

General Terms and Conditions



Butterfield Bank

1. Definitions

In these Conditions:

"Applicable Laws" means any law, decree, regulation, decision, order, directive, exchange or capital control, currency, abolition, tax, levy, impost, duty, charge, fee, deduction or withholding of any nature imposed by any governmental, administrative or statutory authority in any jurisdiction or any political sub-division or any taxing, financial or monetary authority thereof or therein or any supranational authority having power over any such jurisdiction or authority;

the **"Bank"** means Butterfield Bank (Guernsey) Limited, its successors in title and assigns;

the **"Bank Mandate"** means the latest version on file of the mandate between the Bank and the Client;

"Business Day" means a day (not being a Saturday, Sunday or public holiday) on which banks are open for business in Guernsey;

the **"Conditions"** means these General Terms and Conditions as amended and reissued by the Bank from time to time;

the **"Client"** means the person or persons (whether corporate, unincorporate or otherwise) who hold an account with the Bank and where there is more than one such person, each of them jointly and severally to whom, by virtue of holding such an account, these Conditions apply;

the **"Data Protection Law"** means The Data Protection (Bailiwick of Guernsey) Law, 2001 together with any subsequent amendments to the Data Protection Law;

the **"Deposited Property"** means all shares, stocks, bonds, debentures, certificates of deposit, securities or documents representing the same and all other documents or articles whether similar or dissimilar which the Client may (with the Bank's consent) deposit with the Bank from time to time;

"Electronic Communications" means communication by telephone or facsimile.

"Force Majeure" means any event or circumstances beyond the reasonable control of the Bank including (without prejudice to the generality of the foregoing) any strike, lock-out, labour dispute, riot, civil commotion, war or national or international emergency, government action or any act of God, natural force, fire, explosion, accident or epidemic or failure or interruption of electrical power or inability to obtain materials or services or reasonable substitutes therefore or compliance with orders or requests of any national or local or supranational authority or any other matter (whether similar or dissimilar) which is beyond the Bank's control; and

"Group" means the Bank, its parent company and any companies which the Bank or parent company totally or partly own at any time and their respective successors in title and assigns.

"Indebtedness" means all present or future indebtedness of the Client to the Bank on any current or other account and all other liabilities whatsoever and wheresoever or howsoever arising of the Client to the Bank whether present, future, actual or contingent and whether incurred solely, severally or jointly and in whatever style, name or form, whether as principal or surety and whether in sterling or in any other currency together with interest (as well after as before any demand or judgement, to date of payment, at such rates and upon such terms as may from time to time be applicable), commission, bank charges and any other costs, charges and expenses including legal expenses (on a full indemnity basis, together with the time and costs of in-house counsel) incurred by the Bank.

The paragraph headings in these Conditions are for convenience only and shall not affect the interpretation of this document.

2. Right of Disposition

2.1 Instructions communicated to the Bank in writing or otherwise in accordance with the Bank Mandate (and with any applicable Indemnity relating to verbal or Electronic Communication) may be relied upon until the Bank receives from the Client written notification of revocation or amendment thereof.

2.2 The Bank shall be entitled conclusively to rely upon the signatures appended to the latest version of the Bank Mandate and upon the account operating instructions contained therein or given by way of agreed supplement thereto for all purposes in connection with the operation of any account opened by the Client with the Bank until such time as the Bank shall have received written notification from the Client to the contrary.

3. Telephone and Facsimile Instructions

3.1 The provisions of Condition 4 shall apply where the Client has requested the Bank to accept instructions from or otherwise conduct business on behalf of the Client by means of communication by telephone or facsimile transmission. The Bank will not accept, act on or otherwise conduct business on behalf of the Client by means of communications over the Internet which, for the avoidance of doubt, includes e-mails and their attachments.

3.2 The Bank shall be entitled (but not obliged) to rely upon and act in accordance with any Electronic Communication from or which purports to be from or made on behalf of the Client without being obliged to verify the identity or authority of the person making the Electronic Communication and regardless of the circumstances prevailing at the time of such Electronic Communication.

3.3 The Bank shall be entitled (but not obliged) to take such steps in connection with or in reliance upon any Electronic Communication as the Bank may in good faith consider appropriate whether such Electronic Communication contains instructions to pay money or otherwise debit or credit any account or relates to the disposition of any money, securities or documents or purports to bind the Client to any agreement or other arrangement with the Bank or with any other person or to commit the Client to any other type of transaction or arrangement whatsoever regardless of the nature of the transaction or arrangement or the money involved and notwithstanding any error or misunderstanding or lack of clarity or want of proper authority in the terms of such Electronic Communication, provided however that no Electronic Communication shall alter the terms of the Bank Mandate.

3.4 The Client will indemnify the Bank and severally its directors, officers and employees and keep it and them indemnified against all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by the Bank of whatever nature and howsoever arising out of or in connection with any Electronic Communication (unless the Bank, its directors, officers and employees be proved to have been grossly negligent) or written confirmation of an Electronic Communication which does not comply with Condition 3.8 hereof. The indemnity provided by this condition 3.4 shall only apply in so far as there is no other indemnity or agreement for indemnity in place as between the Bank and the Client in respect of actions or omissions of the Bank on the instructions contained in Electronic Communications from the Client.

3.5 The Client agrees to perform and ratify any commitment made by the Bank and any actions taken by the Bank in good faith as a result of any Electronic Communication.

3.6 The Bank may at any time in its absolute discretion decline to take any action required by or as a result of an Electronic Communication notwithstanding that at the time of receipt of such Electronic Communication an employee of the Bank may have indicated assent to the action proposed in such Electronic Communication.

3.7 Any written or telefaxed communication of confirmation of the substance or intent of an Electronic Communication sent to the Client by the Bank, shall conclusively bind the Client if within 21 days of the date of dispatch of the same the Client has not given the Bank written or telefaxed notice of any discrepancy between the Bank's communication of confirmation and the original Electronic Communication.

3.8 Any written confirmation by the Client of an Electronic Communication shall be clearly marked by the Client "Confirmation only - do not duplicate".

3.9 In accordance with standard practice in the banking industry, telephone calls may be tape recorded by the Bank for security and audit purposes and shall remain the sole property of the Bank.

4. Communications from the Bank

Without prejudice to any other mode of effective service thereof, any written or other communication from the Bank to or for the Client shall be deemed to have been received by the Client as follows:

4.1 if dispatched by pre-paid post to the Client's address or place of business in Guernsey or in the U.K. last known to the Bank at midday on the following Business Day;

4.2 if dispatched by pre-paid airmail to the Client's address or place of business last known to the Bank outside of Guernsey or the U.K. at midday on the fifth day after posting;

4.3 if transmitted by facsimile to the Client's appropriate number last known to the Bank, at the time of transmission during normal business hours in the place of intended receipt, on a working day in the place of intended receipt, and otherwise at the opening of business on the next day succeeding such working day;

and in each case notwithstanding the death or dissolution or liquidation of the Client. In the case of communications sent by post, the date on the duplicate retained by the Bank shall (in the absence of fraud or manifest error) be conclusively presumed to be the date of dispatch.

5. Errors of Transmission

5.1 The Client shall have sole and exclusive responsibility for all methods of transmission of communications, whether reasonably chosen by the Bank or chosen by the Client or by any other person acting on behalf of either or any of them including (but without prejudice to the generality of the foregoing) post, telephone, facsimile, courier, transport company or carrier and for the accuracy thereof and for any delays therein and for any damage or mutilation or corruption thereof or any ambiguity therein provided only that the Bank acts in good faith.

5.2 The Client will indemnify the Bank and keep the Bank indemnified against all losses, claims, actions, proceedings, demands, damages, costs and expenses incurred or sustained by the Bank of whatever nature and howsoever arising out of or in connection with any of the matters referred to in the preceding Condition 5.1 provided only that the Bank acts in good faith.

6. Limitation of Liability

6.1 In the event of a valid claim resulting from the execution, non-execution or faulty execution of any instruction the Bank shall only be liable for loss of interest (if any) unless the Bank was warned in the specific case in advance about the risk of more extensive damages when the instructions were communicated and the Bank accepted such risk in writing. Save as aforesaid, any liability of the Bank (whether in contract or in tort) for economic or consequential loss is hereby specifically excluded. Any loss resulting from the legal incapacity of a Client or a third party shall be borne by the Client or his/her estate (as the case may be) unless the Bank has received notice of such legal incapacity. The Bank may continue to act in accordance with any mandate or other agreement with the Bank until it receives notice of the death or other legal incapacity of the Client and the Bank shall incur no liability to the Client or to his/her estate for continuing so to act

6.2 Statements of account will be sent to the Client by the Bank on a regular basis and it is important that the Client carefully examines such statements as they arise. Any statement of account or advice of any transaction between the Bank and the Client dispatched by the Bank to the Client shall be deemed to have been duly examined by the Client and shall be conclusive and binding on the Client unless within 21 days of the date upon which such statement or advice is dispatched by the Bank to the Client (whether or not the same is actually received by the Client) the Client notifies the Bank in writing that it disputes any item thereon or that the Bank has not carried out any instruction. In the absence of any such notification as aforesaid the Bank shall not be liable to the Client for any such item or in respect of any such instruction.

6.3 The Bank does not accept any responsibility if, by reason of any Applicable Laws affecting the Bank, the Bank is prevented or hindered from carrying out its obligations to the Client (whether hereunder or otherwise) and the Bank shall not be liable for any costs, expenses, losses, liabilities, damages, claims or demands which the Client may suffer or incur thereby.

6.4 Neither the Bank nor any of its directors, officers or employees shall be under any liability to the Client for any action taken or omitted to be taken by them hereunder save where the Bank, its directors, officers or employees are proved to have been grossly negligent. The Client agrees to indemnify the Bank and severally its directors, officers and employees and hold them all harmless against all costs, expenses, losses, liabilities, damages, claims or demands incurred or suffered by the Bank by virtue of or in connection with its appointment as the Client's bankers on the terms of these Conditions or the exercise of its duties hereunder provided that the Bank acts in good faith.

7. Force Majeure

7.1 The Bank shall not be responsible for failure to comply with any instruction or to fulfil any term or condition of its contract with the Client if and to the extent that fulfilment has been prevented, hindered or delayed by Force Majeure.

7.2 Performance of the Bank's obligations to the Client may be suspended during any operation of Force Majeure but shall resume forthwith after its termination provided that if in the conclusive opinion of the Bank it is unlikely that the event of Force Majeure will terminate within a reasonable time to enable normal resumption of the relationship between the Bank and the Client the Bank shall be entitled to terminate its relationship with the Client by notice to the Client and the Client shall not be entitled to receive any damages or other compensations as a result of termination pursuant to the provision of this Condition 7.

8. Receipt of Funds

Funds received in a currency for which there is no corresponding account may (unless the Client has given the Bank instructions to the contrary) be credited at the Bank's absolute discretion to a currency in which the Client does maintain an account at the Bank's prevailing spot exchange rate or may be maintained at the Bank's absolute discretion in the currency received. The Bank reserves the right to decline to accept any funds, in any currency, instructed to be credited to the Client's account, without having to assign a reason therefor, where the Bank considers such a course of action to be necessary or desirable to protect the interests of the Bank.

9. Custodian Service

9.1 The Client may from time to time with the Bank's prior agreement deposit the Deposited Property with the Bank for safekeeping which will be subject to a separate Custodian Agreement

9.2 The Client shall be entitled to the return of any Deposited Property deposited with the Bank at any time during normal business hours on giving not less than 48 hours notice to the Bank which may be given by telephone and shall be confirmed in writing in such form as the Bank may from time to time require and, in the case of any Deposited Property collected from the Bank, on production of a written authority in such form as the Bank may from time to time require. Any such notice or written authority must be signed by a person who has been previously notified to the Bank by the Client in writing as being authorised to give instructions on behalf of the Client and a specimen copy of whose signature has been provided to the Bank.

9.3 The Bank will not be obliged to release any Deposited Property except in accordance with Condition 10.2. Deposited Property to be released to the Client may either be collected from the Bank at the address at which it was deposited on production of the necessary written authority or, at the Client's request and expense will be dispatched to the Client by courier or recorded delivery post where this service is available. The Bank shall be under no liability whatsoever for the loss, theft, destruction or damage of any Deposited Property so dispatched in accordance with the Client's instructions.

9.4 The Bank shall have no liability to the Client, whether in contract or in tort, in the event that any Deposited Property shall be lost, stolen, destroyed or damaged unless the Bank be proved to have been grossly negligent. If the Client wishes to arrange insurance for any Deposited Property held by the Bank it is the Client's own responsibility to do so at its own expense.

9.5 In acting as custodian for the Client hereunder the Bank is acting solely as bare trustee for the Client and does not assume any obligation towards, or relationship of agency, bailment or trust for, any other person.

9.6 The Client will not without the prior written consent of the Bank, create or permit to be created any lien or encumbrance over any Deposited Property given to or held by the Bank on behalf of the Client.

10. Right of Set-Off and Lien

10.1 In addition to any right of set-off or any similar right to which the Bank may be entitled under the general law or by virtue of any guarantee or security agreement, the Bank may at any time at the risk of and without notice to the Client, combine and consolidate all or any of the Client's accounts with the Bank and/or set off any monies whatsoever and whether on current or deposit account and whether in sterling or in any other currency (using the Bank's prevailing spot rate of exchange) which the Bank may at any time hold for the account of the Client against the Indebtedness notwithstanding that all or part of the monies so held may have been deposited for fixed periods which may not have expired, or may be denominated in an unlike currency. The Client agrees that in the event of appropriation by the Bank of any such deposit before its maturity date the amount applied shall be net of the amount of early withdrawal penalty (if any) charged by the Bank in the ordinary course of its deposit business.

10.2 It is further agreed that in addition to any right to which the Bank may be entitled, the Bank shall be entitled to a lien over (and accordingly may at any time retain and not repay) any amount whatsoever which may now or at any time hereafter be owing by the Bank to the Client (whether or not jointly with other Clients of the Bank) or any monies whatsoever which the Bank may at any time hold for the account of the Client and in either case whether on current or deposit account and whether in sterling or in any other currency, unless and until the Indebtedness to the Bank shall have been repaid and/or discharged in full and if any such Indebtedness is not repaid and/or discharged in full when due, the Bank shall be entitled, to the extent of such Indebtedness as remains unpaid or undischarged, to appropriate any amount so owing to the Client and/or any monies so held for the account of the Client in or towards repayment and/or discharge of such Indebtedness. This lien shall also extend to Deposited Property.

10.3 The Bank shall be entitled in its absolute discretion at any time at the risk of and without notice to the Client to convert any currency into any other currency in which the Indebtedness or any credit balance may for the time being be designated on the basis of the Bank's prevailing exchange rate for spot transactions between the currencies in question at the time of conversion.

10.4 In the event of the death of, or any gift by, the Client (being an individual or individuals) and notwithstanding the existence or absence of any right or rights of survivorship, the Bank shall be entitled (but without obligation) to retain any amount whatsoever which may at any time be owing by the Bank to the Client or any monies whatsoever which the Bank may at any time hold for the account of the Client and in either case whether on current or deposit account or held for fixed periods and whether in Sterling or any other currency unless and until the Bank has received in form and substance satisfactory to it evidence of such death and the Guernsey grant or re-sealing of probate or letters of administration.

11. Statements of Account

The Bank shall send the Client statements of account at such intervals as may be agreed between the Bank and the Client or as the Bank shall reasonably decide.

12. Accounts

12.1 The Bank is not obliged to open or maintain any account for the Client unless it has received in form and substance satisfactory to it, appropriate account opening documentation duly executed by or on behalf of the Client and such other financial or other information as the Bank may require from time to time.

12.2 When the Client gives any instruction for the payment of any sum in excess of the amount then standing to the credit of the Client's account the Bank may (but shall not be obliged to) decline to carry out such instruction and in the case of an instruction or several instructions for several payments or other transactions which in the aggregate exceed the amount of such credit balance, the Bank shall likewise be entitled at its absolute discretion to select which transaction or transactions shall be executed without reference to the date of dispatch of the Client's instructions or when they were received by the Bank. Where any debit balance arises on the Client's account without the Bank's express prior written consent, the Client shall pay to the Bank forthwith on demand overdraft interest at the Bank's prevailing rate or otherwise at such rate as is reasonable in all the circumstances, in accordance with Condition 16.2.

12.3 In the absence of any written instructions or Electronic Communication from the Client to the contrary the Bank is authorised to renew by 11.00 am Guernsey time at maturity any Sterling deposit in the name of the Client on the same terms and conditions applicable thereto immediately prior to such renewal or on such other terms and conditions as the Bank may reasonably consider appropriate in the circumstances. For all other currency deposits the Bank is authorised to renew by 11.00 am Guernsey time two working days prior to maturity, on the same terms and conditions applicable thereto immediately prior to such renewal or on such other terms and conditions as the Bank may reasonably consider appropriate in the circumstances.

12.4 The Client will ensure that all necessary authorisations, consents and licences will be obtained prior to the Client signing or executing any Bank forms or documentation or entering into any transactions with the Bank.

12.5 The Bank may refuse to open an account and/or accept a deposit or Deposited Property without giving any reason whatsoever. The Bank may also require a Client at any time to close an account without giving reason therefor.

12.6 Where Client assets maintained with the Bank fall below a minimum of £10,000 or currency equivalent the Bank may, at its discretion, invoke a maintenance charge.

13. Trusts

13.1 This Condition shall apply where the account holders are trustees of a trust (the "Trust").

13.2 Notwithstanding that the account holders are trustees they shall severally be personally responsible for the repayment of any indebtedness to the Bank due from either them or the Trust and they shall in all respects be treated in the relationship with the Bank as if they were joint beneficial account holders.

13.3 The Bank is authorised (but not obliged) to accept the endorsement on any cheques, orders, drafts, bills, promissory notes and deposit receipts, payable to or in the name of the Trust, which are signed in accordance with the Trust's mandate held by the Bank from time to time. The Bank will not, to the extent permitted by law, accept any liability in connection with the acceptance of or refusal to accept any endorsement.

13.4 Signatures in accordance with the said mandate or (where applicable) Electronic Communication on behalf of the Trust shall be sufficient for all requests and authorities to the Bank in respect of the withdrawal, reallocation or exchange of securities held on account of the Trust and the withdrawal of securities, documents or articles lodged for safe custody on account of the Trust.

13.5 Upon any account holder ceasing to be a trustee by death or otherwise the Bank may in its absolute discretion treat the surviving or continuing account holders as having full power to act on behalf of the Trust and to deal with the Trust's assets as if there had been no such change of trustees.

13.6 The Bank shall not be obliged to take notice of the terms of any trust deed unless the Bank is named therein as a trustee and has agreed to act as such and on its usual terms or as may otherwise have been specifically agreed.

13.7 Where an account is opened for a Trust, any instruction provided by the Trustees will be assumed, without the need for any further confirmation or investigation by the Bank, to be proper and not contravene the Trust Deed.

14. Foreign Currency Accounts

14.1 The Client may dispose of its credit balances in foreign currencies by sales or absolute transfers, as well as by drawing or purchasing cheques, but any other means of disposition (including but not limited to charges by way of security) require the Bank's prior written consent. The Bank may, at any time, execute its obligations as regards foreign currencies by delivering cheques drawn on its correspondent bank or a financial institution in the country concerned.

14.2 Unless otherwise agreed by the Bank, if any cheque or other transfer is made by the Client in any currency other than the currency in which any credit balance of the Client is for the time being designated, the Bank shall, at its discretion at the risk of and without notice to the Client, be entitled to convert any currency or currencies in which the Client's credit balance is then comprised, into the currency in which the cheque is expressed to be denominated, at the Bank's prevailing spot exchange rate from time to time.

15. Foreign Exchange

15.1 The Bank will accept from clients spot foreign exchange instructions for such currency as the Bank may undertake transactions in, on an across account basis subject to a minimum amount to be determined at the Bank's sole discretion and will be dealt upon as soon as possible at the Bank's prevailing spot exchange rate.

15.2 The Bank will accept from clients forward foreign exchange instructions for such currency as the Bank may undertake transactions in, on an across account basis subject to a minimum amount and such security as the Bank may determine at its sole discretion, provided that the Client has obtained prior credit approval from the Bank. Such instructions will be dealt with as soon as reasonably possible and in any event only after the security (if required) for the transaction has been put in place, at the Bank's prevailing forward foreign exchange rate.

16. Adjustment of Interest Rate

16.1 The Bank reserves the right (where there is no express agreement or necessary implication to the contrary with the Client) without prior notice to adjust interest rates, charges, commission and fee structures payable by the Client in response to market conditions or Applicable Laws (or the Bank's understanding of or policy with respect thereto) with immediate effect. The Bank will so notify the Client in due course by such appropriate means as the Bank may select.

16.2 If the Bank permits the Client to make any drawing, the effect of which is that the Client's account or any of its accounts will become overdrawn and no specific arrangement has been agreed with the Client regarding the rate of interest to be charged or, if any costs, charges or expenses are incurred by the Bank, the Bank reserves the right to charge such rate of interest as the Bank may reasonably consider appropriate in the circumstances and the Client agrees to pay such interest on demand without any deduction or withholding whatsoever except as may be required by tax law applicable to the Client, in which case the Client shall additionally pay to the Bank such further amount (which shall be deemed to be by way of agreed compensation) as shall result in the Bank receiving the full amount of such interest and shall supply the Bank on demand with such evidence as the Bank may require of the proper payment of such withholding tax.

17. Charges and Expenses

Save as and to the extent otherwise agreed, the Bank's commissions, fees, charges and expenses applicable to the Client shall correspond to the Bank's standard scale of charges in force from time to time (copies of which are available on request). The Bank reserves the right to change these at any time without prior notification to the Client. In addition, all third party agents' charges will be passed to the Client's account at cost. The Client agrees to pay all of the above costs, charges, commissions or expenses on demand plus where applicable any Value Added Tax without any deduction or withholding whatsoever. Where any deduction or withholding needs to be made then the amount payable by the Client shall be increased to ensure that the Bank receives an amount equal to that which it would have received had no deduction or withholding being made.

18. Bills of Exchange Promissory Notes, Cheques and other Securities

18.1 The Client acknowledges that the Bank, acting in good faith, may nonetheless incur loss in the event of cheques bearing the forged signatures of the Client being presented to the Bank for payment. The Client shall therefore take all reasonable precautions to prevent forged cheques being presented to the Bank for payment, and the Client shall also carefully examine its statements of account for unauthorised debit items.

18.2 The Bank may debit the Client's account with the receivables of any bills of exchange, cheques and other similar papers which may have been credited or discounted by the Bank if cleared funds in the full face value thereof are not duly received by the Bank within a reasonable period of time thereafter. The Bank however reserves the right of payment in total by any debtor of the receivables, cheques and other related documents, until the debt has been fully discharged.

18.3 By agreeing to cash receivables, the Bank is acting simply as an agent of payment, without assuming any liability thereon or responsibility as to the technicalities, legalities or authenticity of such receivables. Except for protests, which the Bank may be obliged to make, the Bank assumes no obligation to pursue the recovery of the said receivables.

18.4 Provided only that the Bank acts in good faith the Bank shall incur no liability from the fact that any bill of exchange or cheque or other receivable was not presented or challenged within the prescribed time and in particular (but without prejudice to the generality of the foregoing) the Bank shall not incur any liability if the instruction to the Bank or the wording of any bill of exchange, cheque or other receivable is incomplete or lacking in clarity, or any bill of exchange, cheque or receivable does not reach the Bank within a reasonable time before the clearance date, or when other circumstances make the clearance or the protest unreasonably difficult.

19. Credit References

19.1 The client agrees to provide to the Bank on request such information regarding its affairs as the Bank may require from time to time to deal with any credit reference or similar enquiry relating to the Client, or for the Bank's own purposes. The Client authorises the Bank to contact such persons as the Bank thinks fit, to verify the correctness and completeness of any information furnished by the Client and authorises such persons to release such information to the Bank. Credit reference agencies will record details of any search undertaken. Credit searches and other information which is provided to the Bank and/or the credit reference agencies about the Client, may be used by the Bank or the Bank of Butterfield Group and other companies or organisations. This information may also be used in the prevention of money laundering.

19.2 In addition, the Bank may ask you to provide physical forms of identification or it may telephone you to confirm your identity.

19.3 To prevent or detect fraud and prevent terrorism financing or to assist in verifying your identity the Bank may make searches of Bank of Butterfield Group records and at fraud prevention agencies, who will supply the Bank with information. The Bank may also pass information to financial and other organisations involved in fraud prevention to protect the Bank and its customers from theft and fraud.

20. Uncleared Entries

If any uncleared entries credited to the Client's account are subsequently dishonoured and/or the Bank is for any reason called upon to repay either to the paying bank or to any other party to any transaction any amounts credited to the Client's account, the Bank shall be entitled to debit the Client's account with the amount of such uncleared entries and/or the amount so repaid and the Client shall, unless otherwise agreed, be obliged to pay to the Bank forthwith upon demand the amount of any drawings which the Bank shall have permitted the Client to make against uncleared entries and/or the amount so repaid by the Bank if and to the extent that in either case the Client's account thereby goes into debit or the amount so credited to the Client's account represented an amount which the Client was obliged to pay the Bank and overdraft interest shall be payable on such debit balances in accordance with Condition 16.2.

21. Special Arrangements

In addition to these Conditions and to the Bank Mandate, the Bank may from time to time in relation to certain transactions or certain types of business that it may undertake from time to time agree special conditions with the Client. Documentary credit business shall be governed by the Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce Publication No. 500 or by subsequent Uniform Customs and Practice fixed by subsequent Congresses of the International Chamber of Commerce unless otherwise indicated to the contrary. In the case of conflict between the said special conditions and these Conditions the provisions of the special conditions shall prevail. In the case of conflict between the said Customs and these Conditions, these Conditions shall prevail. Any aspect of business between the Bank and the Client which is not governed by these Conditions or any special condition or the said Customs shall be governed by customary banking practice in Guernsey.

22. Modification of the General Conditions

Subject to the terms of the Bank Mandate, the Bank reserves the right to vary these Conditions at any time with immediate effect and will notify the Client of such variations in due course either by circular letter or by any other appropriate means as determined by the Bank.

23. General

23.1 No failure to exercise and no delay in exercising on the part of the Bank any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

23.2 If any of the provisions herein contained shall be invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby and there shall be deemed substituted for any such invalid, illegal or unenforceable provision such reasonable alternative provision which has as nearly as possible the same effect as between the Client and the Bank, so far as same may be permitted by law.

23.3 The Client warrants that it has the necessary powers (pursuant, in the case of a company, to its valid business objects) both under Guernsey law and under the laws of its domicile and where applicable under its constitution or trust instrument to be bound by these Conditions and any agreement for account opening with the Bank and to enter into all transactions which it may enter into with the Bank and further that all requisite steps have been duly taken in accordance with its constitution and with Applicable Laws in relation thereto; and this warranty shall be deemed repeated at the time of the giving of any instructions or deemed instructions to the Bank.

23.4 The Client agrees to supply to the Bank upon request such information as the Bank may in its absolute discretion require with regard to the Client's identity the beneficial ownership of any monies paid in or deposited with the Bank or any

other assets held by the Bank on the Client's behalf or with respect to the Client's identity, true ownership and financial condition, as such information would be material to be known to a lender to the Client.

23.5 The Bank reserves the right to terminate its business relationship with a Client at any time by giving written notice of such action to the Client. Upon notice of termination, all liabilities of the Client will become due and payable or be required to be covered to the Bank's satisfaction. Where a Client gives notice of an intention to terminate a business relationship the Bank shall be permitted to complete any transactions entered into before such notice was received. In either case the Client will provide transfer or delivery details to which any Deposited Property held by the Bank on behalf of the Client may be sent.

23.6 The Client authorises the Bank to transfer to an unclaimed balances account, any balances left on accounts where there has been no activity or correspondence between the Client and the Bank for a minimum period of five years. The Bank must be able to substantiate that it has made every reasonable effort and attempt to contact the Client during the preceding period.

24. Data Protection

24.1 The Bank is a Data Controller as defined in the Data Protection Law. In so doing the Bank confirms that it will comply with the Data Protection Law when obtaining and processing Data as defined in the Data Protection Law about the Client and acknowledges that the Client is entitled to access records about themselves that are held by the Bank in connection with accounts held upon payment of a fee not greater than the statutory fee to the Bank. The Client undertakes to notify the Bank if any Data held is inaccurate so that the Bank may update it.

24.2 The Bank may disclose Data to any third party about the Client if the Bank believes it will help recover loss or if the Bank is required by law to disclose Data for any other purpose.

24.3 The Bank will not use another company or individual to process Client Data or transfer Data outside of the Bailiwick of Guernsey except as provided in the Data Protection Law.

24.4 The Bank may disclose Data to any company in the Group for the purposes of managing the Client's account and for assessment and analysis (risk assessment, credit assessment, behaviour scoring, market and product analysis and due diligence).

24.5 Telephone calls may be recorded or monitored for security, training and service quality purposes and shall remain the sole property of the Bank.

24.6 The Bank may contact the Client about the Bank's services and products and those of other members in the Group, which the Bank believes may be of interest to the Client unless the Client has informed the Bank that he does not wish to receive this information. A box to be ticked for this purpose is included in the account opening form.

25. Applicable Law and Venue

25.1 These Conditions shall be governed by and construed in accordance with Guernsey law. The Client agrees that any proceedings arising from or in connection with these Conditions or any transaction between the Bank and the Client may be brought in the Guernsey courts and irrevocably submits to the jurisdiction of such court, irrevocably waiving any right to assert that Guernsey is not an appropriate or convenient forum for the adjudication of disputes arising in relation to or touching upon these Conditions, or that the Guernsey courts lack jurisdiction over the Client in such matters.

25.2 Without prejudice to any other mode of effective service thereof, service of legal process in the Guernsey courts may be effected in person or by dispatch of the Court documents to the other party by registered or recorded mail sent to that party's last known address and shall be deemed served upon delivery.

25.3 Subject to any conditions which may be attached to the service of any legal process, such legal process shall be deemed to have been delivered in accordance with clause 25.2 on the date it is served or left at the last known address of the Client, in the case of personal service, 48 hours after the date of despatch, in the case of registered or recorded mail, and 24 hours after the date of dispatch in the case of dispatch by facsimile.

26. Regulatory Body

Butterfield Bank (Guernsey) Limited is licensed under the Banking Supervision (Bailiwick of Guernsey) Law 1994 (as amended), The Protection of Investors (Bailiwick of Guernsey) Law, 1987 and registered under Data Protection (Bailiwick of Guernsey) Law, 2001. The Bank is regulated by the Guernsey Financial Services Commission.

27 EU Savings Tax Directive

The Bank may be obliged by law or regulation either to deduct, withhold or pay an amount by way of taxation in respect of any account held with it.

The Client acknowledges this and authorises the Bank to make such deduction, withholding or payment necessary in this respect. Alternatively if the Client is resident in the EU for tax purposes, he/she may elect for the Bank to disclose to the tax authorities details including ownership of any account with it provided that the Client instructs the Bank to do so in writing.

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