

# **Terms and Conditions for Domestic and FCY Payments**

# Terms and Conditions : - RTGS / NEFT / IAT

## Definitions

### Priority Payments

Priority Payments offer faster settlements of payments including but not limited to NEFT , RTGS, IAT and the corresponding MIS / Reports and reconciliation associated with this.

### RTGS

Real Time Gross Settlement system introduced by Reserve Bank of India (RBI) for electronic fund transfer within India on real time basis.

### NEFT

National Electronic Funds Transfer system introduced by Reserve Bank of India (RBI) for electronic fund transfer within India on batch settlement basis.

### IAT

Inter account fund transfer within the Bank including third party accounts.

### Priority Payment Request

Duly authorized customer instruction for effecting funds transfer through RTGS / NEFT or the IAT.

### General Terms and Conditions

Customer understands that as per RBI guidelines the responsibility to provide correct information in the electronic payment instructions, particularly the beneficiary account number rests with the Remitter / Customer.

Further Customer agrees that while the beneficiary's name shall be compulsorily mentioned in the Customer's instruction, credit will be given by the destination bank based solely on the beneficiary account number as mentioned under the Customer's instruction.

This undertaking shall be applicable for all payment transactions requests received by the Bank from customer through any mode including E-Channels, fax or in a physical form.

### Rights and obligations of the customer

- The customer shall be entitled, subject to other terms and conditions in this agreement, to issue a PRIORITY PAYMENTS request for execution by the Bank.
- The PRIORITY PAYMENTS request shall be issued by the customer with complete particulars provided and within the timelines specified by the Bank from time to time. The customer shall be responsible for accuracy of the particulars given in the PRIORITY PAYMENTS request and shall be liable to compensate the Bank for any loss arising on account of any error in the PRIORITY PAYMENTS request.
- The customer shall be bound by the PRIORITY PAYMENTS request executed by the Bank if the Bank had executed the PRIORITY PAYMENTS in good faith and in compliance with the security procedure.

- The customer shall ensure availability of funds or available limits in the account properly applicable to the PRIORITY PAYMENTS request before submitting the request to the Bank. However, if the Bank executes the PRIORITY PAYMENTS without proper applicable funds being available in the customer's account, the customer shall be bound to pay the Bank, the amount debited to customer's account for which the PRIORITY PAYMENTS was executed by the Bank pursuant to customer's PRIORITY PAYMENTS request together with the charges including interest payable to the Bank.
- The customer hereby authorises the Bank to debit customer's account for any liability incurred by the Bank for and due to the execution of any PRIORITY PAYMENTS request issued by the customer to the Bank.
- In case the customer requests the Bank to cancel or modify any PRIORITY PAYMENTS request for whatever reason after submission of the PRIORITY PAYMENTS request to the Bank, the Bank will make all reasonable efforts to comply with the customer's request on a best-efforts basis. However, the Bank is not liable for any failure to cancel or modify the PRIORITY PAYMENTS request, if such request is received at a time or under circumstances that renders the Bank unable to comply with the customer's request. The customer agrees that the PRIORITY PAYMENTS request shall become irrevocable when it is executed by The Bank.
- Customer agrees that the Bank is not bound by any notice of revocation, unless it is in compliance with the security procedure.
- Customer agrees not to make any claim against any party in the RBI RTGS or NEFT system except the Bank.
- Customer agrees that in the event of any loss suffered by the customer on account of:
  - delay on the Bank's part in the execution of the PRIORITY PAYMENTS pursuant to a PRIORITY PAYMENTS request submitted as per the security procedure, where such delay has arisen due to negligence or fraud on the part of any employee of the Bank, the Bank's liability shall be limited to the extent of payment of interest at the Bank rate for any period of delay.
  - error in the execution of the PRIORITY PAYMENTS, pursuant to a PRIORITY PAYMENTS request submitted as per the security procedure, where such error has occurred due to negligence or fraud on the part of any employee of the Bank, the Bank's liability shall be limited to the extent of refund of the principal amount together with interest at the Bank rate up to the date of refund.
- Under no circumstances, shall the customer be entitled to claim any compensation in excess of that which is provided in clause (i) for any breach of contract or otherwise.
- Customer agrees that no special conditions shall be attached to any PRIORITY PAYMENTS request under this agreement.
- The customer agrees to indemnify the Bank and shall keep the Bank indemnified from time to time and at all times hereafter from any loss, claim, damage, cost, charge and expenses howsoever caused or arising out of or in connection with the services offered by the Bank in terms of this agreement, save and except that caused through the Bank's own error, gross negligence or misconduct.
- Customer shall ensure that the NRE accounts of beneficiaries, if any, will be included in the PRIORITY PAYMENTS request after ensuring compliance with the rules / regulations issued by Reserve Bank of India (Foreign Exchange Department) from time to time.
- The customer will ensure the security procedure established by the Bank for the purpose of verifying that the payment order or communication is that of the customer or for detecting error in the transmission for the content of the funds transfer request or communication. A security procedure may require the use of algorithms or other codes identifying words or numbers, encryption mode, callback procedures or similar security devices. A security procedure once established shall remain valid until amended by the Bank.

### **Rights and obligation of the Bank**

- The Bank shall execute the PRIORITY PAYMENTS request issued by the customer duly authenticated by the customer as verified by the security procedure, unless:

- The funds available in the account of the customer are not adequate or properly applicable to comply with the PRIORITY PAYMENTS request and the customer has not made any other arrangement to meet the payment obligation,
  - The PRIORITY PAYMENTS request is incomplete or it is not issued in the agreed form,
  - The PRIORITY PAYMENTS request is attached with notice of any special conditions,
  - The Bank has reason to believe that the PRIORITY PAYMENTS request is issued to carry out an unlawful transaction,
  - The PRIORITY PAYMENTS request cannot be executed under the RBI's RTGS, and / or NEFT system.
- No PRIORITY PAYMENTS request issued by the customer shall be binding on the Bank until the Bank has accepted it. The Bank will make all reasonable efforts to comply with the customer's request, however, we are not liable for any failure to execute the PRIORITY PAYMENTS request, if such request is received at a time or under circumstances that render us unable to comply with your request.
  - The Bank shall, upon execution of every PRIORITY PAYMENTS request executed by it, be entitled to debit the designated account of the customer, the amount of the funds transferred together with charges payable thereon, whether or not the account has sufficient balance.

### **Force majeure**

- Neither party (i.e. Bank or customer) will be liable for any delay in performing or failure to perform any obligations hereunder due to any cause beyond its reasonable control, provided that where performance by one party is dependent upon performance by the other party and such performance is delayed or fails in such circumstances, the other party shall not be obliged to perform (or shall be given such extended time to perform as is necessary in the circumstances) such obligations.

### **Governing law**

- These terms and conditions shall be governed by the laws of India.

# Terms and Conditions : - Cashiers Order

## Definitions

### Cashier's Order

An unconditional order in writing issued by the Bank in local currency wherein the Bank agrees to pay on demand the amount therein specified to the payee therein named.

### Payee

The person or entity named in an Instrument as the beneficiary or payee of that Cashier's Order.

### Unclaimed Instrument

A Cashier's Order issued by the Bank, which was not presented for payment within a designated period of time.

### Rights And Obligations Of The Customer

The Customer shall, in respect to each Customer Instruction sent to the Bank to issue Cashier's Order, ensure that there are sufficient funds standing in the Customer Account to be debited to enable the Bank to carry out that Customer Instruction.

### Rights And Obligations Of The Bank

The Customer hereby irrevocably authorises the Bank to debit the amount of each Cashier's Order that the Bank shall issue in accordance with a Customer Instruction to the Customer Account specified in that Customer Instruction.

Where a Customer Instruction includes the forwarding or delivery (whether by hand, by post or otherwise) of a Cashier's Order, the Bank shall not be held liable or responsible for any loss, damages, costs or expenses that the Customer or other persons including a Payee of the Cashier's Order may suffer or incur as a result of the loss of or damage to the Cashier's Order or any delay in the delivery.

### Indemnity

The Customer hereby agrees to hold the Bank and other members of the HSBC Group harmless from and keep the Bank and other members of the HSBC Group at all times indemnified against all actions, claims, proceedings, loss, damages, costs and expenses whatsoever which may be brought against the Bank and other members of the HSBC Group or suffered or incurred by the Bank and other members of the HSBC Group, howsoever arising, out of or in connection with these Terms including, without limitation, any breach by the Customer of these Terms, the Bank acting on any Customer Instructions, Representative Instructions and any other instructions received by the Bank under or in connection with the Unclaimed Instruments, the Bank's agreement to stop payment in respect to any Instrument or to cancel and / or refund the same or to re-issue another Instrument in replacement thereof.

## Terms and Conditions : - Telegraphic Transfer / EEFC Transfer / FCY Demand Drafts

In requesting the Bank to make the Telegraphic Transfer / Demand Draft, I / We hereby agree that it is to be despatched in accordance with the following conditions:

- Fema Declaration needs to be signed compulsorily.
- In the absence of specific instructions to the contrary, the Telegraphic Transfer / Demand Draft will be effected in the currency of the country in which payment is to be made.
- All charges / commission incurred outside India are for the beneficiary's account unless specified.
- The Bank reserves the right to draw this Telegraphic Transfer / Demand Draft on a different place from that specified by the remitter if operational circumstances so require.
- Telegraphic Transfer is to be dispatched entirely at the remitter's own risk and for a Demand Draft, the Bank will not be responsible for mail service failure if it is dispatched on behalf of the customer.
- Where the Bank is unable to provide a firm exchange rate quotation, the Bank shall effect the remittance on the basis of a provisional exchange rate which shall be subject to adjustment when the actual exchange rate is ascertained. Any difference between the provisional rate and the actual rate shall be debited / credited (as the case may be) to the applicant's account.
- The Bank is at liberty to send the telegraphic transfer either literally or in cipher and the Bank accepts no responsibility for any loss, delay, error, omission or mutilation which may occur in the transmission of any message or for its misinterpretation when received.
- Applications received will be processed on the availability of market rates and applications for same day value are subject to cut-off times related to the geographical location of the destination.
- Encashment of the Remittance is subject to any exchange control or restrictions which may be imposed by the rules and regulations of the country where encashment is to be made. Neither the Bank nor its correspondents shall be liable for any loss or delay caused by any such rules and regulations.
- The Bank reserves the right to revise all Telegraphic Transfer charges from time to time without prior notice.