

Trade Finance Terms and Conditions

This document contains
important information.
Please read carefully and
retain for future reference.

This product is only available in NI.

Effective from January 2021



Trade Finance

Terms and Conditions

These are the terms and conditions upon which:

(a) each Undertaking (as defined below) may be issued or established by the Bank (as defined below) for the benefit of the Customer (as defined below), and are incorporated into each request or application for the issue of an Undertaking as it expressly sets out; and

(b) each Documentary Collection (as defined below) may be handled or processed by the Bank at the request of the Customer (the **“Terms and Conditions”**).

In these Terms and Conditions, the Bank is also referred to as “we”, “our” or “us” and the Customer is also referred to as “you” or “your”. Reference to “both of us” refers to both the Bank and the Customer.

Where any of the Terms and Conditions conflict with the terms of a request or application for the issue of an Undertaking, such terms of request or application shall prevail but all other Terms and Conditions herein shall remain unaffected. These Terms and Conditions are in force from the date set out below and replace all previous versions.

Where any of the terms of a request or application for the issue of an Undertaking incorporating the Terms and Conditions are in conflict with any other terms and conditions, agreements or instruments entered into by us such request or application and the Terms and Conditions shall prevail to the extent of such conflict only.

Our usual banking practice and other terms and conditions, including but not limited to those relating to TradeAccess (as defined below) and business lending, will apply in the event that any of the terms set out below do not cover a particular situation.

In force from January 2021

1. Definitions

1.1 In these Terms and Conditions, unless the context otherwise requires:

‘Account’ means any account with us in your name or to which you are beneficially entitled at any of our branches.

‘Affiliate’ means in relation to a person, a Subsidiary, or Holding Company of that person and a Subsidiary of such Holding Company for which purpose “Subsidiary” and “Holding Company” shall have the meaning set out below.

‘Authorised Signatory’ means each person specified in your mandate to us, or other form deemed acceptable by us, and notified to us as an authorised signatory who is authorised to request the issue of an Undertaking by us, to give notices to us and generally to act on your behalf.

‘Bank’ means AIB Group (UK) p.l.c. trading as AIB (NI) and its successors and assigns.

‘Business Day’ means a day of the week (other than a Saturday or Sunday or a public holiday in Northern Ireland) on which commercial banks are generally open for business in Northern Ireland.

‘Collection Documents’ means any shipping and financial documents handled or processed by us including, but not limited to, bills of lading, invoices, insurance policies, certificates of origin, certificates of quality and bills of exchange.

‘Contractual Currency’ means the currency in which a payment falls due pursuant to the relevant contract.

‘Correspondent Bank’ means any financial institution with which the Bank has entered into an agreement to act on the Bank’s instructions in a country or jurisdiction.

‘Counter Indemnity to Bank’ means the counter indemnity which has been or will be executed by you in consideration of us agreeing at your request to issue a guarantee or to issue an indemnity to another bank to enable them to issue a guarantee.

‘Credit’ means a documentary credit or standby letter of credit.

‘Credit Request’ means any request or application made by you for the issue of an Undertaking which is a Credit.

‘Customer’ means any business customer who requests or applies for an Undertaking or requests that an Undertaking and/or Documentary Collection be handled or processed either for their benefit or for the benefit of another, and also includes its successors and assigns. Further details of the types of eligible business customers are set out in clause 1.3.

‘Documentary Collection’ means documentary collections handled or processed by us at your request and/or on your behalf as set out in clause 19 below.

‘Guarantee Instrument’ means a guarantee, counter-guarantee, bond, indemnity, undertaking or similar instrument.

‘Guarantee Request’ means any request, or application for the issue of an Undertaking which is a Guarantee Instrument.

‘Guarantor’ means each person or company responsible to us for any and all moneys, obligations and liabilities from time to time due, owing by you to us or incurred by us for your account.

‘Holding Company’ means in relation to a company or corporation, any other company or corporation of which it is a Subsidiary.

‘ISP 98’ means the International Standby Practices 1998 (International Chamber of Commerce Publication No. 590) and any subsequent revision thereof adhered to by us on the date the relevant Credit is issued.

‘Price List International Transactions booklet’ means the published list of our applicable fees and charges. This booklet is available at all of our branches and also on our Website.

‘Subsidiary’ has the meaning attributed to it in section 1159 of the Companies Act 2006.

‘SWIFT’ means the Belgium based Society for Worldwide Interbank Financial Telecommunications.

‘TradeAccess’ means the internet service provided by us to you to enable you to request the provision of trade finance services and related services from us.

‘Undertaking’ means any Credit, Guarantee Instrument or other form of undertaking for your benefit.

‘UCP’ means the International Chamber of Commerce Uniform Customs and Practice for Documentary Credits in force on the date a Credit is issued.

‘URC’ means Uniform Rules for Collections, 1995 Revision, International Chamber of Commerce Publication No.522 (or any supplement, modification, amendment or replacement thereof).

‘URDG’ means Uniform Rules for Demand Guarantees, International Chamber of Commerce Publication No.458 (or any supplement, modification, amendment or replacement thereof).

‘Website’ means aibni.co.uk or any other website operated by us on which we make available these Terms and Conditions.

1.2 In these Terms and Conditions, unless the context otherwise requires:

(a) references to these Terms and Conditions (or to

any provision of them) or any other document are references to these Terms and Conditions, that provision or that document as in force for the time being and as amended, varied or supplemented from time to time under its terms or with the agreement of the relevant parties;

- (b) where the context so permits, the singular includes the plural and vice versa.

- 1.3 These Terms & Conditions apply to business customers that are defined as any of the following:

Sole trader – a person operating a business in his/her own name, or under a trade name.

Partnership – two or more people operating a business together with a view to making a profit.

Limited Liability Partnership – a separate legal entity incorporated under the Limited Liability Partnerships Act (Northern Ireland) 2002.

Company – a separate legal entity incorporated as a limited or unlimited company under the relevant Companies Act or a foreign company incorporated abroad.

Club, Society, Association, Trustee, Charity or other group – person, group or body providing a service for the benefit of others.

2. Issue of Trade Undertakings

- 2.1 Notwithstanding anything to the contrary that may be expressed in or implied by these Terms and Conditions, nothing in these Terms and Conditions shall oblige us to issue or assume any Undertaking.
- 2.2 An Undertaking may be issued or assumed by us only upon receipt of an irrevocable request or application which is:
- (a) in writing in our standard form for the time being in respect of the relevant Undertaking and duly signed by an Authorised Signatory; or
 - (b) made by way of electronic communication or such other means of communication as we shall from time to time require or agree to accept.
- 2.3 We shall be entitled to assume without enquiry:
- (a) the authenticity of any request or application for the issue of an Undertaking purporting to be signed by an Authorised Signatory or made by fax or email or other electronic communication; and

(b) that the authority of each Authorised Signatory has not been revoked or curtailed unless we have received and acted upon a notice in writing to the contrary, duly signed by you or on your behalf.

2.4 Each request or application for the issue of an Undertaking shall be deemed to incorporate these Terms and Conditions as if the same were set out in full in each such request or application.

2.5 We may at our sole discretion, agree to amend any Undertaking issued pursuant to these Terms and Conditions upon receiving a written request from an Authorised Signatory. For the avoidance of doubt nothing in these Terms and Conditions shall oblige us to amend any Undertaking.

3. Form and Communication of Undertaking

3.1 Each Undertaking and any communication relating to it or to a Documentary Collection shall be:

(a) in English, unless otherwise agreed between the parties; and

(b) sent by letter, fax, SWIFT or other electronic means (in plain language or in code) at our discretion.

3.2 You agree that, at our discretion, the UCP may apply to any Undertaking which is a Credit, and the URDG may apply to any Undertaking which is a Guarantee. You also agree that the URC may at our discretion apply to any Documentary Collection handled or processed by us.

4. Correspondents

4.1 We may issue or establish any Undertaking through any Correspondent Bank and such Undertaking shall be construed as an Undertaking for the purposes of these Terms and Conditions.

4.2 Pursuant to clause 4.1 above, we shall provide you with full details of the terms of any Undertaking issued by a Correspondent Bank. We shall not have any responsibility for or any liability in connection with or due to the insolvency or closure of any Correspondent Bank or any failure of the Correspondent Bank to take any action with respect of an Undertaking.

5. Fees, Commissions and other Charges

You shall pay all of our fees or commissions in respect of each Undertaking and/or each Documentary Collection at the rates set out in our Price List International Transactions booklet (or any supplement, modification, amendment or replacement to it) or at rates which may be negotiated and agreed between both of us from time to time, and at such times as agreed or may be agreed from time to time between both of us. Unless otherwise agreed in writing by us, you shall reimburse to us the charges of any Correspondent Bank.

6. Increased Costs

If we determine that compliance with any law or regulation would: (i) create or increase the cost to us or any Holding Company of ours of maintaining any Undertaking or handling or processing a Documentary Collection; and/or (ii) reduce the rate of return on our or such Holding Company's overall capital (the "Increased Costs"), then you shall from time to time on demand pay all amounts sufficient to indemnify us or such Holding Company against the Increased Costs that in our opinion are attributable to any Undertaking or Documentary Collection.

7. Payments Under and Administration of Trade Undertakings

- 7.1 You authorise us and each Correspondent Bank to pay each amount in the Contractual Currency and comply with each demand made on us or such Correspondent Bank in accordance with the terms of each Undertaking without:
- (a) any investigation, reference to or other authority from you; or
 - (b) requiring evidence that any amount is or was due from you under any underlying contract, and despite you or your Affiliate disputing the validity of any demand or the expiry date of such Undertaking.
- 7.2 You agree that any such demand made on us or any Correspondent Bank, and deemed to be acceptable by us, shall be binding on you. Each demand deemed to be acceptable by us or any Correspondent Bank shall constitute conclusive evidence that we or such Correspondent Bank were liable to pay under the relevant Undertaking.

7.3 We and each Correspondent Bank shall have no liability for any act or omission in relation to any Undertaking if the act or omission was by us or such Correspondent Bank, or their respective employees or agents, in good faith and in accordance with applicable laws and customs.

8. Reimbursement and Currency Conversion

- 8.1 You shall promptly make available in a designated bank account with us (the **“Designated Account”**) on demand all amounts paid or incurred by us or any Correspondent Bank under any Undertaking or any Documentary Collection (including, but not limited to, our commission or commission of any Correspondent Bank and all interest, charges and expenses payable to or incurred by us or any Correspondent Bank) and you authorise us to debit such amounts from the Designated Account. In the case of drafts accepted under any Undertaking which is a documentary credit, you shall make available in the Designated Account all amounts required to meet such drafts on or before maturity, as required by us.
- 8.2 Although we agree to make payments in connection with any Undertaking or Documentary Collection in the Contractual Currency, payments made by you to us or any Correspondent Bank pursuant to clause 8.1 shall be made in the same currency as the Designated Account (the **“Designated Account’s Currency”**).
- 8.3 We may convert (actually or notionally) such payments made by us in the Contractual Currency to the Designated Account’s Currency at a rate determined by us on the date the payment is processed by us, and you agree to reimburse us in the Designated Account’s Currency for any loss or shortfall that may result.
- 8.4 No payment to us under these Terms and Conditions pursuant to any judgment or order of any court or otherwise shall discharge your liability in respect thereof unless payment in full has been received in the Designated Account’s Currency. To the extent that the amount of any payment on actual conversion falls short of the amount of the relevant obligation expressed in the Contractual Currency, we shall have a further and separate cause of action against you for the recovery of the difference.

9. Indemnity

You shall indemnify us, each Correspondent Bank and our respective Affiliates, agents, branches and offices on demand against all liabilities, losses, damages, costs, expenses, claims and demands which we, our Correspondent Bank and our respective Affiliates, agents, branches and offices may incur or sustain by reason of issuing or establishing any such Undertaking or arising in relation to or out of the same, including all legal and other costs, charges and expenses which we may incur in connection with the enforcement, or attempted enforcement, of our rights under these Terms and Conditions.

10. Set-off

We may apply any credit balance on any Account in(or towards) satisfaction of any unpaid sum then due and payable by you to us under these Terms and Conditions. If such balances are in different currencies, we may convert either balance at a market rate of exchange to set it off against another amount. Any agreement that all or any part of the balance on any such account is to be held on fixed time deposit shall be for the purpose of calculation and payment of interest only and shall not prejudice our rights or obligations under or pursuant to this clause 10 or any other term of these Terms and Conditions.

11. Payments to be made in full

- 11.1 All payments to be made by you under these Terms and Conditions shall be made in full without set-off or counterclaim and free and clear of and without deduction of or withholding for or on account of any tax of any nature now or subsequently imposed unless required by law.
- 11.2 If you are required by law to make any such deduction or withholding, you shall simultaneously pay to us such additional amount as may be necessary to enable us to receive, after all such payments, deductions and withholdings, a net amount equal to the full amount payable. You shall within thirty (30) days forward to us an official receipt or other official documentation evidencing that the amount of such deduction or withholding has been paid to the appropriate authority. For the purpose of this clause, the term 'tax' includes all levies, imposts,

duties, charges, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax and any restrictions or conditions of any nature in any relevant jurisdiction.

12. Bank's right to debit

In the event of a receiver, administrator and/or a liquidator being appointed to the Customer or in the event that we determine that a material adverse change has occurred in your business assets or future prospects, we shall be entitled to debit forthwith to any Account or in the event that no Account is maintained by us, to an account at such of our branches as we may choose specifically opened for such purpose and which we are hereby authorised to open, the maximum total amount of our actual and contingent liability under these Terms and Conditions and each correspondent bank's actual and contingent liability in respect of each Undertaking (notwithstanding that no actual payment has been made by you). We shall refund any excess promptly after the contingent liability has crystallised or ceased to exist.

13. Default interest

If you fail to pay any amount when due you shall on demand pay to us interest on such unpaid amount from the date when such amount was first due from you to the date of actual payment by you (both before and after judgment). The rate of interest shall be a rate determined by us from time to time above the cost of acquiring such funds in such currency and manner as we may decide.

14. Limitation of Liability

- 14.1 Notwithstanding anything stated elsewhere to the contrary, our liability to you for any loss or damage arising from or in connection with any Undertaking or Documentary Collection to which these Terms and Conditions apply, shall be limited to the amount of actual direct losses attributable to our gross negligence, wilful default or fraud arising out of any such Undertaking or Documentary Collection. We shall not be liable for any exemplary, punitive, special, incidental, indirect (including, insofar as such losses are indirect losses, lost profits) or consequential

damages even if we have been advised of or could reasonably have foreseen the possibility of such damages.

- 14.2 We, our branches, offices, Correspondent Banks, agents and any Affiliates shall not be responsible or liable to you for any loss or damage arising out of any ambiguity in instructions received from you or for any delay, loss in transit, error in translation, omission, variation, damage, mutilation, interruption or other error arising in the transmission or delivery or otherwise of any message, letter, document, drafts or payments made or received by mail, fax, email, SWIFT or otherwise in connection with any Undertaking or Documentary Collection or other communication. We shall also have the right to transmit the terms of any Undertaking without translating them.

15. Representations and Warranties

15.1 You hereby represent and warrant to us that:

- (a) if you are a company, you are duly incorporated and validly existing under the laws of the place of incorporation and have the power to carry on your business as now conducted and to own your assets;
- (b) these Terms and Conditions constitutes valid and legally binding obligations of the Customer in accordance with its terms and the entry into and performance of your obligations under these Terms and Conditions do not and will not conflict with:
 - (i) any applicable law or regulation; or
 - (ii) any agreement or instrument binding upon you or any of your assets; and
- (c) you have taken all necessary action and obtained all required or desirable consents to enable you to execute, deliver and perform your obligations under these Terms and Conditions. Any such authorisations are in full force and effect.

16. Costs and Expenses

You shall pay, on demand on a full indemnity basis, all costs and expenses that we incur in connection with the negotiation and preparation, amendment, extension, alteration, and enforcement of these Terms and Conditions.

17. Documentary Credits and Standby Letters of Credit

17.1 Each Credit shall be subject to the UCP or ISP 98.

17.2 The following terms shall apply when a Credit Request is issued or established by us as the issuing bank, in favour of a beneficiary:

- (a) any application for a Credit shall specify such matters as we shall from time to time require in relation to the issuing of Credits but in any event shall specify such matters as are required pursuant to the UCP or ISP 98 (as applicable). We may at our sole discretion, comply with the request contained in any application which does not specify all such matters and, if it does so, any Credit issued or confirmed pursuant to such application shall, for the avoidance of doubt, constitute a Credit for all purposes of these Terms and Conditions;
- (b) you shall (unless we have agreed otherwise or the exporter/beneficiary has arranged to effect insurance and a policy/certificate has been specified in the relevant Credit Request) keep all goods which are the subject of any Credit insured under an all risks insurance policy;
- (c) these Terms and Conditions and the terms and conditions of each Credit Request shall be subject to such further or other terms and conditions which may be agreed upon in writing between the both of us in respect of any individual Credit which we may issue or establish at your request;
- (d) the beneficiaries of each Credit shall be deemed to be your agents and you shall assume all risks of their acts or omissions and the acts and omissions of any other users of the Credit and the misuse of any Credit. If the beneficiary under any Credit negotiates drafts or presents documents for payment on or prior to the date by which drafts or documents are to be negotiated or presented under such Credit or by virtue of receipt by the beneficiary of advice of the issuance of a Credit but prior to the receipt of the Credit, such negotiation or presentation shall be considered proper and shall be included under and shall be subject to the terms hereof;
- (e) in the event of any extension of time for presentation of drafts, acceptances or documents

or any other modification of the terms of any Credit or in the event of any increase in the amount of any Credit, at your request with or without modification or, as applicable, increase to any other Credit, these Terms and Conditions and the relevant Credit Request shall be binding upon you with regard to the Credit so modified or increased with regard to any action taken by us or our branches, offices, Correspondent Banks or agents in accordance with such extension, modification or increase;

- (f) neither us, nor our branches or offices, Correspondent Banks or agents shall be responsible for the following and none of the following shall, in any way, affect our rights hereunder:-
- (i) the existence, character, description, quality, quantity, weight, condition, packing, value or delivery of goods purporting to be represented by the relative documents;
 - (ii) any difference in character, description, quantity, quality, weight, condition or value of goods from that expressed in such documents;
 - (iii) the form, legal effect, correctness, validity, sufficiency or genuineness of documents even if such documents should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged;
 - (iv) the time, place, order or manner in which shipment is made, partial, incomplete shipment or failure or omission to ship any or all goods;
 - (v) the character, adequacy, validity or genuineness of any insurance, the solvency or responsibility of any insurer, or any other risk connected with insurance;
 - (vi) any deviation from instructions, delay, default or fraud by the shipper or anyone else in connection with goods or the shipping thereof;
 - (vii) the solvency, responsibility or relationship to the goods of any party issuing any documents in connection with the goods;
 - (viii) delay in arrival or failure to arrive of any or

- all of the goods or any of the documents relating thereto or delay in giving or failure to give notice of arrival or any other notice;
- (ix) any breach of contract between any shippers or vendors or you;
 - (x) failure of any draft to bear any reference or adequate reference to the relevant Credit, or failure of documents to accompany any draft at negotiation, or failure of any person to send documents apart from drafts as required by the terms of the Credit or failure of any person to note the amount of any draft on the reverse of a Credit or to surrender or take up a Credit;
 - (xi) any consequences arising from causes beyond our control;
- (g) we are authorised to accept or, as the case may be, to pay all drafts, documents or claims purporting to be drawn or presented under any Credit provided that:
- (i) any demand by the beneficiary is received before any applicable expiry date; and
 - (ii) all the conditions and documents required by the relevant Credit document have been met to our satisfaction;
- (h) we may at our sole discretion, accept and pay, or accept upon presentation and pay at maturity, all documents presented, drafts drawn or claims for payment made in accordance with the terms of any Credit but shall not be liable in respect of any loss arising out of the rejection of any claim or documentary presentation notwithstanding any provision of the UCP or any instruction to us from you entitling us to refrain from rejecting such claim or documentary presentation pending your waiver of any defect in the claim or documentary presentation;
- (i) we may at our sole discretion, restrict negotiations under any Credit to our own branches or offices or to any correspondent bank's or agent's branch or office of our choice and we are authorised to accept and/or pay for your account all drafts purporting to be drawn upon us, any of our branches or offices, Correspondent Banks or agents under any such Credit; and

- (j) we or any Correspondent Bank shall be entitled to possession of all documents of title and goods which are the subject of any Undertaking and, if any amount payable by you under these Terms and Conditions or any Credit Request shall not have been paid, to sell or otherwise dispose of such documents and goods and to apply their proceeds in or towards satisfaction of any such amount.

17.3 If you are the beneficiary of any Credit, we may at our sole discretion, agree to act as your advising bank subject to the following terms and conditions:

- (a) we shall in accordance with clause 22, advise or notify you of a Credit received by us which is issued in your favour, as well as inform you of its terms and conditions and any amendments received in relation to that Credit;
- (b) we shall also authenticate and validate the Credit on your behalf or advise the Credit as unauthenticated;
- (c) you will promptly provide us with any documents required from you under any Credit and we will forward the same to the relevant issuing bank on your behalf;
- (d) we will review or examine the contents of any document received by us pursuant to clause above unless otherwise instructed;
- (e) upon receipt of funds from the issuing bank, we shall remit such funds less our relevant charges or fees, as referred to in these Terms and Conditions, to a nominated account in your name; and
- (f) if the issuing bank does not approve the documents and/or release funds pursuant to the terms of any Credit, we are under no obligation to remit such funds to you unless we have added our confirmation to the Credit.

17.4 In relation to the tender of documents under any Credit, it shall be a sufficient and proper compliance with the terms thereof if the documents purport to be in order and, taken as a whole, contain the description of the goods, services or obligations as given in the Credit and appear complete and regular on their face under general scrutiny and neither we, nor our branches or offices, Correspondent Banks or agents, shall be responsible for the

genuineness, correctness or form of documents or any endorsements thereon or any misrepresentation therein as to any matter.

18. Guarantees, Counter-Guarantees, Bonds, Indemnities, Undertakings and Similar Instruments

- 18.1 Each Guarantee Instrument may at our sole discretion be subject to the UDRG.
- 18.2 The following terms shall apply when a Guarantee Request is issued or established by us as the issuing bank, in favour of a beneficiary:
- (a) any application for a Guarantee Instrument shall specify such matters as we shall from time to time require. We may at our sole discretion, comply with the request contained in any application which does not specify all such matters and, if it does so, any Guarantee Instrument issued pursuant to such application shall, for the avoidance of doubt, constitute a Guarantee Instrument for all purposes of these Terms and Conditions;
 - (b) these Terms and Conditions, and the terms and conditions of each Guarantee Request and each Counter Indemnity given to us, shall be subject to such further or other terms and conditions which may be agreed upon in writing between the both of us in respect of any individual Guarantee Instrument which we may open or establish at your request;
 - (c) the beneficiary of each Guarantee Instrument shall be deemed to be your agent and you shall assume all risks of the acts or omissions of the beneficiary and the acts and omissions of any other users of the Guarantee Instrument and the misuse of any Guarantee Instrument.
 - (d) we may at our sole discretion, accept and pay all claims for payment including claims involving a presentation of documents which we deem have been made substantially in accordance with the terms of any Guarantee Instrument (and you shall be irrevocably bound to reimburse such payment to us in accordance with these Terms and Conditions and the terms of the Counter Indemnity given to us) but we shall not be

liable in respect of any loss to any party arising out of the rejection by us of any such claim notwithstanding any instruction to us from you entitling us to refrain from rejecting such claim or documentary presentation;

- (e) neither we, nor our branches, offices, Correspondent Banks and agents shall be responsible for any consequences arising from causes beyond our control;
- (f) in the event of any extension of time for presentation of documents or any other modification of the terms of any Guarantee Instrument or in the event of any increase in the amount of any Guarantee Instrument, at your request, with or without modification or, as applicable, increase to any other Guarantee Instrument, these Terms and Conditions, the relevant Guarantee Request and the relevant Counter Indemnity to us shall be binding upon you with regard to the Guarantee Instrument so modified or increased with regard to any action taken by us, our branches, offices, Correspondent Banks or agents in accordance with such extension, modification or increase;
- (g) you shall indemnify us or our branches, offices, Correspondent Banks and agents in respect of any claim, loss, liability or expense howsoever arising from or in connection with any Guarantee Instrument or the relative documents, property or proceeds, and you agree to promptly complete and return to us our standard form guarantee indemnity prior to, or immediately subsequent to, each Guarantee Instrument being issued by us;
- (h) we or any Correspondent Bank shall be entitled to possession of all documents of title and goods (if any) which are the subject of any Guarantee Instrument and, if any amount payable by you under these Terms and Conditions, any Guarantee Request or any Counter Indemnity to us shall not have been paid, to sell or otherwise dispose of such documents and goods and to apply their proceeds in or towards satisfaction of any such amount.

18.3 If you are the beneficiary of any Guarantee Instrument, we may at our sole discretion, agree to act as your advising bank subject to the following terms and conditions:

- (a) we shall in accordance with clause 22, advise or notify you of a Guarantee Instrument received

by us which is issued in your favour, as well as inform you of its terms and conditions and any amendments received in relation to that Guarantee Instrument;

- (b) we shall also authenticate and validate the Guarantee Instrument on your behalf or advise the Guarantee Instrument as unauthenticated;
- (c) upon receipt of a valid claim from you, we shall claim from the issuing bank payment of monies due to you under a Guarantee Instrument;
- (d) upon receipt of funds from the issuing bank, we shall remit such funds less our relevant charges or fees, as referred to in these Terms and Conditions, to a nominated account in your name; and
- (e) if the issuing bank does not release funds pursuant to the terms of any Guarantee Instrument, we are under no obligation to remit such funds to you.

18.4 In relation to the tender of documents under any Guarantee Instrument, it shall be a sufficient and proper compliance with the terms thereof if the documents purport to be in order and, taken as a whole, contain the description of the goods, services or obligations as given in the Guarantee Instrument and appear complete and regular on their face under general scrutiny and neither us nor our branches, offices, Correspondent Banks or agents shall be responsible for the genuineness, correctness or form of documents or any endorsements thereon or any misrepresentation therein as to any matter.

19. Documentary Collections

19.1 Notwithstanding anything to the contrary that may be expressed in or implied by these Terms and Conditions:

- (a) nothing in these Terms and Conditions shall oblige us to handle or process a Documentary Collection; and
- (b) each collection shall be subject to the URC and to the rules and regulations of and the laws applicable to the us, our branches, offices, correspondents banks and agents.

19.2 In the event that Collection Documents are presented to us by your seller's bank (the **"Remitting Bank"**) along with instructions for obtaining payment from

you, the following terms will apply:

- (a) settlement will only be effected if we have your written authority to debit your bank account;
- (b) the Collection Documents will not be released to you unless we have been granted the authority to debit your bank account and you have sufficient funds for us to do so or we are in receipt of a bill exchange signed and accepted by an Authorised Signatory;
- (c) we are not instructed or required to review or examine the contents of the Collection Documents received on your behalf; and
- (d) you agree that we are not liable for any loss suffered as a result of following instructions of the Remitting Bank and that any conflicting instructions from you must be referred back to the Remitting Bank.

19.3 In the event that Collection Documents are sent by us, as instructed by you, to your buyer's bank (the "Collecting Bank") along with instructions for obtaining payment from them on your behalf, the following terms will apply:

- (a) you will use our standard collection form when sending the Collection Documents and instructions for obtaining payment to us or an alternative hard copy or electronic form or otherwise as may be agreed by us;
- (b) we may at our sole discretion, decide to send the Collection Documents and instructions for obtaining payment through a Correspondent Bank and all relevant terms relating to Correspondent Banks as set out in these Terms and Conditions will apply here;
- (c) we are not instructed or required to review or examine the contents of the Collection Documents sent on your behalf;
- (d) we will not be liable for any loss suffered by you as a result of any delay in payment being received from the Collecting Bank; and
- (e) upon receipt of funds from the Collecting Bank, we shall remit such funds less our relevant charges or fees, as referred to in these Terms and Conditions, to a nominated account in your name.

19.4 If facilities are made or agreed to be made available by us for or against or in respect of any bill, draft or

document on which you request us to make any collection, such facilities shall be treated as provisional and subject to and conditional upon collection and receipt by us of full payment of such bill, draft or document, notwithstanding any form of or lack of endorsement on any such instrument and that credit given for any such instrument is withdrawn.

- 19.5 In the absence of such collection and receipt by us, you will reimburse us on demand for any amount due in respect of such facilities together with interest thereon for the period of default in payment at such rate as we may specify or, otherwise, we are authorised to revoke the settlement given or to resort to any of your accounts with us for the amount of the relevant instrument together with the interest aforesaid.
- 19.6 All items not payable at our office are sent to us for transmission at your sole risk and may be transmitted by mail or other means, directly or circuitously through any of our branches, offices, Correspondent Banks or agents to the drawee, maker or paying agent for payment or acceptance.
- 19.7 In receiving any items for collection we assume no responsibility beyond the duty to exercise reasonable care. You shall indemnify us in respect of any claim, loss, liability or expense howsoever arising from or in connection with any collection.

20. Letters of Indemnity

- 20.1 In the event that we shall, at your request, countersign any letter of indemnity or letter of guarantee to any third party for taking delivery of goods (to which you claim to be entitled) without production of the relevant bills(s) of lading or other documents(s) of title, airway bills or any other document(s) relating to or representing goods (“**Letter of Indemnity**”), you hereby agree that the following terms shall apply in respect of every such Letter of Indemnity:-
- (a) We are hereby authorised to honour by acceptance and/or by payment any draft drawn under the relevant Credit and/or documents relating to goods, notwithstanding the absence of required accompanying documents or any defects in accompanying documents and even if such goods or any part thereof are unacceptable to you for any reasons whatsoever;

- (b) You shall at all times keep us indemnified against all actions, proceedings, liability, claims, damages, costs and expenses and against all payments whatsoever which may be made by us in relation to or arising out of our countersigning any such Letter of Indemnity or honouring such draft or document;
- (c) You shall use best endeavours to obtain the bill(s) of lading or other document(s) of title to such goods or any other document(s) relating to or representing goods and, on their receipt, procure our release from our indemnity or guarantee and return the relevant Letter of Indemnity to us for cancellation;
- (d) You shall pay us a commission at such rate as may from time to time be charged by us during the currency of such Letter of Indemnity;
- (e) You shall remain liable to us under these Terms and Conditions so long as we are still under any liability under any such Letter of Indemnity signed by us.

21. Force Majeure

If performance of our obligations is prevented or hindered by reason of labour disputes (including but not limited to strikes, lock-outs and injunctions), acts of God, war, hostilities, terrorist activity (actual or perceived), riot, fire, shortage, natural disaster or interruption of communications, computer or other electronic systems, compliance with applicable laws, regulations or orders, or any other cause beyond our reasonable control, we will not be bound by, and we will be excused from the performance of, any obligations arising from or in connection with any Undertaking or Documentary Collection to the extent of and for the duration of the relevant prevention or hindrance.

22. Notices

- 22.1 All notices, demands and other communications under these Terms and Conditions shall be in writing and may be delivered personally or by letter dispatched to us or you, as the case may be, to our or your respective registered office for the time being or to such other address as may be notified by either party to the other from time to time for such purpose.

- 22.2 Unless otherwise provided in these Terms and Conditions, notice required to be given by us to you shall be given, at our option:
- (a) by post, by telephone, by fax or by electronic mail to the postal address, telephone number, fax number or electronic mail address that you notify to us;
 - (b) by advertisement published in at least one national daily newspaper; or
 - (c) by publishing the notice on the Website.
- 22.3 Where a notice is given to you under clause 22.2
- (a) above it will be given to, a director or the company secretary or a senior member of your management.
- 22.4 Any notice or other communication given by us shall be deemed to have been received:
- (a) within 48 hours of its sending by post;
 - (b) at the time of its communication in the case of notice by telephone;
 - (c) at the time of its being sent in the case of notice by fax or electronic mail;
 - (d) at the date of actual delivery in case of notice delivered by hand;
 - (e) 48 hours after the date of it being published in the case of notice by newspaper; or
 - (f) at the time that it is published on the Website in the case of a notice given by that means.
- 22.5 A notice given as described in clause 22.4(c), (d) and (f) on a day which is not a Business Day (or after normal business hours in the place of receipt) shall be deemed to have been received on the next Business Day.
- 22.6 Any notice to be served on us shall be effective only when actually received by us.

23. Successors and Assigns

- 23.1 We may assign any of our rights under these Terms and Conditions to another bank or financial institution without your consent.
- 23.2 If we transfer any of our liability under any Undertaking to a third party, we shall notify you thereof whereupon we may assign to such third party any rights under these Terms and Conditions relating to such transferred liability.

- 23.3 We may disclose to any of our Affiliates and any other person such information about you as we consider appropriate.
- 23.4 These Terms and Conditions shall be binding on you and your successors but you may not assign or transfer any of your rights or obligations under these Terms and Conditions.

24. Making a complaint

If at any time you are dissatisfied with our service please let a member of staff in your branch (or service outlet) know, giving them the opportunity to put things right as quickly as possible. If you wish to make a complaint you may do so in person, by telephone, in writing and by email. Please be assured that all complaints received will be fully investigated.

You can register a complaint through our contact centre, our branches, our website, by phone, by email or in person at your branch. We ask that you supply as much information as possible to help our staff resolve your complaint quickly. We ask that you provide the following information:

- your name, address, Sort Code and Account Number.
- a summary of your complaint.
- if feasible, any relevant documentation.

We value your feedback and will try to resolve your complaint as soon as possible.

In the event that your complaint cannot be resolved to your satisfaction you may have the right to refer the matter to the Financial Ombudsman Service. You must refer your complaint to the Financial Ombudsman Service within six months from the date of our final response letter. You can contact them at:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London E14 9GE

Telephones: 0800 023 4567
+44 20 7964 1000 (for calls from outside the UK)

Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

25. Variations

We have the right at all times to change and add to these Terms and Conditions as a result of:

- (a) a change in the law, regulations or good practice;
- (b) customer feedback;
- (c) product development.

If we want to make a change to these Terms and Conditions and the change is to your detriment, we will let you know at least two months' beforehand in writing (unless, by law or in line with regulations, we are able to give you shorter notice). Unless we hear otherwise from you during the notice period, we will assume that you are happy to accept the amended terms and conditions. If you are not happy, you have the right to end your agreement with us.

26. Continuing Agreement

26.1 These Terms and Conditions, and any subsequent amendments, variations or replacements thereof, are continuing and shall remain in full force and effect until we notify you by writing that they are no longer in force.

26.2 Your liability shall not be lessened or impaired by:

- (a) any time or relief given by us to any other person liable or to us by any beneficiary or other party to any Undertaking;
- (b) any variation, compromise, renewal or release of any rights, remedies or securities against any other person liable;
- (c) any legal limitation, disability, incapacity, or other circumstances relating to you, any Guarantor or any other person liable;
- (d) any invalidity in or irregularity or unenforceability of, or any amendment of, or variation to these Terms and Conditions or Undertaking or any bill or draft issued thereunder;
- (e) us or any correspondent bank having previously paid against fraudulently signed or presented documents (whether or not we have been reimbursed for such drawing); or
- (f) anything done or omitted which but for this provision might constitute to you a legal or equitable discharge or defence.

- 26.3 Any settlement or discharge between both of us shall be conditional upon no security or payment to us being avoided or set aside or ordered to be refunded for any reason whatsoever and we shall be entitled to recover from you the value which we have placed upon such security or the amount of any such payment as if such settlement or discharge had not occurred.
- 26.4 Your liability under these Terms and Conditions shall not be affected in any way by any change in our constitution or its absorption in, or amalgamation with, or the acquisition of all or part of our undertaking by, any other person, or any reconstruction or reorganisation of any kind.

27. Miscellaneous

- 27.1 Our statement as to any amount payable under these Terms and Conditions shall be conclusive, except in the case of manifest error.
- 27.2 Rights and remedies under these Terms and Conditions may be exercised more than once and are cumulative and not exclusive of any rights or remedies provided by law. Any waiver by us of a breach or default of any of these Terms and Conditions shall not be construed as a waiver of any succeeding breach of the same or other provisions nor shall any delay or omission on our part to exercise or avail of any right, power or privilege that we have or may have, operate as a waiver of that breach or default by you.
- 27.3 If any of the provisions of these Terms and Conditions are held by any court of competent jurisdiction to be invalid or unenforceable in whole or in part, the validity and enforceability of the remainder of the provision in question and of other provisions shall not be affected by that provision but shall continue in full force and effect.
- 27.4 Notwithstanding any other provision in these Terms and Conditions, we may take whatever action we consider appropriate to meet our obligations, either in Northern Ireland or elsewhere in the world, relating to the prevention of fraud, money laundering or terrorism and to the provision of financial and other services to persons who may be subject to sanctions. This action may include, but is not limited to, investigating and intercepting payments into and out of the Account and making enquiries to establish

whether a person is subject to sanctions. This may result in a delay or failure to execute instructions received from you or in the receipt of cleared funds. You acknowledge and agree that, to the extent permitted by law, we shall not be liable for any loss, damage or other liability suffered by you or any third party which arises as a result of taking such action.

- 27.5 The Belgium based Society for Worldwide Interbank Financial Telecommunications (SWIFT) processes payments on behalf of financial services providers worldwide and is currently the only organisation providing such a service. All transactions processed in Belgium are replicated in a back-up system (known as a 'mirror site') in the United States of America (US). Maintaining a geographically separated back-up infrastructure to ensure continued operation is in line with international standards and supervisory requirements. On foot of official subpoenas, transaction data held in the US 'mirror site' may be disclosed to US or other authorities for the purposes of combating terrorism and other serious crimes. Therefore, by instructing us to execute a payment instruction, any information you provide to us in order to effect a payment instruction could potentially be disclosed to the US authorities. We reserve the right to amend this notice at any time. You should regularly check for any amendments.
- 27.6 We may appoint third parties to perform any of our obligations or ancillary services to you and/or as our nominee, agent, lawyer or attorney.

28. Law and Jurisdiction

- 28.1 These Terms and Conditions shall be governed by and construed in accordance with the law of Northern Ireland.
- 28.2 The courts of Northern Ireland have exclusive jurisdiction over any claim or dispute arising out of or in connection with these Terms and Conditions. Nothing in this clause 28.2 shall limit our right to take proceedings against you in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

Data Protection Notice

We respect your trust in us to use, store and share your information. In this notice, we explain how we collect personal information about you, how we use it and how you can interact with us about it.

We try to keep this notice as simple as possible but if you are unfamiliar with our terms, or want more detail on any of the information here, please see our website's Frequently Asked Questions section or our contact details at aibni.co.uk/data-protection or aibgb.co.uk/Data-protection. You can also ask for more details at your local branch.

1. Who we are

In this notice, 'we', 'us' and 'our' refers to AIB Group (UK) p.l.c. which includes AIB (NI), Allied Irish Bank (GB) and Allied Irish Bank (GB) Savings Direct, and AIB Group which refers to Allied Irish Banks, p.l.c., its subsidiaries, affiliates and their respective parent and subsidiary companies. For more information about our group of companies, please visit aibgroup.com.

We share your information within AIB Group to help us provide our services, comply with regulatory and legal requirements, and improve our products.

2. Data Protection Officer

Our Data Protection Officer oversees how we collect, use, share and protect your information to ensure your rights are fulfilled. You can contact our Data Protection Officer at UKDPO@aib.ie or by writing to them at: Data Protection Officer, AIB Group (UK) p.l.c., 92 Ann Street, Belfast, BT1 3HH.

3. How we collect information about you

We collect personal information from you, for example when you open an account; make a deposit; apply for products and services; use your credit or debit card; complete transactions; or look for advice. We also collect information through our website, apps, social media, discussion forums, market research and CCTV footage. We will sometimes record phone conversations and we will always let you know when we do this.

We may collect information to identify you through voice, facial or fingerprint (biometric data) recognition technology. We always ask for your consent to do this.

Our websites use 'cookie' technology. A cookie is a little piece of text that our server places on your device when you visit any of our websites or apps. They help us make the sites work better for you.

When you apply to us for products and services, and during the time you use these, we carry out information searches and verify your identity. We do this by sending and receiving information about you to and from third parties including credit reference agencies and fraud prevention agencies. We and these agencies may keep records of our searches whether or not the product or service goes ahead.

4. How we keep your information safe

We protect your information with security measures under the laws that apply and we meet international standards. We keep our computers, files and buildings secure.

When you contact us to ask about your information, we may ask you to identify yourself. This is to help protect your information

5. How long we keep your information

To meet our legal and regulatory obligations, we hold your information while you are a customer and for a period of time after that. We do not hold it for longer than necessary.

6. Meeting our legal and regulatory obligations

To use your information lawfully, we rely on one or more of the following legal bases:

- performance of a contract;
- legal obligation;
- protecting the vital interests of you or others;
- public interest;
- our legitimate interests; and
- your consent.

To meet our regulatory and legal obligations, we collect some of your personal information, verify it, keep it up to date through regular checks, and delete it once we no longer have to keep it. We may also gather information about you from third parties to help us meet our obligations. If you do not provide the information we need, or help us keep it up to date, we may not be able to provide you with our products and services.

7. Consent

Sometimes we need your consent to use your personal information. With direct marketing for example, we need your consent to make you aware of products and services which may be of interest to you. We may do this by phone, post, email, text or through other digital media.

You can decide how much direct marketing you want to accept when you apply for new products and services. If we ever contact you to get your feedback on ways to improve our products and services, you have the choice to opt out.

When we use sensitive personal information about you, such as medical or biometric data, we ask for your consent. Before you give your consent, we tell you what information we collect and what we use it for. You can remove your consent at any time by contacting us.

8. How we use your information

We use information about you to:

- provide relevant products and services;
- identify ways we can improve our products and services;
- maintain and monitor your products and services;
- protect both our interests;
- meet our legal and regulatory obligations; and
- decide and recommend how our products and services might be suitable for you.

To provide our products and services under the terms and conditions we agree between us, we need to collect and use personal information about you. If you do not provide this personal information, we may not be able to provide you with our products and services.

We analyse the information that we collect on you through your use of our products and services and on our social media, apps and websites. This helps us understand your financial behaviour, how we interact with you and our position in a market place. Examples of how we use this information includes helping protect you and others from financial crime, offering you products and services and personalising your experience.

We may report trends we see to third parties. These trend reports may include information about activity on devices, for example mobile phones, ATMs and

self-service kiosks, or card spend in particular regions or industries. When we prepare these reports, we group customers' information and remove any names. We do not share information in these reports that can identify you as a customer, such as your name, or account details.

We sometimes use technology to help us make decisions automatically. For example, when you apply for a loan online. Before we make a decision, we automatically score the information you give us, any information we already hold about you, and any information we may get from other sources.

9. Your information and third parties

Sometimes we share your information with third parties.

For example to:

- provide products, services and information;
- analyse information;
- research your experiences dealing with us;
- collect debts;
- sell your debts;
- sell whole or part of our business;
- prevent financial crime;
- help trace, investigate and recover funds on your behalf;
- trace information; and
- protect both our interests.

In order to process your application we will supply your personal information to credit reference agencies (CRAs) and they will give us information about you, such as about your financial history.

We do this to assess creditworthiness and product suitability, check your identity, manage your account, trace and recover debts and prevent criminal activity.

We will also continue to exchange information about you with CRAs on an ongoing basis, including about your settled accounts and any debts not fully repaid on time. CRAs will share your information with other organisations. Your data will also be linked to the data of your spouse, any joint applicants or other financial associates.

The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment.

Further details of the CRA's and fraud prevention agencies, and how they process your information can be found at our websites.

We expect these third parties to have the same levels of information protection that we have.

We also have to share information with third parties to meet any applicable law, regulation or lawful request. When we believe we have been given false or misleading information, or we suspect criminal activity we must record this and tell law enforcement agencies, which may be either in or outside the UK.

10. International transfers of data

We may transfer your personal information outside of the European Economic Area (EEA) to help us provide your products and services. We expect the same standard of data protection is applied outside of the EEA to these transfers and the use of the information, to ensure your rights are protected.

11. Your personal information rights

You will find information about your rights, when they apply and our responsibility to you on our website's Frequently Asked Questions section.

You can exercise your rights by calling into a branch, using our social media channels, phoning or writing to us. Further information and our contact details are available on our websites at aibni.co.uk/data-protection or aibgb.co.uk/Data-protection

We can help you with:

Accessing your personal information: You can ask us for a copy of the personal information we hold. You can ask us about how we collect, share and use your personal information.

Updating and correcting your personal details.

Removing consent: You can change your mind wherever you give us your consent, such as for direct marketing, or using your sensitive information, such as medical or biometric data.

Restricting and objecting: You may have the right to restrict or object to us using your personal information or using automated decision making.

Deleting your information (your right to be forgotten). You may ask us to delete your personal information.

Moving your information (your right to Portability).
Where possible we can share a digital copy of your information directly with you or another organisation. When you contact us to ask about your information, we may ask you to identify yourself. This is to help protect your information.

We generally do not charge you when you contact us to ask about your information.

12. Making a complaint

If you have a complaint about the use of your personal information, please let a member of staff in your branch (or service outlet) know, giving them the opportunity to put things right as quickly as possible. If you wish to make a complaint you may do so in person, by telephone, in writing and by email. Please be assured that all complaints received will be fully investigated. You can register a complaint through our contact centre, our branches, our Website, by phone, by email or in person at your branch. We ask that you supply as much information as possible to help our staff resolve your complaint quickly.

You can also contact the Information Commissioner's Office at www.ico.org.uk

13. Updates to this notice

We will make changes to this notice from time to time, particularly when we change how we use your information, and change our technology and products.

You can always find an up-to-date version of this notice on our website at aibni.co.uk/data-protection or aibgb.co.uk/Data-protection. You will also find a copy on display at your local branch, or you can ask us for a copy.

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