

**TERMS AND CONDITIONS GOVERNING THE OPERATION
OF THE CURRENT ACCOUNT OF THE SPECIFIED INSTITUTION**

1. Definitions and Interpretation

In these terms and conditions, unless the subject or context otherwise requires, the following words and expressions shall have the following meanings respectively ascribed to them:

“Agreement” means the letter-agreement which incorporates these terms and conditions;

“bank” shall have the meaning as ascribed thereto under the Banking Act (Cap. 19);

“business day” means any day from Monday to Friday except a public or bank holiday in Singapore;

“current account” means the current account opened and maintained by MAS for the Specified Institution;

“Encashment Cutoff Times” shall have the meaning as ascribed thereto in Clause 5.6;

“GST” means the applicable goods and services tax which may from time to time be imposed or charged before, on or after the date hereof by the Comptroller of Goods and Services Tax or other relevant Government authority under the Goods and Services Tax Act (Chapter 117A) (including any subsequent revisions thereto and regulations made thereunder);

“MAS” means Monetary Authority of Singapore, a body corporate established under the Monetary Authority of Singapore Act (Cap. 186);

“MAS Bills” means any debt securities issued by the Monetary Authority of Singapore under the Monetary Authority of Singapore Act (Cap. 186);

“MCB Requirement” means the minimum cash balances which a bank is required to maintain under the Banking Act (Cap. 19);

“MEPS+” means the New MAS Electronic Payment and Book-Entry System and has the same meaning as set out in the Payment and Settlement Systems (Finality and Netting) (Designated System) Order 2006;

“MEPS+ Operating Rules” means the operating rules in relation to MEPS+ which is set out at MAS’ internet website at: http://www.mas.gov.sg/legislation_guidelines/mepsplus/reference.html ;

“Notice of Amendment” shall have the meaning as ascribed thereto in Clause 14.1;

“Operational Fees” shall have the meaning as ascribed thereto in Clause 6.1;

“Payment Cutoff Times” shall have the meaning as ascribed thereto in Clause 5.1(a);

“RTGS” means real-time gross settlement;

“RTGS Account” in relation to a Specified Institution that is a participant in MEPS+, means the real-time gross settlement account which the Specified Institution has in MEPS+;

“Service Provider” means the operator of MEPS+;

“SGS” or “Singapore Government Securities”, means Government securities as defined in and issued under the Government Securities Act (Cap 121A) and Treasury Bills as defined in and issued under the Local Treasury Bills Act (Cap 167) collectively;

“SGSMB” means SGS, MAS Bills, or both, as the case may be;

“Specified Institution” means the bank or institution that is party to the Agreement.

2 The Current Account

- 2.1 The current account shall be used for the maintenance of the Specified Institution’s cash balances with MAS.
- 2.2 If the Specified Institution is subject to MCB Requirements, the cash balances in the current account shall be used to meet the MCB Requirement.
- 2.3 If the Specified Institution is a participant in MEPS+, funds in excess of the MCB Requirement shall be transferred to its RTGS Account at the start of a business day, and used for the settlement of RTGS payments. Any balance remaining in the Specified Institution’s RTGS Account at the end of the operating hours of MEPS+ on the same business day shall be transferred back to the current account.

3 Interest

The current account shall not be overdrawn and is not interest bearing.

4 Authorised Signatories List

- 4.1 For the purposes of operating the current account with MAS, the Specified Institution shall:
 - (a) in the case where the Specified Institution is incorporated in Singapore, provide to MAS by mail, a board of directors’ resolution:
 - (i) identifying its list of authorised signatories, for all matters other than the issuance of manual payment instructions; and
 - (ii) enclosing its list of authorised signatories completed in accordance with the format set out in Annex 1, for the issuance of manual payment instructions; or
 - (b) in the case where the Specified Institution is formed or incorporated outside Singapore, provide to MAS by mail, a duly executed power of attorney which

has been deposited in the Registry of the Supreme Court of Singapore, identifying the person(s) who are empowered to perform all acts on behalf of the Specified Institution in relation to the Specified Institution's current account with MAS, including the submission and subsequent revision by such person(s) of:

- (i) its list of authorised signatories, for all matters other than the issuance of manual payment instructions; and
- (ii) its list of authorised signatories completed in accordance with the format set out in Annex 1, for the issuance of manual payment instructions.

4.2 MAS shall be entitled to rely upon the identity and authority of each signatory identified by the Specified Institution in accordance with Clause 4.1 unless MAS receives written notice providing the contrary:

- (a) in the case where the Specified Institution is incorporated in Singapore, in accordance with the procedure for change of authorised signatories as set out in the board of directors' resolution referred to in Clause 4.1(a), or in the absence of such procedure, in a fresh board of directors' resolution; or
- (b) in the case where the Specified Institution is formed or incorporated outside Singapore, in accordance with the procedure for change of authorised signatories as notified by the person(s) empowered under the power of attorney referred to in Clause 4.1(b) to perform all acts on behalf of the Specified Institution in relation to the Specified Institution's current account with MAS.

and any such written notice issued by any of the persons referred to in sub-clause (a) or (b) shall be deemed to be given by the Specified Institution respectively.

5 Instructions

5.1 Where the Specified Institution is not a participant in MEPS+, the Specified Institution shall issue payment instructions to MAS in the manner specified below:

- (a) The Specified Institution may issue payment instructions by SWIFT MT199 or in writing signed by 2 authorised signatories and shall deliver such instructions to the Finance Department of MAS by 1700 hours ("Payment Cutoff Time") for same-day payment. Only balances in the current account in excess of the intra-day MCB Requirement, if any, may be transferred out. In addition, MAS will not input customer information on behalf of the Specified Institution other than the beneficiary account to which the funds will be transferred into;
- (b) When sending instructions to MAS, the Specified Institution shall indicate clearly the value date, amount and beneficiary account to which the funds will be transferred into. The format for the instruction is set out in Annex 2.

5.2 Where the Specified Institution is not a participant in MEPS+, MAS may process payment instructions from the Specified Institution after the Payment Cutoff Time on

a “reasonable-efforts” basis and MAS shall not be liable if MAS is unable to process the payment instructions on time.

- 5.3 Where the Specified Institution is not a participant in MEPS+, the relevant provisions of the MEPS+ Operating Rules shall apply to the transfers of the Specified Institution which are settled in MEPS+.
- 5.4 Where the Specified Institution is not a participant in MEPS+, every payment instruction, including system-generated payment instructions relating to the allotment of SGSMB to the Specified Institution, shall be charged at S\$35.00, exclusive of GST.
- 5.5 Where the Specified Institution is a participant in MEPS+, the Specified Institution shall input its payment instructions directly into MEPS+ in accordance with the MEPS+ Operating Rules.
- 5.6 The Specified Institution shall deliver requests for encashment in accordance with the procedure set out in Annex 3 to the Finance Department of MAS by 1800 hours one business day before the intended encashment date (“Encashment Cutoff Time”). MAS shall process requests for encashment from the Specified Institution after the Encashment Cutoff Time on a “reasonable-efforts” basis and MAS shall not be liable if MAS is unable to process the requests on time.
- 5.7 Before the amount of deposit can be credited into the current account of the Specified Institution on a business day, the Specified Institution shall:
- (a) notify the Currency Department of MAS of the amount of deposit intended to be credited before 0830 hours of that business day; and
 - (b) deliver the deposit to the Currency Department of MAS by 1630 hours on that business day.

In the event that the Specified Institution does not comply with the requirements in either sub-paragraph (a) or (b) above, MAS shall have the discretion to credit the amount of deposit on that business day or the business day when the requirements in sub-paragraphs (a) and (b) are satisfied.

- 5.8 The Specified Institution authorises MAS to debit the current account in accordance with instructions that MAS may receive from the Specified Institution by SWIFT MT199 or in writing signed by 2 authorised signatories.

6. Payment of Fees and Charges

- 6.1 Where in MAS’ opinion, the need arises due to any reasons whatsoever, MAS shall be entitled to impose fees and charges, including GST (“Operational Fees”) for the operation of the current account, which may be varied in writing from time to time. The Operational Fees shall be directly debited from the current account of the Specified Institution in consideration of MAS continuing to operate the current account for the benefit of the Specified Institution. MAS shall give the Specified Institution not less than 30 days’ notice in writing before the imposition or variation of the Operational Fees comes into effect, and the Specified Institution shall maintain sufficient funds in the current account to pay the Operational Fees.

- 6.2 MAS shall also have the right, at any time, to directly debit the current account of the Specified Institution for such fees and charges and for all moneys due and owing to MAS, including but not limited to:
- (a) fees and charges relating to the operation of MEPS+;
 - (b) fees and charges relating to SGSMB transactions;
 - (c) licence fees;
 - (d) penalties for shortfalls in minimum cash balances and minimum liquid assets as required under the Banking Act (Cap. 19) and
 - (e) administrative fees for banks failing to settle their clearing obligations before mid-day or end-of-day cheque/Inter-Bank GIRO clearing cutoff times.
- 6.3 The Specified Institution shall maintain sufficient funds in the current account for the direct debits.
- 6.4 Notwithstanding any clause in this Agreement, before the Specified Institution may terminate the current account, the Specified Institution shall be required to discharge all its liabilities, including settling payment of all outstanding expenses, fees and charges, due and owing to MAS. Without prejudice to Clause 13A, MAS reserves the right to set off such liabilities against the credit balances in the Specified Institution's current account.

7 Statement of Account

The Specified Institution shall be responsible for checking its statement of account to ensure that the debit and credit entries posted to the current account are correct. If MAS receives any notice from the Specified Institution that any entry is incorrect within one business day after the date the entry was posted and MAS is of the view that the entry is incorrect, MAS shall adjust the entry in the current account of that Specified Institution within such time as is reasonably practicable. If MAS receives such notice from the Specified Institution outside the stipulated period and MAS is of the view that the entry is incorrect, MAS may, at its sole discretion, adjust the entry. Under no circumstances shall MAS make any rectification of any posted entry if such rectification may:

- (a) prejudice or adversely affect the interest of:
 - (i) any customer of the Specified Institution;
 - (ii) any bank or participant in MEPS+ or their customers; or
 - (iii) MAS; or
- (b) prejudice the finality and irrevocability of transactions executed or settled under MEPS+.

8 Right to Delegate

MAS or the Specified Institution may, upon written notice to the other party, sub-contract or delegate to any other person or body corporate the performance, or observance of any part of its responsibilities, obligations or undertakings in relation to the operation of the current account.

9 Duration

This Agreement shall take effect on and from –

- (a) where the Specified Institution executed this agreement prior to the launch of MEPS+, the date that MEPS+ is launched (9 December 2006); and
- (b) where the Specified Institution entered into this agreement after the launch date of MEPS+ (being 9 December 2006), the date on which the current account is opened for the Specified Institution, as notified in writing to the Specified Institution by MAS,

and shall continue in force until the current account is terminated in accordance with Clause 10.

10 Termination by Notice in writing

- (i) Termination by the Specified Institution

10.1 The Specified Institution may terminate the current account by giving MAS at least one month's written notice (except as otherwise provided in Clause 14.2), and the current account shall be terminated on the date stated in such notice of termination; provided that where the Specified Institution is a bank, its right to terminate the current account shall be subject to the provisions of the Banking Act (Cap. 19) and any requirement that MAS may impose under this Act.

- (ii) Termination by MAS

10.2 MAS may terminate the current account by giving the Specified Institution at least two months' notice in writing.

10.3 MAS may immediately terminate the current account under the following circumstances:

- (a) on the grounds of national or public interest, public security or safety;
- (b) if the Specified Institution defaults in paying any fee or charge or other sum referred to in these terms and conditions;
- (c) if the Specified Institution is being or has been wound up or has a receiver or receiver and manager appointed;
- (d) if the Specified Institution, being a bank, has its licence revoked by MAS under the Banking Act (Cap. 19); or

- (e) if the Specified Institution fails to comply with, observe or perform any of these terms and conditions, whether or not any other action is taken by MAS under these terms and conditions, and whether or not such failure has been determined in any such other action.

Where MAS decides to exercise this right, it will notify the Specified Institution of the termination if it is in the opinion of MAS, reasonably practicable to do so.

- 10.4 The termination of this Agreement shall not affect the liability of any party to pay any sum that may be due from that party to the other party under this Agreement.

11 Liabilities of MAS

MAS, its officers and employees, and any person acting under the direction of MAS, shall not be liable for any loss or damage howsoever caused to the Specified Institution or its customers resulting from the operation of the current account with MAS, unless MAS or the relevant officer, employee or person acting under the direction of MAS has been found to have committed a reckless act or omission, or of intentional misconduct (including fraudulent acts), in a final decision made by a court in Singapore. For the avoidance of doubt, MAS, its officers and employees, and any person acting under the direction of MAS, shall not be liable (whether in contract, tort or otherwise) for:

- (a) any loss or damage suffered by the Specified Institution due to technical fault or failure, or due to circumstances outside the control of MAS, such as acts of God, war, acts of terrorism, riot, sabotage, natural disaster, industrial action or criminal activity;
- (b) any collateral, indirect, consequential or special loss or damages suffered by the Specified Institution; or
- (c) any losses, actions, claims, costs and charges, expenses and liabilities incurred or suffered by the Specified Institution as a result of any action taken or omitted in good faith by MAS, its officers and employees, and any person acting under the direction of MAS.

12 Indemnification of MAS

The Specified Institution shall fully indemnify and keep MAS fully indemnified at all times against any and all losses, actions, claims, damages, costs and charges, including legal costs and charges, expenses and liabilities incurred or suffered by MAS, arising directly or indirectly from the opening and use of the current account under this Agreement.

13 Notices and Communications

- 13.1 All notices and other communications shall be given in writing, and unless otherwise provided, shall be delivered by hand, facsimile, domestic or international mail, e-mail, MTx99 or such other means as MAS may determine from time to time to such address as the Specified Institution may notify MAS in writing, or as MAS may notify the Specified Institution in writing.

- 13.2 All such notices or communications may be delivered by any of the means specified below and shall be deemed to have been duly delivered:
- (a) if sent by hand, when received;
 - (b) if sent by facsimile, when duly transmitted to the facsimile number of the addressee for the time being applicable;
 - (c) if sent by international mail, 10 business days after the date of posting;
 - (d) if sent by domestic mail to a Singapore address, 2 business days after the date of posting;
 - (e) if sent by e-mail, 2 business days after the date of transmission to the e-mail address for the time being applicable;
 - (f) if sent by SWIFT MT x99, when the MT x99 message has been acknowledged and received by SWIFT for transmission to the intended party.

PROVIDED ALWAYS that any notice or communication under Clause 5.1(a) (in the case of a payment instruction that is issued in writing and signed by 2 authorised signatories) or Clause 10 shall not be regarded as having been duly delivered unless sent by hand or by mail.

13A Right of set-off and lien

In addition to any general lien or other rights to which MAS may be entitled under any applicable law, and to the greatest extent permitted by and without restriction imposed under applicable law, MAS shall have a general lien on and (without notice to the Specified Institution) a right to set off, realise or apply or to otherwise dispose of all monies in the current account in satisfaction of all liabilities and obligations (whether actual or contingent and in whatever currency) of the Specified Institution to MAS.

14 Amendment of these terms and conditions

- 14.1 MAS reserves the right, from time to time and at any time, to amend these terms and conditions by deleting, substituting or adding to any of these terms and conditions, and where any amendment is made, MAS shall give the Specified Institution notice in writing of the amendment (“**Notice of Amendment**”) at least 30 days before the day the amendment becomes effective and binding.
- 14.2 Where the Specified Institution does not wish to continue to maintain a current account with MAS after a Notice of Amendment has been given, it shall notify MAS in writing of its intention to terminate the current account within 14 days of the date of the Notice of Amendment and the current account shall be terminated on the day the amendment becomes effective and binding or at the end of the period stipulated in the notice of termination issued by the Specified Institution in accordance with Clause 10.1, whichever is earlier. Where no such notice is given by the Specified Institution within the 14-day period, the Specified Institution shall be deemed to have accepted and consent to the terms and conditions as amended on the date they become effective, and shall be bound by them as of the date of the amendments becoming

effective as if the Specified Institution had originally agreed to such terms and conditions.

- 14.3 Notwithstanding Clauses 14.1 and 14.2, MAS may cause any amendment to these terms and conditions to become effective and binding upon the Specified Institution at any time if MAS determines, at its discretion, that exigent circumstances exist which require that such amendment become effective for the protection of MAS, national or public interest, public security or safety or for the Specified Institution to comply with legal or regulatory requirements, provided always that this Clause 14.3 shall not apply to any amendment which would have the effect of rendering transactions settled under MEPS+ no longer final and irrevocable.
- 14.4 Notwithstanding any amendment referred to in this Clause, the terms and conditions applicable prior to the amendment shall apply and continue to apply to anything done by the Specified Institution or MAS, or any event which has happened, as the case may be, before the amendment becomes effective, and for that purpose, any such amendment shall not have the effect of terminating the current account.

15. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Singapore. All proceedings relating to any dispute arising from or in connection with this Agreement shall be commenced in the courts of Singapore and the parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

To: The Executive Director
 Finance Department
 Monetary Authority of Singapore
 10 Shenton Way #27-00
 MAS Building
 Singapore 079117

Date:

From: _____
 (Name of Institution)

AUTHORISED SIGNATORIES LIST FOR MANUAL PAYMENT INSTRUCTIONS TO MAS

Effective Date of this list: _____

For the purpose of Clause 4.1(a)(ii)/4.1(b)(ii), manual payment instructions to MAS submitted in hardcopy or in a CD-ROM shall be deemed to be proper and authorised if signed by any two signatories/one signatory each from group A and B*. The Specified Institution should take into account its operational and internal control requirements when determining the number of authorised signatories to be submitted to MAS. MAS' agreement is required if the Specified Institution intends to submit more than 8 signatories.

Group (A or B)	Name	Designation	Specimen Signature

* Delete whichever is not applicable. If there are no deletions made, it shall be deemed to be "any two signatories".

Authenticated by the undersigned:

 Authorised Signature(s) and Company Stamp

 Name(s) of Authorised Signator(ies)

The Executive Director
Finance Department
Monetary Authority of Singapore
10 Shenton Way #27-00
MAS Building
Singapore 079117

Date: _____

Attn: Operations & Custody Administration Division

TRANSFER OF FUNDS OUT OF MAS CURRENT ACCOUNT

We, _____
(Name of Specified Institution)

wish to transfer _____ out from our Current Account No. _____
(Amount)

with MAS for value _____ .
(Date)

2 We hereby authorise you to credit the said amount to our account no. _____

with _____ ,
(Name of Agent Bank)

via the said Agent Bank's Account No. _____ with MAS.

Yours faithfully

Authorised Signature(s)

Company Stamp

Names of Authorised Signatory(ies)

ENCASHMENT PROCEDURE

1 A Specified Institution wishing to obtain cash (“encashing institution”) by drawing on its current account with the Monetary Authority of Singapore (MAS) should inform the Authority’s Finance Department (FD) via MEPS+ and Currency Department (CD) via CurrencyNet.

2 The encashing institution should send an MT199 through SWIFT to FD by 1800 hours one business day prior to the intended encashment date. For identification purposes, the encashing institution must indicate the word 'Encashment' in field 21 of the message. In field 79 of the message, the amount and value date of the encashment must be specified. The following message may be used:-

"Please debit our Current Account no. _____ with you and pay cash S\$_____ for value _____".

After the transmission of the message to FD, the encashing institution shall send its courier direct to CD for encashment at the agreed time between CD and the encashing institution.

- 3 However, the Authority reserves the right not to allow any encashing institution to encash if:
- a) there is any discrepancy between the amount or value date stated in the encashing institution's message to FD and in its submission to CD;
 - b) the message is not properly authenticated;
 - c) the message does not reach FD by the specified time;
 - d) the encashing institution has insufficient funds in its account;
 - e) in the opinion of FD, it would be prejudicial to authorise the encashment.