Participants, where the Bank's ShopNPay Debit Card may be used for transaction.
  - "ATM Network Participants" refers to banks and other financial institutions which are, or in the future will become, members or affiliates of BancNet or Visa, or such other ATM networks or affiliations that will accept the Card in their ATM systems and facilities.
  - "Card" refers to the Bank's ShopNPay Debit Card issued by the Bank in the name of the Depositor, which is linked to the Account.
  - "PIN" refers to the Personal Identification Number or the secured numeric code used by the Depositor to access the ATM, and make ATM or Point-of-Sale transactions.
  - "PIN Mailer" refers to the sealed form containing the confidential default PIN randomly generated and assigned to each ShopNPay Debit Card.
  - "POS Terminal" refers to the Point-of-Sale Terminal of the Bank's accredited merchants where debit card purchases may be made.
- 37. Card Issuance and Ownership.** Upon application by the Depositor, the Bank may issue a Card for the exclusive use of the Depositor, which shall be linked to the Account. The Card remains the property of the Bank. Accordingly, the Bank may, at its sole discretion, (a) suspend, terminate, or cancel the use of the Card; (b) change the terms and conditions of the issuance and use of the Card; and (c) alter any and all privileges and services connected with the Card, at any time and for any reason and without need of prior notice to the Depositor. The Depositor agrees to immediately surrender the Card to the Bank upon request.
- 38. Card Validity and Renewal.** The Card shall be valid from the date of its issuance until the expiration date indicated thereon, unless earlier terminated by the Bank or voluntarily returned by the Depositor. The Bank, at its exclusive discretion, may renew the Card for another term subject to the policies and requirements of the Bank.
- 39. Card Activation.** It shall be the responsibility of the Depositor to activate the Card immediately upon its receipt by: (a) signing the signature bar at the back of the Card without delay; and (b) changing the default PIN indicated in the PIN Mailer to the Depositor's PIN of choice using the Bank's ATM.
- 40. Card Transactions.** The Card shall only be used by the Depositor in whose name the Card is issued. The Depositor may use the Card to (a) withdraw cash; (b) inquire the balance of the Account; (c) pay bills; (d) pay for goods and services to accredited merchants; (e) transfer funds; or (f) access such other facilities that the Bank offers or may offer in the future, to cardholders, at any online payment facility, ATM, or POS Terminal. The Depositor shall be accountable for all transactions made with the use of the Card, without necessity of proof of a signed charge slip or other documents.
- 41. Accredited Merchants.** The Bank has an agreement with Visa whereby the Card shall be accepted by all Visa- accredited merchants at all times. However, the Bank shall not be liable to the Depositor if, for any reason, the Card is not honored by the accredited merchant, the acquiring bank, or Visa. The Depositor shall hold the Bank free and harmless from all liabilities, expenses, or costs arising from the non-acceptance of the Card, or from any dispute involving the Depositor, the accredited merchant, the acquiring bank, or Visa.
- 42. Foreign Transactions.** A transaction which is made in a currency other than the currency in which the Card is issued shall be converted into an amount in the currency of the Card using Visa's conversion rate.
- 43. Debit of the Account for Card Transactions.** Subject to the Depositor's transaction limits, the Bank shall debit the Account for the amount of any Card debit transaction. For this purpose, the Depositor shall ensure that the Account has sufficient funds for the transaction. To the extent possible, and without relieving the Depositor of the obligation to be responsible for, and aware of, the Depositor's own Card transactions, the Bank shall notify the Depositor, through short messaging services, of any debit transaction made through the Card, if the amount of the debit transaction exceeds the threshold set by the Bank. Upon receipt of such notice, the Depositor shall immediately report to the Bank any unauthorized use of the Card and dispute any unauthorized Card transaction in accordance with Section 45.
- 44. Fees and Charges.** The Bank shall have the right to impose service fees and other charges for the issuance and use of the Card or any Related Product, Service, or Facility, including ATM charges, foreign transaction fees, or any other additional fees and charges collected by Visa. The Bank shall debit all service fees and other charges from the Account in the manner stated in Section 9 of the General Terms and Conditions, which shall likewise have preference over other payments.
- 45. Depositor's Obligation.** The Depositor shall use the Card in accordance with these Special Terms and Conditions, and shall take all reasonable steps to safeguard the integrity of the Card and the confidentiality of the PIN and to prevent the unauthorized use of the Card. The Depositor must promptly notify the Bank, by calling the Bank's Customer Service Helpline at (+632) 8721-6000 or (+632) 8672-6300, or by sending an electronic mail to customer.service@sterlingbankasia.com, after becoming aware of (a) the loss of the Card or PIN; (b) the possibility that the Card or PIN is exposed to unauthorized use; and (c) any unauthorized transaction, error, or irregularity in the operation of the Card. If the foregoing notice was communicated by telephone, the Depositor shall, within twenty-four (24) hours following the said notice, confirm the same in writing with the Bank. The Bank shall not be responsible for unauthorized transactions prior to notice to the latter of such loss or exposure to unauthorized use.

- 46. Liability for Phishing and Hacking.** Although the Bank has installed mechanisms to keep the Account safe and secure, the Bank does not discount the possibility of a security breach. The Depositor is aware that the Account may be hacked and phished using devices, methods, or any other means, which will enable unauthorized persons to access the same. Therefore, the Depositor shall exert all reasonable effort to prevent hacking and phishing, by protecting all information related to the Account, the Card and the PIN. The Depositor shall be responsible for any and all withdrawals, transfers, and transactions as a result of the hacking and phishing of the Account, and shall hold the Bank free and harmless against any and all losses, damages, expenses, liability and costs of any kind arising therefrom.
- 47. Card Replacement.** In the event that the Card is lost or stolen, the Bank shall issue a new Card to the Depositor upon the latter's compliance with the requirements of the Bank, which may include the submission of an affidavit of loss. The Bank shall also replace a damaged or defective Card upon the request of the Depositor. The issuance of a replacement Card shall be subject to the payment of service fees and other requirements that may be prescribed by the Bank.
- 48. Unclaimed Card and PIN Mailer Form.** The Bank shall retain any issued, but unclaimed, Card and PIN Mailer Form for a maximum period of one (1) month from their issuance, after which, the same shall be immediately perforated for security reasons. The Depositor who neglects to claim the Card and PIN Mailer Form shall be required to reapply for their issuance subject to applicable service charges.
- 49. Amendment and Cancellation.** The Bank reserves the right to amend, supplement, or cancel any or all of the provisions of these Special Terms and Conditions at any time and without need of any prior notice to the Depositor. Any such amendment, supplement, or cancellation shall take effect and be deemed binding upon the Depositor after the Depositor is notified of the same through mail, publication, posting in the Bank's premises or website, or such other means as may be deemed effective by the Bank, including digital and electronic means.
- 50. Compliance with Laws and Regulations.** The Depositor hereby warrants that the use of the Card shall not violate Republic Act No. 9160 (Anti-Money Laundering Act of 2001), other pertinent laws, and all relevant rules, regulations and issuances of the Bangko Sentral ng Pilipinas. The Depositor shall hold the Bank free and harmless from all liabilities, expenses, or costs arising from any violation of the said warranty.

#### SPECIAL TERMS AND CONDITIONS FOR ELECTRONIC BANKING

- 51. Defined Terms.** The terms defined in the General Terms and Conditions and the Special Terms and Conditions for ShopNPay Debit Card are used in these Special Terms and Conditions as so defined. In addition, the following terms shall have the following meanings:
- "Access Codes" refer to the Depositor's User Name or Account Key, Log-in Password, and One Time Password ("OTP") which allow the Depositor to access and use the Facility.
  - "Facility" refers to the Bank's electronic banking facility, which allows the Depositor to manage the Account and perform transactions through the internet.
- 52. Enrollment.** Subject to existing laws, regulations, and policies, the Depositor may enroll the Account in the Facility by accomplishing the application form found in the Bank's website or mobile application. The Depositor shall be required to create a User Name and a Log-in Password, which, together with the OTP, shall comprise the Depositor's Access Codes. Upon the Bank's approval on the enrollment, the Depositor shall use the Access Codes, to avail of the Facility and access the Account. Once the Account is enrolled, the Depositor may open additional Accounts through the Facility, subject to further verification and customer identification procedures.
- 53. Available Services.** The Depositor may use the Facility to (a) obtain information on the Account's balance or transaction for the last one hundred eighty (180) days; (b) transfer funds from the Account to the Depositor's other Accounts with the Bank; (c) request for checkbooks; (d) send and receive electronic mail messages to and from the Bank; and (e) direct payments or fund transfers to third parties, among others. The Bank may modify, supplement, or remove certain services or features from the Facility from time to time without prior notice to the Depositor.
- 54. Depositor's Authorization.** All instructions, which are issued through the Facility using the Access Codes, shall be deemed to have been made by the Depositor. The Bank shall not be obliged to verify such instructions or to obtain any further written or other confirmation from the Depositor before acting on them. All instructions, which are issued through the Facility using the Access Codes, shall be deemed correct, complete, irrevocable, and binding upon the Depositor. This notwithstanding, the Bank may, at its sole discretion, cancel or refuse to execute the instructions at any time, without incurring any liability, or suspend the Access Codes even, if the Bank has reason to believe that the Account is being used in an unauthorized or fraudulent manner.
- 55. Service Limitation.** The Bank shall not carry out instructions from the Depositor if (a) the instructions shall result in an overdraft or closure of the Account; (b) the Account is inactive or dormant, or the Card is expired; or (c) the Account is subject to a legal process, such as garnishment, or other encumbrance, which restricts transactions. The Bank shall not be obliged to notify the Depositor of the nonperformance of the instructions.
- 56. Transaction Cut-offs.** Transactions made through the Facility shall be subject to the Bank's prescribed cut-off times, and transactions made after the Bank's designated cut-off times shall be considered transactions of the following banking day.
- 57. Responsibility of the Authorized User.** The Depositor shall have sole access to the Account and the Facility, and must take all reasonable steps to safeguard the confidentiality of the Access Codes. The Depositor must notify the Bank without delay after becoming aware of (a) discrepancies, omissions, inaccuracies, or incorrect entries in the statement of account; (b) any failure or negligence to safeguard the Access Codes or the possibility that the Access Codes have been exposed to unauthorized use; (c) unauthorized transactions, errors, or irregularities; or (d) any instance wherein an instruction is not implemented. The Bank shall not be liable for any unauthorized transaction using the Access Codes before the Depositor has given the Bank notice of possible unauthorized use.
- 58. Security.** Although the Bank has installed mechanisms to keep the Account safe and secure, the Bank does not warrant the security, secrecy, or confidentiality of any information transmitted through any internet service provider, network system, or other similar system via the Facility. The Depositor shall hold the Bank free and harmless from all liabilities, expenses, or costs arising from any breach in the security, secrecy, or confidentiality of the Account, or of the Depositor's use of the Facility.
- 59. Unavailability of Electronic Banking.** Although the Facility is available for the Depositor's convenience 24 hours a day and 7 days a week, some or all of the Facility's services or features may not be available at certain times due to scheduled maintenance, computer, telecommunication, electrical, network failure or any other reason beyond the Bank's control. To the extent possible, the Bank shall provide prior notice of such interruptions. Under no circumstance, however, shall the Bank be liable for any loss or inconvenience suffered by the Depositor by reason of such interruptions.
- 60. Amendment and Cancellation.** The Bank reserves the right to amend, supplement, or cancel any or all of the provisions of these Special Terms and Conditions at any time and without need of any prior notice to the Depositor. Any such amendment, supplement, or cancellation shall take effect and be deemed binding upon the Depositor after the Depositor is notified of the same through mail, publication, posting in the Bank's premises or website, or such other means as may be deemed effective by the Bank, including digital and electronic means.
- 61. Electronic Mail.** The Bank may take a reasonable time to act on any electronic mail the Depositor may send through the Facility. The Depositor is advised to call customer service or the Depositor's branch of account for urgent concerns, as when an unauthorized transaction must be reported. The Bank, however, may respond by electronic mail with regard to any matter related to the Facility.
- 62. Service Fees and Other Bank Charges.** The Bank shall debit all service fees and other charges for the use of the Facility from the Account in the manner stated in Section 9 of the General Terms and Conditions, which shall likewise have preference over other payments.
- 63. Compliance with Existing Laws.** The Depositor hereby warrants that the use of the Facility shall not violate Republic Act No. 9160 (Anti-Money Laundering Act of 2001), other pertinent laws, and all relevant rules, regulations and issuances of the Bangko Sentral ng Pilipinas. The Depositor shall hold the Bank free and harmless from all liabilities, expenses, or costs arising from any violation of this warranty.
- 64. Effectivity.** The above terms and conditions become effective between the Depositor and the Bank at the time of enrollment for the Facility.

#### ACKNOWLEDGMENT

I/We have read and understood these Terms and Conditions and agree to be bound by them, their amendments, and the rules and regulations of the Bank, the Bangko Sentral ng Pilipinas, the Banker's Association of the Philippines, the Anti-Money Laundering Council, and other regulatory bodies.