

MOBILE/ONLINE BANKING - TERMS AND CONDITIONS

1. DEFINITIONS:-

1.1 "Account(s)" means the Customer's bank account(s) and/ or credit card account and/or any other type of account(s) which are eligible Account(s) for operations through the use of Mobile Banking and/or Online Banking services.

1.2 "Bank" shall mean the National Development Bank PLC and its successors and assigns.

1.3 "Mobile Banking" shall mean authenticating and/or engaging in banking transactions via any mobile device as may be decided by the Bank from time to time by the use of a username and Password. This includes the NEOS Pay Facility and NEOS Account Opening Facility.

1.4 "Mobile Banking Application" shall mean an application made available by the Bank for the purpose of engaging in transactions via a mobile device.

1.5 "Mobile Banking Application Biometric Login Service" shall mean a service where the Customer may use the Customer's face identification or fingerprint registered on a permitted mobile device as a security code in lieu of the online/mobile banking password generated by the Bank to confirm the Customer's identity to access the Bank's Mobile Banking Application.

1.6 "NEOS Pay Facility" shall mean a QR Code based payment solution that can be used by Customers for performing Merchant payments via the Just Pay Facility by registering on the Mobile Banking Application.

1.7 "Online Banking" shall mean engaging in banking transactions via a web browser through the web address- <https://www.neosonline.ndbbank.com/>

1.8 "NEOS Account Opening Facility" shall mean the opening of fixed deposit accounts and such other accounts as may be permitted by the Bank from time to time based on requests received from Customers through the Mobile Banking Application or Online Banking service of the Bank.

1.9 "Biometrics" shall mean face identity and finger print identity which the Customer may at his/her option use at the time of logging in to the Mobile Banking Application.

1.10 "Customer" shall mean an individual using the Mobile Banking and/or Online Banking services provided by the Bank to perform transactions.

1.11 "Just Pay Facility" shall mean a payment facility of LankaPay that facilitates the Customers to make retail payments using smart mobile devices by transferring funds from their current or savings account to a Merchant's account directly.

1.12 "LankaPay" shall mean the national payment network of Sri Lanka, guided by the Central Bank of Sri Lanka.

1.13 “Merchant” shall mean any person who is involved in business or trade.

1.14 “OTP” shall mean one time password generated by the Bank.

1.15 “Password” shall mean the password originally entered by the Customer at the time of registration or subsequently set by the Customer.

1.16 “Pay Someone” shall mean a function provided on the Mobile Banking Application or via Online Banking for a Customer to transfer funds to another Customer by way of entering the beneficiary’s registered mobile number or scanning the beneficiary QR Code instead of the Account number.

1.17 “Pay to Mobile” shall mean a function provided on Online Banking for a Customer to transfer funds to another customer by way of entering the beneficiary’s registered mobile instead of the Account number.

1.18 “QR Code” shall mean quick response code.

1.19 “Random Figure” shall mean a random monetary value that is transmitted to the mobile number which the Customer has registered with any other financial institution via a SMS by such other financial institution, which is used to verify the Customer for the purpose of registering on the Mobile Banking Application for NEOS Pay Facility.

1.20 “Service Provider” shall mean any third party utility provider, such as telecommunications providers, insurance companies, water supply companies and electricity supply companies, etc.

1.21 “User ID” shall mean the distinctive user identification of the Customer.

2. REGISTRATION

2.1 Upon the Mobile Banking Application being downloaded by the Customer through his/her mobile device, or by accessing the Online Banking web address through a web browser, the Customer may register for the Mobile Banking and/or Online Banking services by one of the following methods. The Customer hereby acknowledges that as per current regulatory requirements, the details of the mobile device used to download and operate the Mobile Banking Application shall be automatically registered under his/her customer profile or User ID for the use of the Mobile Banking Application. As such the Mobile Banking Application cannot be used from an unregistered mobile device. Hence, the Customer can register for the Mobile Banking service:

(i) by entering debit/credit card details and the PIN

(ii) by entering his/her selected account number of any Account maintained either at the Bank or at any financial institution where Just Pay has been enabled in the downloaded Mobile Banking Application.

An OTP will be generated to the Bank Customer’s mobile number and in the case of Customers of other financial institutions a Random Figure will be generated. Upon entering the said OTP or the Random

Figure, the Customer may register for the Mobile Banking and/or Online Banking services. (For the avoidance of doubt the said OTP will be generated to the mobile number that is registered with the Bank and a Random Figure will be generated for the Accounts maintained at other financial institutes).

The Customer agrees that he shall be responsible for correctly inputting the Random Figure in order to register for the Accounts maintained by himself in other Financial Institutions.

3. TRANSACTION INSTRUCTIONS AND MESSAGES VIA MOBILE BANKING

3.1 The login to the Mobile Banking Application is permitted either by way of entering the Password or a method of Biometrics, which the Customer may decide at his/her own discretion. The login to the Online Banking is permitted through entering the User ID and the Password.

3.2 The Customer hereby authorizes the Bank to accept or act upon all instructions or messages which purport to come from the Customer and are received by the Bank through Mobile Banking and/or Online Banking.

3.3 The Customer hereby authorizes the Bank to share the Customer's details that are required to process a transaction with any third party Service Provider.

3.4 The Customer hereby understands that the Bank will not use email correspondence to communicate or request for the Customer's User ID or Password at any time.

3.5 The Customer shall undertake to provide accurate and complete information to the Bank for or in connection with the registration for Mobile Banking and/or Online Banking services and the performance of transactions on Mobile Banking and/or Online Banking. The Customer shall immediately bring to the notice of the Bank any error, discrepancy or omission noted by the Customer.

3.6 The Customer shall accept electronic messages exchanged via Mobile Banking and/or Online Banking as conclusive and binding on the Customer.

3.7 The Customer shall accept full responsibility for all transactions/requests processed or effected by the use of Mobile Banking and/or Online Banking howsoever effected.

3.8 The Customer acknowledges that upon registering for the Mobile Banking and/or Online Banking services, all Accounts maintained by him/her will be connected to the Mobile Banking Application and/or Online Banking service. Provided however in the case of joint accounts where the Customer is a joint holder, transactions on Mobile Banking and/or Online Banking will be performed only for accounts which have the operating instruction of "anyone to sign". Joint accounts with any other type of instruction will be available only for viewing the balance.

3.9 For the sole purpose of availing the Pay to Mobile and/or Pay Someone services, the Customer shall designate one of his Accounts maintained with the Bank as the primary receiving account. This primary account shall be linked to the Customer's mobile number registered with the Bank. All credits received by the Customer through Pay to Mobile and/or Pay Someone shall be automatically credited to the designated primary account, provided such account is a current or a savings bank account. In the event

the designated primary account is closed or dormant or unavailable due to operating instructions, the Bank is hereby authorized by the Customer to designate any one of his other Account(s) as the primary account, upon informing the Customer.

3.10 The Customer shall not attempt to effect transactions through Mobile Banking and/or Online Banking unless sufficient funds inclusive of other charges associated with the transaction as indicated below, under Clause 6.1, are available in the Customer's Account(s). The Customer agrees that transactions scheduled for at a future date will be executed by the Bank only if sufficient funds are available in those Account(s) on the relevant date and time. The Customer shall further agree that the Bank is under no obligation to process any payment instructions of the Customer unless there are sufficient funds to meet such instructions together with other charges mentioned below under clause 6.1 at the time of receipt or at the time such payments fall due nor is the Bank required to give the Customer notice of non-payment in such an event.

3.11 The Customer shall agree that the Customer's requests/instructions warranting authorization by an officer/s of the Bank may not be effected immediately or automatically and that the Bank reserves the right to allow or disallow such instructions at its sole discretion with or without notice to the Customer.

3.12 In the event the Account(s) referred to in clause 6.1 below is a joint account, every holder shall be jointly and severally liable for all transactions arising from the use of Mobile Banking and/or Online Banking.

3.13 The Customer agrees that when making a payment on behalf of the Customer, the Bank neither acts as an agent of the Customer nor an agent of the third party to whom payment is directed.

3.14 The Customer hereby authorizes the Bank to maintain logs of user activity and the transactions effected by the Customer via Mobile Banking and/or Online Banking, using whatever means and to use such records for the purpose of establishing or verifying that a particular transaction/activity was effected through the use of the User ID and Password.

3.15 The Customer hereby agrees that Mobile Banking and/or Online Banking shall not be available to settle urgent payments such as settling of red notices and the same shall be done at a branch of the Bank.

3.16 The Customer shall accept the Bank's records and statements of all transactions processed through Mobile Banking and/or Online Banking as conclusive and binding on the Customer for all purposes.

3.17 The Customer shall accept that the value date of some transactions carried out through Mobile Banking and/or Online Banking or any other channel after 8 pm will take place real time, but shall be updated on the following day.

4. SECURITY OF TRANSACTIONS

4.1 The Customer agrees to procure and maintain any device necessary for use of Mobile Banking and/or Online Banking in proper working order with adequate safeguards against malicious threats to Mobile Banking and/or Online Banking and undertake not to use faulty, defective or insecure device and/or software to access Mobile Banking and/or Online Banking or to use Mobile Banking in any harmful manner to the Bank.

4.2 The Customer hereby acknowledges that he is aware that the Mobile Banking Application can be accessed either through Biometrics or with the use of a User ID and a Password.

4.3 The Customer further agrees and understands that enabling of logging into the Mobile Banking Application through Biometrics will also enable any third party whose Biometrics are also registered with the same device to access the Mobile Banking Application.

4.4 The Customer hereby agrees to change the Password immediately after the initial accessing of the Mobile Banking Application and/or Online Banking and thereafter at regular intervals.

4.5 The Customer shall set up and maintain adequate measures (including all data and information regarding transactions) to safeguard Mobile Banking and/or Online Banking from disclosure to or from access or use by any unauthorized person/s.

4.6 The Customer shall inform the Bank immediately if the Customer becomes aware of any act or attempt of unauthorized use of the User ID and Password by anyone or any act or attempt of unauthorized access to the Mobile Banking Application through Biometrics of a third party.

4.7 The Customer hereby undertakes to keep the User ID and Password thereof in strict confidentiality and not to reveal it or leave any room to any person to have access to it at any time under any circumstances.

5. USE OF BIOMETRICS

5.1 The Customer hereby agrees that the use of the Biometrics to log into the Mobile Banking Application shall be permitted only if the Biometrics of the Customer is registered to the device. As such the Customer shall ensure that the Customer is the only person whose Biometric has been registered to the mobile device.

5.2 The Customer shall ensure the Biometric credentials stored on the Customer's mobile device are his/her own and will ensure that the Biometric credentials of any third party are not stored on the Customer's mobile device and that the Customer shall use only his /her own Biometric credentials to log into the Mobile Banking Application. The Customer further understands and acknowledges the risks associated with storing third party Biometrics in the device which is registered for Mobile Banking Application and the security of transactions can therefore be compromised.

5.3 The Customer agrees that he/she shall not use facial recognition for authentication purpose if the Customer has an identical sibling, in which case the Customer shall use a Password instead of Biometrics to log on to the Mobile Banking Application.

5.4 The Customer shall not take any action to disable any function provided by, and/or agree to any settings of, the Customer's mobile device that would otherwise compromise the security of the use of the Customer's Biometric credentials for authentication purposes (e.g. disabling "attention-aware" for facial recognition);

5.5 In the event the security of the Customer's face / fingerprint identification or other security code has been compromised, the Customer shall immediately inform the Bank in which event the Bank will deactivate the User ID. In the event the Customer wishes to re-activate the User ID, the Customer shall submit a written request to the nearest NDB branch.

5.6 The Customer shall acknowledge and agree that, for the purposes of the Mobile Banking Application Biometric Login Service, the Mobile Banking Application will be accessing the face / fingerprint identification registered in the Customer's permitted mobile device, and the Customer shall consent to the Bank accessing and using such information for the provision of the Mobile Banking Application Biometric Login Service.

5.7 The Customer hereby acknowledges the need to protect the Customer's permitted mobile device and shall be responsible for all use of the Customer's permitted mobile device (whether authorized by the Customer or otherwise) to access the Mobile Banking Application Biometric Login Service.

5.8 In addition to and without subtracting the disclaimers and exclusions of liability in the Mobile Banking Terms and Conditions, the Customer hereby acknowledges that the face / fingerprint authentication module of the permitted mobile device is not provided by the Bank, and the Bank makes no representation or warranty as to the security of the face / fingerprint authentication function of any permitted mobile device and whether it works in the way that the manufacturer of the device represents.

5.9 The Bank does not represent or warrant that the Mobile Banking Application Biometric Login Service will be accessible at all times, or function with any electronic equipment, software, infrastructure or other electronic banking services that the Bank may offer from time to time .

5.10 Unless the law prohibits the Bank from excluding or limiting the Bank's liability, the Bank is not liable for any loss incurred by the Customer in connection with the use or attempted use of the Mobile Banking Application Biometric Login Service, or the instructions of the Customer, or any unauthorized transactions through or in connection with the Mobile Banking Application Biometric Login Service.

5.11 The Customer shall indemnify the Bank from all loss and damage which the Bank may incur in connection with any improper use of the Mobile Banking Application Biometric Login Service.

6. CHARGES AND PAYMENTS

6.1 The Customer hereby authorizes the Bank to debit any of the Customer's Account(s), which has sufficient funds, with all charges relating to transactions made through Mobile Banking and/or Online Banking and other costs inclusive of the convenience fees, legal charges and statutory charges, if any,

relating to the use of Mobile Banking and/or Online Banking at prevailing rates or at future rates as determined by the Bank and posted on Tariff booklet in the Bank's official website.

6.2 In the event the convenience fee cannot be recovered from the Account(s) of the Customer on the due date, the Customer hereby authorizes the Bank to debit any of his/her Accounts on a later date, charging the convenience fee. (For the avoidance of doubt this provision shall not be applicable on the Customers who use Mobile Banking Application solely for the purpose of engaging in transactions through the use of the NEOS Pay Facility.)

7. LIABILITIES FOR LOSS, DELAYS ETC

7.1 The Customer shall absolve the Bank of any loss or liability incurred or settled by the use of User IDs and Password issued to the Customer or substituted by the Customer, with or without the Customer's knowledge.

7.2 The Customer shall not hold the Bank responsible for any loss, damage or liability incurred or suffered by the Customer as a result of non-acceptance of and/or non-adherence to any instructions given on Mobile Banking and/or Online Banking for any reason whatsoever.

7.3 The Customer shall agree that in case of payments made through Mobile Banking and/or Online Banking by the Customer in respect of contracts of sale or supply of services with third parties, the Customer shall not hold the Bank responsible in any manner whatsoever for any lapses/failures on the part of the third parties in meeting their obligations.

7.4 The Customer shall agree that any payments done by the Customer in respect of any goods or services will be updated latest by the end of the following working day and the Customer shall not hold the Bank liable for late updates caused by delays of the Service Provider.

7.5 the Customer shall irrevocably indemnify the Bank against all actions, damages, losses, costs, expenses, claims, liabilities or demands (including all legal and other costs, charges and expenses) which may at any time or from time to time be prosecuted, suffered, incurred, made or preferred by any persons in respect of the loss of the mobile device and/ or personal computer.

8. RESPONSIBILITIES OF THE BANK

8.1 The Customer acknowledges that the Bank will take reasonable steps to ensure that its systems in connection with the Mobile Banking and/or Online Banking services have adequate security designs and controls to manage the risks in operating the system taking into account any law, rules, regulations, guidelines, circulars, codes of conduct and prevailing market practices what may be applicable to the Bank from time to time.

8.2 The Customer agrees that in no event the Bank or any Service Provider shall be liable to the Customer for any incidental, indirect, special, consequential or exemplary damages including without limitation any loss of revenue, profits or savings.

8.3 The Bank shall report any suspicious transactions and transactions which are above the stipulated threshold to the Financial Intelligence Unit of the Central Bank of Sri Lanka in accordance with the applicable laws and regulations. The Bank shall not be held liable for taking any action in accordance with any prevailing laws or regulations in Sri Lanka. However, any transaction above the permitted threshold shall be automatically blocked by the Bank.

8.4 Unless due to the gross negligence or willful default of the Bank, the Bank or any of its employees shall not assume any liability or responsibility to the Customer for the consequences arising from or in connection with:

(i) the use of the Mobile Banking and/or Online Banking services and / or access to any information as a result of such use by the Customer or any other person whether or not authorized,

(ii) any information, interception, suspension, delay, loss, unavailability, mutilation or other failure in providing the Mobile Banking and/or Online Banking services, in transmitting instruction or information relating to such services or in connecting with the internet site(s) caused by any acts, omission or circumstances beyond the reasonable control of the Bank including without limitation, failure of any communication network, act or omission of any third party Service Providers, mechanical failure, power failure, malfunction, breakdown or inadequacy of equipment, installation or facilities or any law, rules, regulation, codes, directions, regulatory guidelines or Government directives (whether or not having the force of Law) and

(iii) transmission and / or storage of any information and / or transactions relating to the Customer, the services and / or transactions or dealings conducted by the Customer pursuant to the use of the Mobile Banking and/or Online Banking services through or in any system, equipment or instrument of any communication network provider.

9. RESPONSIBILITIES OF THE CUSTOMER

9.1 The Customer shall be fully liable and responsible for all consequences arising from or in connection with the registration, login and use of the Mobile Banking and/or Online Banking services and / or access to any information or report or any other information as a result of such use by the Customer or any other person whether or not authorized and shall indemnify the Service Providers and their respective officers and employees against all liabilities, claims, demand, losses, damages, cash, charges and expenses of any kind which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection thereof.

9.2 Subject to Clause 3.6, the Customer shall not be liable for loss or misplacement of funds caused by unauthorized transactions conducted through the use of the Mobile Banking and/or Online Banking services as a result of a missed or misdirected payment caused by the gross negligence or willful default of the Bank or its employees.

9.3 The Customer shall indemnify the Bank, its employees or Service Providers and their respective officers and employees against all liabilities, claims, demand, losses, damages, cash, charges and expenses of any kind which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection with the provision of the Mobile Banking and/or Online Banking services, or any information or report/s provided thereunder or in the exercise or preservation

of the Bank's powers and rights under these terms in the absence of any gross negligence, fraud or willful default on the part of the Bank or its employees.

9.4 The Customer agrees and acknowledges that the Customer is fully aware of the consequences that may arise due to the use of Mobile Banking and/or Online Banking services by using common User IDs and Password that are being used on any electronic media for example personal email addresses, social networks etc. and will take appropriate precautionary measures to avoid such situations and will not hold the Bank responsible for any User IDs / Password thefts.

10. CHANGING THE TERMS AND CONDITIONS

10.1 The customer hereby agrees that, the Bank shall at any time be entitled to amend, supplement or vary any of these Terms and Conditions, with notice to customers, at its absolute discretion and such amendment, supplement or variation shall be binding on the Customer. The updated version(s) of the Terms and Conditions shall be notified to the customer via SMS and by being made available on the Bank's corporate website.

10.2 The Bank shall determine the privileges attached to the use of the Mobile Banking and/or Online Banking and shall have absolute discretion to change, vary add or amend these privileges and conditions attached thereto from time to time as the Bank deems fit.

10.3. The Mobile Banking and/or Online Banking services shall be subject to the Bank's Memorandum and Articles of Association, rules and regulations, these Terms and Conditions and any other terms and conditions of the Bank governing the services, facilities and transactions covered by Mobile Banking.

10.4 The terms and conditions of the Bank governing personal accounts shall be applicable and binding on the Customers for any Fixed Deposit accounts hereinafter opened through Mobile Banking and/or Online Banking services

11. TERMINATION

11.1 In the event the Customer decides to terminate the use of Mobile Banking and/or Online Banking the Customer shall call the Bank's 24-hour Call Center on 0094 112448888. The Bank shall at its absolute discretion, deactivate the Customer's User ID, delete the Customer's profile and/or cancel, withdraw or renew Mobile Banking and/or Online Banking with prior notice to the Customer.

11.2 The Customer understands that the Bank has the right to deactivate the Customer's User ID and delete the Customer's profile from the Mobile Banking and/or Online Banking service;

(i) if the Mobile Banking and/or Online Banking service has not been used for a consecutive period of time as per the Bank's policies.

(ii) if the convenience fee is not paid / adequate funds are not available in the Accounts for the recovery of same by the Bank for a consecutive period of time as may be decided by the Bank. (For the avoidance of doubt this provision shall not be applicable on the Customers who use Mobile Banking Application solely for the purpose of engaging in transactions through the use of the NEOS Pay Facility.)

12. GOVERNING LAW AND JURISDICTION

12.1 The services and these Terms and Conditions shall be governed by and construed in accordance with the Laws of the Democratic Socialist Republic of Sri Lanka.

12.2 The Bank and the Customer shall submit to the exclusive jurisdiction of the courts of the Democratic Socialist Republic of Sri Lanka.

13. INQUIRIES, COMPLAINTS AND DISPUTE RESOLUTION

13.1. In the event the Customer has any complaint or inquiry regarding the usage of Mobile Banking and/or Online Banking, the Customer shall call the Bank's 24 hour call center on 0094 112 448888, or visit a branch of the Bank. If the complaint is not resolved, the customer may seek recourse through the Financial Ombudsman or Central Bank of Sri Lanka.

13.2. The Customer shall bring to the notice of the Bank any error, discrepancy or omission in transactions noted by the Customer within 14 days of the statement date.

14. NEOS PAY FACILITY

14.1 The Customer shall agree that the Bank is not responsible for the transactions effected through the Mobile Banking Application by use of the NEOS Pay Facility.

14.2 The Customer shall ensure that he/she has registered for a SMS notification facility for each of the Accounts held at other Financial Institutions that he/she registers for NEOS Pay Facility.

14.2 The Customer further agrees and acknowledges that the Bank has no obligation or responsibility with regard to the accuracy of the information derived from the QR Code provided by the Merchants.

14.3 The Customer shall take precautionary measures to keep the Random Figure generated and delivered to the mobile number registered with the respective financial institution safe and secured without sharing it with any other third parties.

14.4 The Customer agrees that any complaints pertaining to NEOS Pay Facility shall be handled as per the complaint procedure more fully stated in the item number 13 hereof.

15. CUSTOMER'S DECLARATION

15.1 In consideration of National Development Bank PLC (hereinafter referred to as "the Bank") agreeing to accept my request for providing me with Mobile / Online Banking facility, I hereby agree that these Terms and Conditions have been explained, understood and accepted by me. I agree to abide by

all the Terms and Conditions governing the Mobile / Online Banking services of the Bank. I declare that I shall fully accept the risks if I do not adhere to the security and safety instructions given by the Bank. I also agree to keep the Bank indemnified against all actions, proceedings, liabilities and claims, cases, damages, costs and expenses in relation to or arising out of accepting my request by the Bank. I assure that I shall inform the Bank immediately if I get to know of any act or attempt of unauthorized use of the User ID and Password by anyone or any act or attempt of unauthorized access to the Mobile Banking Application through Biometrics of a third party.

15.2 I authorize the Bank to respond and provide if it shall so choose to any and all inquiries received from; any other banks, Credit Information Bureau (CRIB) or any other authority legally authorized to obtain information concerning the Account(s) without reference to me. For the avoidance of doubt any such response may include a Bank reference.

15.3 I hereby confirm that I have read, understood and agree to be bound by the above Terms and Conditions relating to Mobile Banking service.

Individual customer

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Name

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NIC

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Signature

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Date