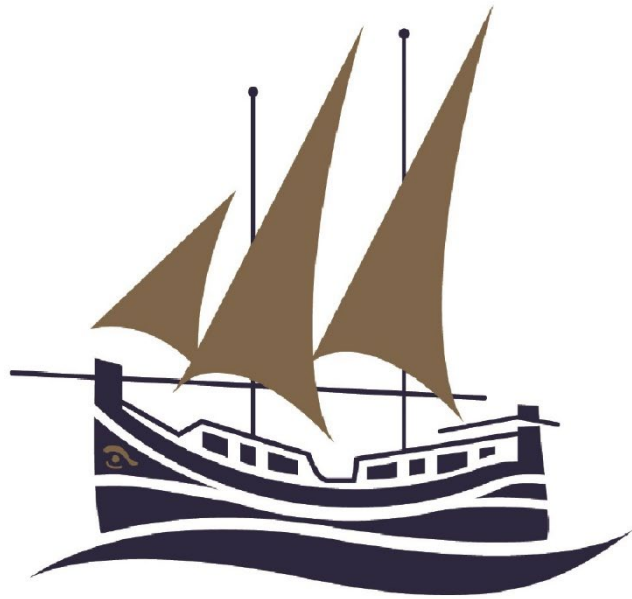




MerkantiBank

GENERAL TERMS & CONDITIONS

Issue September 2025

These General Terms and Conditions supersede all those previously issued and are subject to change at any time without prior notice.

All General Terms and Conditions will be quoted upon request. For further details please contact:

Operations Department: +356 23 286000

Merkanti Bank Limited
Level 13, Q2, Quad Central,
Triq L'Esportaturi, Central Business District, Birkirkara,
Malta CBD 1040
Company Registration Number C31608

Telephone +356 23 286 000, , email info@merkantibank.com
www.merkantibank.com

Definitions and Interpretation

1.1 Definition

In these General Terms and Conditions of Business, the following terms shall have the following meaning:

‘Account’ means all current and future accounts opened by the Bank in the name of its Customers and includes all moneys (including any Money Market placements) or balances thereof, deposited therein, all accrued and accruing interest and all related rights.

‘Additional Conditions’ means the terms and conditions issued by the Bank from time to time regulating the obligations of the Bank and the Customer in relation to certain banking facilities and / or products.

‘Assets’ means any tangible or intangible movables or any immovable including money, goods, currencies, securities, rights under contracts and other rights and instruments conferring rights to receive money or goods or other interests.

‘Bank’ means Merkanti Bank Ltd, a credit institution existing under the laws of Malta, bearing registration number C31608 and having its registered office at Level 13, Q2, Quad Central, Triq L’Esportaturi, Central Business District, Birkirkara, Malta CBD 1040, together with its successors in title and assigns, and in so far as these General Terms stipulate the giving of notices or information or other communications from the Customer to the Bank, the Bank means any senior officers of the Bank and shall not include other employees of the Bank who are not of the grade of managers or above.

‘Bank Mandate’ means the written instructions given to the Bank by the Customer for the appointment of the Bank as the Customer’s banker in the format that the Bank might choose from time to time.

‘Business Day’ means Mondays to Fridays (both days inclusive) excluding public holidays in Malta.

‘Business Hours’ means 0900 hours to 1700 hours Mondays to Thursdays and 0900 hours to 1500 hours on Fridays, Malta time or as may be otherwise determined by the Bank from time to time.

‘Customer’ means any person in whose respect an Account is opened with us or any person with whom the Bank transacts any business (even if such business consists of a series of one-off transactions), and includes its successors in title, its assigns (where permissible) and all officers and employees of the Customer, and the words ‘you’, ‘your’ and ‘yourself’ shall be interpreted accordingly.

‘Customer Identification Number’ means a unique identifier assigned by the Bank to each Customer.

‘Currency’ means any freely convertible currency.

‘Cut-Off Times’ means the Standard Cut-Off Times which are issued by the Bank as may be revised and amended from time to time.

‘Event of Default’ means the occurrence of any of the following events:

- (a) You become insolvent or bankrupt
- (b) You become unable or admit inability to pay your debts as they fall due or are deemed to be or declared to be unable to pay your debts under applicable law;
- (c) You suspend or threaten to suspend making payments on any of the debts or, by reason of actual or anticipated financial difficulties, commence negotiations with one or more of creditors with a view to rescheduling any indebtedness;
- (d) Any corporate action, legal proceedings or other procedure or step is taken against you in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise); or (ii) a composition, compromise, assignment or arrangement with any creditor; or (iii) the appointment of a liquidator, special controller, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of either or both of you or any of your guarantors or any of the assets; or
- (e) Any security interest is enforced over any of your assets or that of any of your guarantors;

- (f) Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any of your assets or those of your guarantor, including without limitation any precautionary or executive garnishee order is issued in connection with moneys or moveable property due or belonging to your or any of your guarantors.

‘Facility’ means any general or special banking facility which might be granted by the Bank to you from time to time and includes without limitation overdrafts, loans, discounting, invoice financing and any other financial service provided by the Bank.

‘General Terms’ shall mean these General Terms and Conditions of Business as the same may from time to time be amended.

‘Indebtedness’ means all sums and liabilities owed by you to the Bank, whether present or future, by way of principal or interest (before or after judgment) actual or contingent, matured or otherwise and whether incurred solely, severally or jointly, as principal or surety and in whatever currency, and together with any interest, commissions, fees, bank charges and any other cost, charges and/or expenses (including but not limited to legal expenses) on a full indemnity basis incurred by the Bank in relation to the Customer.

‘Material Adverse Change’ means an even tor circumstance which (when taken alone or together with any previous event or circumstance) constitutes or is likely to constitute:

- (a) An adverse change in your business, assets, prospects, operations, condition (financial or otherwise) or trading position;
- (b) An adverse change in the international financial markets;
- (c) An adverse change in the political, social or economic situation in your country of domicile or residence, or in any country where Assets owned by you are situated (including any downgrading of that country’s credit rating by an International Credit Rating Agency);
- (d) An adverse change in the validity, enforceability of any rights arising from these General Terms; such that you might be expected to be unable to fully and punctually perform your obligations under the General Terms and/or under any Facility which may be granted to you by the Bank;

‘SWIFT’ means Society for Worldwide Interbank Financial Telecommunication.

‘Tariff of Charges’ means the Standard Tariff of Charges which are issued by the Bank as may be revised and amended from time to time.

‘Writing’ means any method of visually recording messages and includes printing, telefax transmissions, electronic data, e-mail and other similar methods of electronic reproduction.

1.2 Construction

In these General Terms, unless the context otherwise requires:

- (a) Any reference to the singular shall include the plural and vice versa, the use of the masculine pronoun shall include the feminine, the use of the neutral pronoun shall include the masculine or the feminine as the case may be and any reference to any Statute, Law or Regulation having the force of Law or any section thereof includes reference to any modification thereto or re-enactment of such Statute, Law or Regulation having the force of Law for the time being in force.
- (b) A person shall include any physical person, firm, company corporation or any other body or association of persons, whether such body or association is corporate or unincorporated, or any two or more of the foregoing.
- (c) The headings are used and inserted for convenience only and shall be ignored in the interpretation of these General Terms.

2 Scope of and amendments to these General Terms and Additional Conditions

2.1 These General Terms govern the entire business relationship between you and the Bank and detail the Bank’s obligations towards you and your obligations towards the Bank.

2.2 Your agreement with us is contained in:

- (a) These General Terms as incorporated into all and any contractual or other relationship which may arise between us;

- (b) The Additional Conditions (where applicable);
 - (c) The Bank Mandate and/or the Application Form signed by you, the Customer; and
 - (d) Any other documentation the Bank might require you to sign from time to time at the Bank's sole discretion
- 2.3 Additional Conditions may be agreed upon in relation to specific facilities and/or products. Additional Conditions generally complement the General Terms and therefore should not be read in isolation but in conjunction with the General Terms. However, where the terms of the Additional Conditions contain deviations from the General Terms, the Additional Conditions shall prevail in relation to the specific facility and/or product they regulate.
- 2.4 The Additional Conditions include but are not limited to our charges, interest rates, notice periods, minimum or maximum balances and other terms and conditions applying to individual business relations or to specific products which we offer from time to time.
- 2.5 The General Terms are available at the Bank upon request.
- The Bank reserves the right to amend these General Terms in full or in part at any time at its sole discretion (including any fees and charges) for security, legal, regulatory or market reasons or changes in internationally accepted banking practice or to take into consideration any increase in costs or decrease in the Bank's return or pursuant to the introduction of new products or technology. The Bank will endeavour to update you with any amendments to the General Terms and to inform you in advance. The said updates will, in the absence of exceptional circumstances, be provided by the Bank at least two months before date of entry into force of such amendments. Unless you terminate your relationship with Bank prior to the coming into force of the amendments to the General Terms, you are deemed to have accepted such amended General Terms which shall become binding upon you.

3 Basis of Business Relationship

- 3.1 The business relationship between the Bank and you is based on mutual trust and good faith.
- 3.2 The Bank shall carry on its business in accordance with international banking practices.
- 3.3 The Customer shall keep the Bank fully informed on matters which are relevant to its business relationship with the Customer and shall take all necessary and prudent steps to prevent forgeries and misuse of banking facilities by third parties.

4 Instructions to the Bank and Bank Documentation

General

- 4.1 You shall make sure that all instruction to communications and statements with the Bank are given in writing. If any instructions are given verbally, they must immediately be followed by instructions in writing in accordance with this Clause 4.
- 4.2 Unless otherwise defined in these General Terms, instructions shall be accepted during the Bank's Business Hours and are carried into effect within the time required for examination and initiation of processing, as well as in accordance with the relevant banking practice. Where instructions are received after the close of Business Hours on a Business Day, such instructions are deemed to have been received and shall be processed on the next Business Day.
- 4.3 Where there exist relevant Bank forms, as directed and issued by the Bank, you shall make use of and fill in such forms. The Bank may require communications to be made through the use of specific forms issued by it. The Bank reserves the right not to execute instructions if such instructions are not given on the forms drawn up or approved by the Bank.
- 4.4 You will make sure that all instructions given to us are clear and unambiguous. Instructions that are not clearly worded may lead to queries, which may in turn result in delays. Should you consider the execution of an order to be particularly urgent or should you have any special instructions, then you must notify us of the urgency. The Bank shall not be responsible for any delays in the execution of instructions where such delays are a direct result of unclear or ambiguous instructions or where the Bank is not properly informed about the urgency of the instructions.
- 4.5 When you intend to give us special instructions relating to the execution of orders, the special instructions must be given separately from the form normally used by us. This applies in particular where payments are to be applied against certain amounts due to or held by us. The same applies in the event that instructions are to be carried out within certain time limits, or on or by certain dates, or if there is a risk of extraordinary loss if instructions are not carried out exactly as requested, especially relating to time limits, short presentation periods and similar cases. In the case of such special or urgent instructions, the Bank reserves the right to charge additional fees or charges.

- 4.6 All instructions shall be in original and signed by the authorised signatories in accordance with the Bank Mandate. You shall take all necessary and prudent steps to prevent forgeries and misuse by third parties of the banking facilities which we have granted to you. We undertake no liability for fraudulent use of your signature by a third party. Should we fail to recognise a fraudulent use of your signature on documents and carry out transactions on the basis of such documentation, we shall be released from all liability, except in cases of gross negligence or wilful misconduct.
- 4.7 All the forms, data carriers and means of communication which we may have put at your disposal, must be kept and handled with care. Should you become aware of any irregularity, including loss, theft or misuse of these forms, data carriers or other means of communication, you must inform us immediately.
- 4.8 The liability and the consequences of the use of the forms, data carriers or means of communication by unauthorised third parties, shall be for your account and risk until such time as we receive written notification of the relevant circumstances, and subject to the contents of such notification being sufficient to enable us to take appropriate action.
- 4.9 We shall not be liable for any loss, damage or expense resulting from the loss, theft or misuse of forms, data carriers or means of communication even after we have been notified in accordance with Clause 4.8, if the circumstances of the case do not legally justify us in refusing to act (e.g. guaranteed instruments or relationships).
- 4.10 Upon termination of our relationship, you must return all unused forms, data carriers and means of communication placed at your disposal. You shall indemnify us for any losses directly or indirectly resulting from the misuse of any such unreturned items.

Facsimile instructions

- 4.11 You may require us in the Bank Mandate to receive and accept instructions from you by means of facsimile. We reserve the right to act upon instructions received via facsimile (i.e. not in original) provided the instructions are signed by the authorised signatories in accordance with the Bank Mandate. We shall not be liable for any loss, damage or expenses suffered as a result of the use of such means of communication, in particular loss, damage or expenses resulting from the non-receipt, partial receipt or illegible or garbled receipt of instructions. In so far as possible, you shall inform us without delay of any incorrect or faulty transmissions when they occur.
- 4.12 Notwithstanding the above, you shall endeavour to forward to us the original documents within fifteen (15) days from the date of the facsimile instructions.

Email instructions

- 4.13 You may require us to receive and accept instructions from you by means of e-mail. We shall act upon instructions received via e-mail, provided such instructions or information are sent or are purported to have been sent from one of the e-mail addresses listed in the Bank Mandate under 'E-Mail Address'. In such case we shall discharge our duty to act with reasonable care by verifying that the e-mail when printed or viewed on screen, prima facie appears to originate from any one of the E-Mail Addresses.
- 4.14 When you elect to send instructions by means of e-mail, we shall be entitled to communicate with you also via e-mail. We will also send advices and statements via e-mail to any one of the E-Mail Addresses, unless you tell us otherwise.
- 4.15 Communication between us via e-mail may include confidential information. E-mail communication might not be free from interference by third parties and might not remain confidential. We cannot guarantee the privacy or integrity of such communication between us and cannot accept responsibility or liability for any losses, damages or expenses as a result of the use of such means of communication, in particular loss, damage or expenses resulting from the non-receipt, partial receipt or illegible or garbled receipt of instructions or unauthorised access by any third party or technical breakdown.

Debit Instructions

- 4.16 All debit instructions must be received in the forms that may be applicable from time to time, or as otherwise agreed in writing with the Bank. The form containing the debit instructions must be signed by the authorised signatories in accordance with the Bank Mandate and received by us either in original, facsimile or e-mail (where facsimile or e-mail instructions are in place).
- 4.17 Debit instructions will be executed by us within a reasonable time from their receipt, whether your Account is in credit or in debit or may become overdrawn in consequence of such debit but without prejudice to our right to refuse to allow any overdraft or increase in overdraft beyond any specified limit.
- 4.18 You may require us to accept and process payment instructions ('Payment Orders') received by a third party bank acting in your name and on your behalf, provided such Payments are in SWIFT format. In

consideration for us accepting to receive and process Payment Orders sent by the third party bank acting in your name and on your behalf you:

- (a) Shall indemnify and hold us harmless against all actions, liability, losses, expenses and damage which either we or you shall suffer as a result of processing such Payment Orders including but not limited to any liability, damage or losses as a result of fraud or unauthorised access or use of the third party bank's system or failure or breakdown in such system; and
 - (b) Are deemed to authorise us to disclose any information regarding your Accounts held with us to the third party bank nominated by you.
- 4.19 The mere fact that an Account will be overdrawn does not imply any obligation on our part to inform you before processing the order. In such case, barring specific written agreement to the contrary, we shall be entitled to the repayment of such overdrawn sum plus interest at the Bank's cost of funding plus a penalty rate of five per cent (5%) per annum. You undertake to pay such amounts on demand in writing.
- 4.20 Our liability in case of any failure or delay in the execution of a payment which can be directly attributable to gross or wilful negligence on the part of the Bank or its officers shall be limited to an aggregate maximum of EUR 300 or its equivalent.
- 4.21 Nonetheless we shall not be under any obligation to process any Payment Order in any of the following cases:
- (a) The balance in your Account is not sufficient to cover the sum of the order plus related costs and expenses;
 - (b) There exists a garnishee or other court order in relation to your funds;
 - (c) There exists reasonable suspicion about the source or use of funds in terms of the applicable legislation enacted to prevent money laundering and terrorism financing;
 - (d) There exist other similar and comparable circumstances;
 - (e) Instructions lack the necessary mandatory information as per EC Regulation on transfers of funds, as may come into effect from time to time;
 - (f) Instructions are not clear or are incomplete.
- 4.22 Additional Conditions governing Payment Orders may be issued by the Bank from time to time and will be notified to you accordingly.

Instructions by facsimile, e-mail – Indemnity

- 4.23 In consideration of us accepting and acting upon e-mail and facsimile instructions received from, or that in our sole opinion are purporting to be received from you, or any third party authorised by you to do as detailed in each of Clauses 4.11 to 4.14, you (and any joint account holder) irrevocably agree:
- (a) To fully indemnify the Bank in respect of all actions, claims, damages, proceedings, costs and expenses, including legal expenses, suffered or incurred by the Bank as a consequence, direct or otherwise, of the Bank acting on such instructions;
 - (b) Not to make any claims or take any action or proceedings against the Bank or its employees in respect of such instructions; and
 - (c) To authorise the Bank to admit, compromise or reject any action claims without your express authority in respect of such instructions
 - (d) That the Bank at its own discretion may confirm the authenticity of your payment instruction/s by means of a telephone call, made by a Bank employee to a telephone number we currently hold on our records for you. During the call, we will seek to verify your identity (or that of your agent) and the payment instructions received. Merkanti Bank will not call you back on any new number provided with the payment request and will never ask you to provide your login credentials or passwords. In the event that the account is operated by multiple signatories, the Bank reserves the right to contact either one to verify the instructions. If we are unable to contact you by telephone the payment may be delayed or remain unexecuted without any liability or responsibility whatsoever on the part of the Bank or its officers.

Evidential force of Bank records

- 4.24 An extract of the Bank's records about you shall constitute 'prima facie' evidence of the contents of such records.

Examination of Bank Documents

- 4.25 If we discover to have made a mistake in any confirmation, statement of account, note or other statement we shall notify you as soon as reasonably practicable.
- 4.26 You are required to examine all confirmations, statements of account, notes and other statements immediately upon receipt. In case of any inaccuracy or incompleteness, you are obliged to notify us immediately and in any case by not later than one (1) month from receipt of such Bank documents. In all such cases, following verification, we shall rectify the mistakes.
- 4.27 If we do not receive any objections within one (1) month of receipt, or deemed receipt of the relevant documents, then you shall be deemed to have accepted the contents of such documents and we shall be entitled to act accordingly.
- 4.28 Notwithstanding the provisions of Clause 4.25 above, we shall be entitled to rectify any arithmetical errors or bona fide typographical data input or system errors at any times, and in this respect you shall indemnify us on demand for any losses we suffer as a result of such arithmetical errors or bona fide typographical data input or system errors. Such indemnity shall survive the termination of our relationship.

Retention of Documents

- 4.29 We shall be entitled to destroy all records, correspondence and other documents we may have relating to you (other than documents of title or other documents relevant to proving title to physical goods of any kind) upon satisfying any record keeping obligations which we may have in terms of any applicable legislation.

5 Bank Secrecy

- 5.1 We are bound, in accordance with the laws of Malta, to observe secrecy and confidentiality with regards to all information which you give to us about you, the Customer ('Secret Information').
- 5.2 However, we are authorised by the laws of Malta to disclose Secret Information about you in so far as the divulgence of such Secret Information is
 - (a) Required in terms of any provision of law in any jurisdiction in particular at the request or upon the order of any supervisory authority;
 - (b) Required in terms of any order of a Court of law investigating a criminal offence (including money laundering or terrorism financing) or a breach of duty;
 - (c) Required for any proceedings by the Bank against you for recovery of sums due to it in terms of the business relationship or for defending itself against any claim with regard to services provided to you in connection with which the secret information has been obtained by us;
 - (d) Otherwise permitted by you including when you require us to provide a reference or a status report to a third party or by any applicable law.
- 5.3 In accordance with the provisions of Maltese Law, by accepting that these General Terms regulate our relationship, you consent to disclose information about you acquired during the course of our relationship in the following circumstances:
 - (a) To any of our professional advisers (including but not limited to financial, legal and other advisers as might be engaged from time to time), or to any actual or potential assignee or transferee of the Bank's rights against you, or to any person who may otherwise enter into contractual relations with the Bank in relation to the business relationship with you;
 - (b) When the information is required to be disclosed or is requested in the course of a due diligence exercise;
 - (c) When the information is required in the normal course of business with institutions or other persons who are normally bound by similar obligations of secrecy.
- 5.4 Unless otherwise provided by this Clause 5, the obligations of secrecy shall survive the termination of the relationship between us.

6 Data Protection and Privacy Policy

- 6.1 Annex 1 includes the Bank's Privacy Policy and forms an integral part of these General Terms and Conditions. The Bank will process your personal data in accordance with the Bank's Privacy Policy.

7 Central Credit Register

- 7.1 Pursuant to the Central Bank of Malta Directive no. 14 (the “Directive”) issued under the Central Bank of Malta Act (Cap. 204) which provides for the establishment of a Central Credit Register for the purposes of registering information about exposures, data, (including personal data within the meaning of the Data Protection Act, (Cap. 440 of the laws of Malta)) related to any Facilities in excess of €5,000 will be made available to the Central Bank of Malta for inclusion in the said Register, and may be shared with credit reference agencies for the issuance of credit scores in accordance with the Directive. All banks in Malta are legally obliged to provide this information to the Central Bank of Malta on a monthly basis in accordance with the provisions of the said Directive and by accepting these General Terms and Conditions, you as Customer are hereby authorising us to provide customer data to the Central Bank of Malta in terms of the above Directive.

8 Duty of Care of the Bank

- 8.1 When executing your instructions, when carrying out transactions and when performing our obligations towards you, we shall exercise reasonable diligence and care in accordance with the prevailing banking practices in Malta.

9 Use of the Services of Third Parties

- 9.1 Save as otherwise provided herein we shall, unless we receive specific written instructions to the contrary, be at liberty to use the services of third parties in executing your orders and in performing other agreements with you and also to place your goods and documents of title in the custody of third parties in the name of the Bank.
- 9.2 In executing orders for the purchase and sale of Assets as defined herein, in particular currencies and documents of title, we shall be entitled, at our option, do deal with ourselves or with third parties as the other party.

10 Liability of the Bank

- 10.1 Except as otherwise provided by other clauses of these General Terms, we will be liable to you for any losses, injury or damage resulting from our wilful default or gross negligence in carrying out your instructions.
- 10.2 We will not be liable to you in any circumstances for:
- (a) loss of business, loss of goodwill, loss of opportunity, loss of profit, loss of revenue or anticipated saving;
 - (b) Any type of special, consequential or indirect loss or damage whatsoever.
- 10.3 We will not be liable to you for:
- (a) Any shortcomings, losses or damage caused by force majeure, riots, wars and natural occurrences or other occurrences beyond our control, including measures taken by any government or the monetary and regulatory authorities of any State, strikes or labour disturbances among our staff or the staff of third parties whose services are used by us, boycotts, power failures, communication equipment failures, breakdown of our communication links or of third parties whose services are used by us; or
 - (b) Any shortcomings or losses arising from the acts or omissions of any third party whose services we use for the performance, in full or in part, of our obligations towards you are in accordance with your instructions;
 - (c) Any losses arising out of delays, loss in transit, mutilation or other errors arising in the transmission of any messages, or delivery of letters or documents when such messages, letters or documents are transmitted or sent according to the requirements stated in the Customer’s instructions or where we have taken the initiative in the choice of the delivery service in the absence of express instructions from the Customers.
- 10.4 Should any circumstances as referred to in the preceding paragraph occur, then the Bank may, but shall not be obliged to take such measures as may be reasonably required in order to mitigate the resulting adverse effects for you.
- 10.5 We shall be under no liability whatsoever in respect of any advice which we may give you or any views which we may express to you, irrespective of whether the said advice or views are expressed at your request or not.
- 10.6 Except where our gross negligence or wilful default has caused the relevant loss or breach, we shall not be liable to you for:
- (a) Any unavailability of any facilities or services provided by the Bank;
 - (b) Unauthorised use by any third parties of any forms, data carriers or means of communication;

(c) Misrepresented or omitted information or mistakes in transfers.

11 Customer Duties

- 11.1 You are considered to be the beneficial owner of your Account, but always subject to the terms of any security rights granted to us by you or any third parties.
- 11.2 If you are contracting with us not as a principal but as an agent, nominee, trustee or under any other fiduciary arrangement, you undertake to inform us accordingly.
- 11.3 You hereby undertake to cooperate with us and supply all information and documentation which we may require in connection with our compliance obligations, in particular our customer identification obligations (Know Your Customer obligations) and record-keeping procedures in terms of the applicable anti-money laundering and anti-terrorist financing legislation.
- 11.4 You are obliged to inform us immediately of any change in your circumstances, in particular changes in the ultimate beneficial owners, changes in the directors and changes relating to your business and source of the funds/assets, including any intention of liquidation and voluntary creditor arrangements.
- 11.5 We are entitled to suspend the execution of instructions received from you or even to terminate our relationship with you in case of any breach of your obligations in terms of these General Terms.

12 Legal and Beneficial Ownership of Assets

- 12.1 You do not place into any of your Accounts any funds or assets belonging to third parties without the prior written consent of the Bank. If you wish to do so, you must advise the Bank, in advance, of any such funds/assets which are to be remitted to the Bank or received by it in your name or Account.
- 12.2 Without prejudice to the right of the Bank to refuse to receive such funds or assets, in the case provided for by this Clause 11, you are obliged to advise the Bank of the full details of the beneficial owner of the funds or assets and to supply the Bank with all evidence as to the identity of the beneficial owner and the reason(s) for such deposit, together with documentary evidence of the underlying transaction, if applicable, as the Bank may require.
- 12.3 You hereby warrant and undertake that you will contract as a principal and not as an agent or a trustee, unless otherwise agreed.

13 Change in Legal Status of Customer

- 13.1 In the event that you are placed into liquidation, bankruptcy or administration or other similar status wherein a liquidator, curator or trustee or similar officer is appointed and in whom legal authority and representation is vested, to the exclusion of the persons you may have nominated in the Bank Mandate, we shall be entitled to receive to our satisfaction such evidence, including legal opinions at your cost, as we may require to establish the proper entitlement and authority of the person claiming power to give us instructions and we shall not be bound to act upon such instructions until such time as we are satisfied of such authority.

14 Joint Accounts

- 14.1 When an Account is opened in the joint names of two or more Customers, unless agreed otherwise in writing, the Account shall be held by them on a joint and several basis and there shall be both active and passive solidarity amongst them.
- 14.2 Remittances to any of the Account holders without specific reference to the joint account shall not be credited to the joint account except upon written instructions of the beneficiary. Remittances specifically made to the joint account will be credited to the Account notwithstanding the fact that the named beneficiary is only one of the joint holders.

15 Representations

- 15.1 In our business relationship with you, we rely on the representations made to us by you or by third parties at your request, in particular to:
 - (a) Your identity,
 - (b) Your business activities, financial assets and situation,
 - (c) Your credentials,
 - (d) Your legal powers and authority and its authorised signatories, and
 - (e) The ownership and source of your funds or assets entrusted to the Bank and any such other matter relevant to particular facilities as stated in specific agreements.

- 15.2 You shall comply with all applicable laws and regulations, including but not limited to any applicable international conventions and resolutions of the Security Council of the United Nations, the legislation on anti-money laundering and anti-terrorist financing and any orders issued by the relevant regulatory authorities in so far as the Bank's services are involved.
- 15.3 In the event that any representation appears to us to be incomplete or incorrect, then the Bank shall be entitled to suspend all and any instructions of the Customer and unless satisfactory information and/or evidence is brought to the attention of the Bank within a reasonable time, the Bank shall be entitled to terminate its relationship with the Customer in terms thereof.

16 Notices

- 16.1 Unless otherwise agreed, we shall send all communications and notices to the address indicated by you in the Bank Mandate or as otherwise advised by you in any other Bank documentation.
- 16.2 Each notice or other communication hereunder will be deemed effective:
- (a) If delivered by hand or sent by overnight courier, on the day it is delivered; or
 - (b) If sent by facsimile transmission, or by electronic mail on the date transmitted, subject to written confirmation of receipt being obtained by the sender; provided, however, that if a notice or communication is delivered or sent on a day that is not a Business Day or the notice or communication is received after the close of business on a Business Day, the notice or communication will be deemed delivered on the next Business Day.
- 16.3 We shall not be liable for any losses arising as a result of any action taken on the basis of existing information that has been supplied to us in the event that a change to such information has not been notified to us.

17 Statements

- 17.1 We shall, unless otherwise stated, or as required by the type of Account, issue account balancing statements at the end of each calendar year, and all interest and bank charges that have arisen since the last account balancing shall be settled accordingly.

18 Reversal and Correction of Entries by the Bank

Manifest error

- 18.1 In the case of manifest error, we may reverse wrongful credit entries on Accounts. You will be duly notified in cases where the Bank reverses any entries.

Debit interest

- 18.2 If your Account has a debit balance following correction you shall owe us debit interest at the rate of the Bank's Cost of Funding plus a penalty rate of five per cent (5%) per annum.

Information to you

- 18.3 Reversal and rectifying entries shall be noted in the statement of accounts.

19 Uncleared Effects

Funds

- 19.1 Funds received by us on your behalf, shall be credited to your specified Account as soon as reasonably practicable after receipt of cleared funds in the relevant currency.
- 19.2 If we receive cleared funds in a currency different than the currency of your designated Account, we shall be entitled to effect any currency conversions in accordance with Clause 21 and credit the relevant Account with such funds.
- 19.3 Without prejudice to the preceding paragraphs, all credit entries are made subject to the condition that if we still have to receive the counter value for such entry, such counter value is received by the Bank in full and in a timely manner. Failing this, the Bank shall be entitled to reverse the credit entry to the extent necessary even after any statement or advice of account that may have been issued in the meantime.

- 19.4 In any event, until such time as cleared funds in the relevant currency are actually received, the Bank shall be entitled to suspend any instructions in relation to any payment to be credited to a Customer's Account.

20 Appropriation of Payments

- 20.1 We are entitled to decide against which of the several due claims, and to what extent incoming payments received from you or to your Account, which are insufficient for the settlement of all claims, will be charged. We are entitled to appropriate payments we receive from you or for your account at our sole discretion. Unless we determine otherwise, payments shall be appropriated in the following order:
- (a) first towards any costs, expenses or disbursements which we may incur on your behalf,
 - (b) secondly towards any accrued interests, fees and commissions due but unpaid;
 - (c) thirdly towards the principal; and
 - (d) in case of several debts, we shall apply payments first towards unsecured debts and then to secured debts.

This Clause shall apply to the extent that we do not reach any written agreement to the contrary with you.

21 Foreign Accounts and Currency Transactions

- 21.1 In case we receive funds in a different currency than that denominating your Account, then prior to paying or crediting your Account with such sums we shall convert them at the Bank's rate on the relevant day. Subject to any manifest error, the foreign exchange conversions shall be binding and may not be disputed. Furthermore, we reserve the right to recover any expenses which we may incur in hedging the customer risk.
- 21.2 Your indebtedness shall be repaid in the currency in which it arises or has been granted. If any payments are received by the Bank in connection therewith in another currency, the Bank shall be entitled to convert the same into the indebtedness currency and to credit such payment against the indebtedness. You shall indemnify the Bank on demand in respect of any losses which arise or amounts which otherwise remain outstanding as a consequence of the conversion of such currency received into the indebtedness currency.
- 21.3 Except in cases of extreme urgency, we shall give you the opportunity to propose alternatives to curtail the risks of the situation, provided that in any event we shall not be bound by such proposals and we shall not be liable for any losses which may arise by virtue of such situation or the change in the relevant currency. Our rights to offset due claims against you in the same currency shall not be affected by the provisions of this paragraph.

22 Payment Orders

- 22.1 In the absence of any specific instructions to the contrary, Payment Orders will be effected in the currency of the country in which payment is to be made or in any freely negotiable international currency at the Bank's discretion.
- 22.2 Unless otherwise instructed by you, all charges incurred outside Malta are for the account of the beneficiary.
- 22.3 The Bank reserves the right to draw the Payment Order on a different bank from that specified by the remitter where operational circumstances so require.
- 22.4 All Payment Orders will be dispatched entirely at the remitter's own risk.
- 22.5 Where the Bank is unable to provide a firm exchange rate quotation the Bank shall effect the remittance on the basis of a provisional exchange rate, which shall be subject to adjustment when the actual exchange rate is ascertained. Any difference between the provisional rate and the actual rate shall be debited/credited (as the case may be) to the remitter's account.
- 22.6 The Bank has discretion to send the Payment Order either by ordinary text or in cipher and the Bank accepts no responsibility for any loss, delay, error, omission or mutilation which may occur in the transmission of any message or for its misinterpretation when received unless such error is due to its wilful negligence or gross misconduct.
- 22.7 Applications for same day value are subject to Cut-Off Times related to the geographical location of the destination.
- 22.8 Due to regulatory requirements in certain countries, when transmitting funds overseas, the Bank may be required to include, in addition to the remitter's name, details such as the remitter's account number, address, and purpose of the transfer. Omission of requested details may result in processing delays at the beneficiary bank or return of funds.
- 22.9 In the case of Payment Orders which are to be routed via the USA or credit to a beneficiary's account inside or outside the USA, you are warned that funds may become attached under prevailing US sanctions. Remission of funds will therefore be made on your sole responsibility.

- 22.10 The Bank reserves the right to debit your Account with any penalty fee claimed by foreign banks due to non-STP (Straight Through Processing) for payment orders lacking the required data or incorrect format of the IBAN / SWIFT Codes / Local Clearing Bank Codes etc.
- 22.11 The Bank is obliged to comply with laws, regulations and requests of public and regulatory authorities in various jurisdictions which relate to the prevention of financing of, amongst other things, named terrorists and sanctioned persons. This may require that the Bank intercept and investigate any payment messages and other information or communications sent to or by you or on your behalf via the Bank's systems and this process involves making further enquiries as to whether a name which might refer to a named or sanctioned person actually refers to that person.
- Remittance of funds may become attached or blocked under prevailing EU, US, UK or international sanctions. Remission of funds will therefore be made at the responsibility of the Customer.
- The Bank may, without any liability, take whatever action it considers appropriate to meet any obligations either in Malta or elsewhere, relating to the prevention of fraud, money laundering and terrorist activity and the provision of services to persons who may be subject to sanctions. The Bank may also, without any liability, take whatever action is considered appropriate in case it knows or suspects a breach of security or other suspicious circumstances in respect of or in connection with the operation of one or more of the Accounts or the products/services generally. Any such action may include, but is not limited to, investigating and intercepting payments into and out of the Accounts (particularly in the case of international transfers) and investigating the source or intended recipient of the funds.
- Such action may also include making enquiries to establish whether a person is subject to sanctions. Exceptionally, this may delay the carrying out of the Customer's instructions or the receipt of cleared funds but, where possible, the Bank will advise the Customer of the reasons for and likely length of any delay. If the Bank is not satisfied that a payment in or out of the Account is lawful, the Bank may refuse to deal with it and in that case, where possible, it will advise the Customer of the reasons for refusal.
- 22.12 The adoption of the procedures above shall not be construed to imply any warranty whatsoever on the Bank's part towards you. In this respect, the Bank shall not be liable for any losses or damages suffered by you on account of any Payment Order.

23 Interest

Payment of interest

- 23.1 Funds held with us shall not bear interest in your favour, unless these are expressly directed for credit to an interest-bearing Account. In the event that interest is agreed upon, the said interest shall be credited to your Account at such times as would have been agreed, but at least once a year. Unless expressly provided by law, we shall be at liberty to agree with you the level of interest applicable to our relationship. The interest rates will also be detailed in the applicable interest rate quotation.
- 23.2 We may be bound by legislation to provide for automatic exchange of information regarding interest payments to the competent authorities in Malta or in other countries who may be legitimately entitled to such information. However, the onus of proof as to whether such authorities are legitimately entitled to such information shall not lie with the Bank. In the above-mentioned case you authorise us to disclose all information which we may be bound to provide.
- 23.3 Payment of interest may also be subject to the deduction of withholding of tax therefrom, in terms of any applicable legislation.

Debiting of interest

- 23.4 We shall be entitled to change interest in accordance with this Clause 22 of the General Terms unless otherwise agreed in writing between us.
- 23.5 We shall debit interest calculated on daily debit balances to your Account, at least once a year.
- 23.6 When, in effecting any payment of interest to us, you are obliged to withhold any tax therefrom, you shall immediately make such additional payment to us so as to ensure that we receive the full sum due.

24 Bank Charges, Commissions and Fees

- 24.1 In the absence of a written agreement providing otherwise, the rates/amount of interest, fees and charges for the services we customarily provide to you shall be those given in the relevant Tariff of Charges.
- 24.2 In case of services which are not listed therein, we shall charge rates/amount of interest, fees according to our sole discretion.

- 24.3 All expenses which we may incur when acting upon your orders or in transacting your business (e.g. postage) as well as expenses incurred in connection with the evaluation, release or realisation of any collateral provided by you (including maintenance costs, insurance, legal and notarial fees and court expenses) shall be borne by you. We reserve the right to claim those expenses from you or recover them by directly debiting them to your Account.
- 24.4 We are authorised to debit your Account with all such fees, charges, and expenses without the need of obtaining your prior consent.
- 24.5 We may in appropriate circumstances require such fees, charges and expenses to be paid in advance. Such advance payments shall not be refundable in the event that the particular business relationship fails to develop or is terminated.
- 24.6 We may, in our sole discretion, debit interest, charges and other costs incurred by you to a separate account or accounts which we are authorised to open in your name for the said purpose.

25 Change in Interest and Fees

- 25.1 We may, at our sole discretion, change the interest and the fees for services usually applicable to our relationship with you and as stipulated in our Tariff of Charges or Facility Letter or Letter of Offer.
- 25.2 We will notify you of such changes and you have the right to terminate our business relationship in terms of Clause 2.5 above.

26 Costs and General Indemnity

- 26.1 You shall bear all costs, fees and expenses of legal assistance which we may incur in connection with the preparation of any agreements, including security agreements, between us. Any costs for enforcement of security or judgments against you shall also be borne by you.
- 26.2 Any costs, fees and expenses which we may have to incur in or out of Court, or before a decision-making panel on account of any and all disputes between us, or between us and a third party, shall also be for your account and you shall counter-indemnify us on demand in respect thereof. We may also request adequate security to this purpose.
- 26.3 Without prejudice to the above provisions, all other costs which our relationship may give rise to, shall be for your account.
- 26.4 You shall indemnify us on demand against all losses, actions, claims, expenses, demands and liabilities of whatever nature, made or incurred against or by us, for anything done or omitted in the exercise or purported exercise of any rights or powers of the Bank, arising under or pursuant to these General Terms or any agreement or security entered into between you and us, and not already otherwise covered by an undertaking under these General Terms.

27 Security

- 27.1 We may request the provision of adequate security (including but not limited to cash collateral and margins) for all claims arising from our banking business relationship, and for all charges, commissions and out-of-pocket expenses.
- 27.2 Where we have refrained wholly or in part from requesting the provision of security, we may later request such security. This shall, however, be subject to the condition that circumstances arise or become known that justify an increased risk assessment against you. This may arise in particular where:
- (a) Your economic (or that of your guarantor, where applicable) circumstances have changed, or are likely to change, in our sole opinion, for the worse;
 - (b) A material adverse change occurs;
 - (c) The value of any existing security has deteriorated or is likely to deteriorate.
- 27.3 If the security you have provided us with in accordance with this clause becomes, in our opinion, inadequate at any time, you are obliged to supplement or replace such security upon our demand in writing specifying the reasons for such demand. You shall provide us with such security immediately upon demand.
- 27.4 You are obliged, at our request, to execute all such documents, acknowledgements or agreements and to do all such acts as may be necessary for purposes of registering, completing, perfecting or otherwise correcting, modifying or updating any agreement or security which you may have provided us in consideration for the

granting of facilities or in connection with the assignment or enforcement of any such agreement or security, or otherwise as may be necessary or appropriate from time to time in the context of our relationship.

28 Release of Security

- 28.1 Any discharge from payment or release of any security or the giving of any receipts for payments and any other acts which extinguishes the payment obligation towards us, shall always be made by us in good faith, conditionally and on the assumption of the validity, finality and effectiveness of the payment or other act of performance.
- 28.2 Should the payment or act of performance be, for any reason, declared invalid and/or reversed, or there is a threat that this may occur, in so far as legally permissible under the applicable law, any discharge or release shall be deemed not to have been made and corresponding liabilities shall remain outstanding and shall remain secured thereby.
- 28.3 You undertake upon our written demand to execute such documents and/or other deeds or acts as may be necessary to re-establish the security with the pre-existing priority in so far as it has been formally released.
- 28.4 Any receipt for monies paid to or received by us shall be deemed cancelled, and you shall immediately return same to the Bank for cancellation and make such notifications, recordings or other acts as may be required by us or otherwise desirable in the circumstances. Should we be obliged to refund the sums paid to us, you shall immediately make alternative payments. No such refund shall be paid to you or your agents, but only to such person as a Court may order and at all times subject to the rights over such refund as we may, under the applicable law, be entitled to reserve.

29 Realisation of Collateral Security

- 29.1 We shall be at liberty to choose which of the collateral securities provided by you we might realise. When doing so, we shall take into account your legitimate interest and that of the third party guarantor (where applicable) who has provided collateral security in favour of your liabilities.
- 29.2 We may realise securities without giving due notice and at the Bank's sole discretion.

30 Right of Retention

- 30.1 In addition to any other rights to which we may be entitled to, we shall also be entitled to retain and not repay any amount whatsoever which may at any time be owing by us to you, or any monies whatsoever which we may at any time hold in your Account (whether on current or deposit Account), unless and until the indebtedness shall have been discharged in full. If any indebtedness is not discharged in full when due, we shall be entitled to the extent of such indebtedness as remains undischarged, to appropriate any amount so owing to you from any money so held for your account in or towards the discharge of such indebtedness.
- 30.2 Any amounts standing from time to time to the credit of your Account with us shall mature on the earlier of the date on which the Bank determines that all indebtedness has been unconditionally discharged, the date when the Bank determines that no other such indebtedness is capable of arising or the date on which any indebtedness becomes due and payable by you to the Bank. Proportionate maturity shall take place where the indebtedness does not exceed the amount of the relevant deposits. The Bank shall be entitled to apply any such matured deposits in accordance with the provisions of this term.
- 30.3 The existence of any fixtures on any deposits shall not prejudice the Bank's rights under this term. Any remaining monies will be re-deposited at the Bank's absolute discretion unless otherwise agreed.

31 Netting and Set-Off

- 31.1 During the currency of these General Terms and without prejudice to Clauses 28.1 and 28.2., you hereby expressly waive your right to prohibit the Bank from exercising its right to set-off any balances in the Account against any obligations you may have towards us.
- 31.2 In addition to the rights conferred by law unto us, we have the right to set-off all and any amounts due to you (whether solely or jointly with any other persons, and calculated as detailed in Clause 30.3) against any amount(s) payable (whether or not matured, contingent or invoiced) by us to you (irrespective of the currency of the obligations), under any agreement(s) between us (which for the purposes of this Clause shall constitute one agreement), including but not limited to any balances in the Account, in accordance with the provisions of the Set-Off and Netting on Insolvency Act 2003, as might be amended from time to time.
- 31.3 For the purposes of the foregoing:

- (a) We shall be entitled at our sole discretion (before as well as after demand) to combine or consolidate all monies now or hereafter standing to your credit on any Account with us and in any currency;
 - (b) All obligations between us shall be accelerated, and all amounts due from you to us and vice versa shall be immediately due and payable;
 - (c) If the obligations are in different currencies, all obligations may be converted by us in any other currency at the Bank's rate on the relevant day; and,
 - (d) If any obligation by us or you is unliquidated or unascertained, we shall estimate the value of such obligation in a commercially reasonable manner and in good faith.
- 31.4 Upon the occurrence of an Event of Default, without the need of an authorisation and/or confirmation from the competent court, we have a right to accelerate all obligations between us, and accordingly all amounts you owe us and vice versa, shall be immediately due and payable.

32 Assignments

- 32.1 You are not entitled to assign any of your rights in respect of any contract entered into between us without our prior written consent.

33 No Waiver

- 33.1 No failure on our part to exercise, or delay in exercising any of our rights, powers or privileges under these General Terms shall operate as a waiver of any of our rights, powers or privileges, nor shall a single or partial exercise preclude any other or further exercise.

34 Invalidity

- 34.1 If any of the provisions of these General Terms, or of any agreement between us, shall be invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be thereby in any way affected or impaired.

35 Termination

Termination of relationship

- 35.1 In addition to termination in case of an Event of Default as defined in Clause 1, both of us may at any time by means of a written communication and without the need of any period of notice, terminate our entire business relationship or individual business relations for which neither a duration nor a termination regulation to the contrary has been agreed. Such termination shall be without prejudice to any rights accruing hereunder prior to the termination.
- 35.2 On termination we shall be entitled to discharge ourselves from any liabilities we may have entered into on your behalf, and you accept to release the Bank from such obligations and to provide any collateral for such obligations where required for the release of our obligations.

Closing of Accounts

- 35.3 Without terminating the relationship, we hold with you, we may unilaterally take action to close any account or accounts you hold with the Bank in any of the following cases:
- (a) If we reasonably believe that you are no longer eligible for an account;
 - (b) If we discover that you have provided us with false information at any point in time;
 - (c) If we find that any of your accounts has been inactive for 24 months or more, we are entitled to charge an Inactive Account Maintenance Fee. The fee and the Account to which it applies are set out in the Tariff of charges.

36 Guarantees

- 36.1 These General Terms shall apply to any contract of suretyship securing your obligations towards us, and in so far as these General Terms are expressly incorporated into any such suretyship, they shall apply to the relationship between us and the surety mutatis mutandis with references to you being read as references to the surety in so far as appropriate.

- 36.2 When you are required to produce a guarantor/surety you must offer a person who:
- (d) Is capable of entering into contracts;
 - (e) Has sufficient Assets to answer for the subject-matter of the obligation; and
 - (f) Is of good standing and repute.
- 36.3 Furthermore, you are obliged to keep us fully informed about any event affecting the surety. In case we accept a surety and afterwards such surety becomes insolvent, then you are obliged to produce another.
- 36.4 In the event that any surety is liable to us for more than one debt, or in relation to more than one Customer, we shall have absolute discretion on how to apply any payment made by the surety, and this notwithstanding any statement, instruction or request made by the surety in making such payment.

37 Letters of Credit Facilities

- 37.1 Subject to any special conditions agreed to in writing, documentary credits, stand-by letters of credit and similar arrangements are regulated and fully subject to the prevailing 'Uniform Customs and Practice for Documentary Credits' as published by the International Chamber of Commerce from time to time.
- 37.2 You shall be liable to and undertake to indemnify and reimburse us for all payments made under any letter of credit issued on your behalf or on your account, together with any commissions or charges, interest and currency exchange losses which we may suffer in relation thereto. In this respect we are authorised to debit your Account with such sums.
- 37.3 We shall also have the right to arrange for insurance on your behalf and at your expense in the event that the insurance you arrange, if any, is not to our satisfaction. Insurance may not be to our satisfaction with respect to the type of insurance cover and the margin over the value of the goods.
- 37.4 Any insurance policy which you arrange shall be delivered to us on our simple demand. Such insurance policy shall be endorsed in blank, or if we so require, it shall indicate us as a loss payee or have our interest noted.
- 37.5 As a security for all your indebtedness towards us, irrespective of whether such indebtedness arises in terms of the letter of credit or otherwise, you authorise us to retain the documents under such credits and any merchandise to which they relate. The indebtedness includes the insurance costs, warehousing costs, costs for obtaining possession or disposing of the merchandise, costs for preserving or otherwise maintaining the value of the said merchandise.
- 37.6 We are authorised in our absolute discretion to dispose of such documents and/or merchandise for value, either before arrival or otherwise and with or without giving notice to you.
- 37.7 We may from time to time request cash or other collateral. The costs of obtaining such collateral shall be at your account.
- 37.8 In the event that we release documents to you prior to us being placed in funds, you shall hold such documents and any proceeds deriving from negotiation thereof in trust for us.
- 37.9 Revocable credits may be cancelled at any time at our absolute discretion.
- 37.10 If you waive any discrepancies in the documents presented under the credit, or you request us to pay before having satisfactorily received all documents in terms of the credit, then we shall only pay upon receiving written instructions to this effect from you. In such case you hold us harmless and indemnified against any liabilities which may arise.

38 Applicable Law and Jurisdiction

- 38.1 The General Terms shall be governed by and construed in accordance with Maltese law. You hereby agree that the Maltese Courts have jurisdiction to settle any disputes in connection with these General Terms, and accordingly submit to the exclusive jurisdiction of such Courts.
- 38.2 Nothing in the General Terms limits our right to bring proceedings against you in any other Court of competent jurisdiction or concurrently in more than one jurisdiction.

39 Information to the Customer

- 39.1 Merkanti Bank Ltd is a licensed credit institution and is subject to the supervision of the Malta Financial Services Authority (MFSA).

Complaints

- 39.2 Any complaints you may have are to be addressed to the Complaints Officer, Merkanti Bank Ltd, Level 13, Q2, Quad Central, Triq L'Esportaturi, Central Business District, Birkirkara, Malta CBD 1040. Complaints by email may be sent to compliance@merkantibank.com and telephonically you may contact the Complaints Officer on +356 2328 6000.
- 39.3 We will try to resolve your complaint on the phone or as soon as we reasonably can. In the case we notice that the matter will require more attention to be resolved, we will take your details and arrange for your complaint to be fully investigated and addressed as soon as possible.
- 39.4 When we receive your complaint by email or by post, we will confirm this in writing (post and/or email) within five Business Days. It is important to note that in view of confidentiality consideration and in line with our security policy we reply via normal mail when confidential information is being transmitted.
- 39.5 If you are not satisfied, you may direct your complaint to the Office of the Arbiter for Financial Services by writing to the Office of the Arbiter for Financial Services, First Floor, St Calcedonius Square, Floriana FRN1530, Malta, or via e-mail complaint.info@financialarbiter.org.mt

Annex 1 - Merkanti Bank Limited Privacy Policy

Introduction

Welcome to the Merkanti Bank Limited's Privacy Policy (the "**Policy**").

Merkanti Bank Limited (C 31608) having its registered office at the Level 13, Q2, Quad Central, Triq L'Esportaturi, Central Business District, Birkirkara, Malta CBD 1040 ("**we**", "**us**", "**our**" or "**Merkanti Bank**"), and its affiliates and subsidiaries, respect your privacy and are committed to protecting your personal data.

"**Personal data**" means data relating to a living individual who can be identified from the information (data) we hold or possess. This includes, but is not limited to, your name and surname (including maiden surname where applicable), address, date of birth, nationality, gender, civil status, tax status, spouse's name, identity card number & passport number, contact details (including mobile and home phone number and personal email address), bank account details as well as online identifiers. The term '**personal information**', where and when used in this Policy, shall be taken to have the same meaning as personal data.

The purpose of this Policy is to set out the basis on which we will process your personal data when you enter into a banking relationship with us and receive our banking and/or other services, to inform you about how we will handle and look after your aforementioned personal data, and to tell you about (i) our obligations to process your

personal data responsibly, (ii) your data protection rights as a data subject and also (iii) how the law protects you. This Policy should be read in conjunction with our Cookie Policy available at:

<http://www.merkantibank.com/English/about-us/Cookie-Consent-Policy>.

We process your data in an appropriate and lawful manner, in accordance with the Data Protection Act (Chapter 440 of the Laws of Malta) (the “Act”) and the General Data Protection Regulation (Regulation (EU) 2016/679) (the “GDPR”), following its entry into application on 25th May 2018.

For sake of clarity, kindly note that your entry into a banking relationship with us gives rise to the existence of a contractual relationship, as subject to our Terms and Conditions.

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- 2. The Data We Collect About You;**
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- 8. Data Retention;**
- 9. Your Legal Rights**

1. Important information and who we are

Purpose of this Policy

This Policy aims to give you information on how the Bank collects and processes your personal data (i) when you (the Customer) enter into a banking relationship with us and (ii) request and/or receive the banking or other products or services that we offer to Customers. Some of our services may be subject to supplemental privacy or processing Policies, which may be found in specific agreements which you may enter with the Bank or which the Bank may notify you from time to time.

It is therefore important that you read this Policy carefully, together with any other privacy Policy or fair processing Policy that we may issue on specific occasions when we are collecting or processing personal data about you, so

that you are fully aware of how and why we are using your data (namely, in the context of a service provision). This Policy supplements our other Policies and is not intended to override them.

Moreover, certain processing activities which we wish to carry out require your express consent, as indicated below in this Policy. Your consent is kindly requested to enable these activities (as described in detail below).

Controller

The Bank, as previously defined, is the controller and responsible for your personal data.

We have appointed a data protection officer (“**DPO**”) who is responsible for overseeing questions in relation to this Policy. If you have any questions about this Policy, including any requests to exercise your legal rights as a data subject, please contact the DPO using the details set out below.

You can address any comments, queries or complaints to the DPO, using the details indicated below, with the words ‘**Data Protection Matter**’ in the subject line.

Contact Details

Our full details are:

Full name of legal entity: Merkanti Bank Limited (C 31608) having its registered office at Level 13, Q2, Quad Central, Triq L’Esportaturi, Central Business District, Birkirkara, Malta CBD 1040

Name or title of DPO: Mr Edward Grech – Chief Financial Officer

Email address: info@merkantibank.com

Postal address: Level 13, Q2, Quad Central, Triq L’Esportaturi, Central Business District, Birkirkara, Malta CBD 1040

Telephone number: +356 2328 6000

You have the right to lodge a complaint at any time to the competent supervisory authority in your jurisdiction on data protection matters. In the case of Malta, this is the Information and Data Protection Commissioner (“**IDPC**”) <https://idpc.org.mt/en/Pages/Home.aspx>. We would, however, appreciate the opportunity to deal with your concerns before you approach the supervisory authority, so please contact us in the first instance.

Changes to the Policy and your duty to inform us of changes

This version of the Policy was last updated on 26th August 2019

It is imperative that the personal data we hold about you is accurate and current at all times. Otherwise, this will impair the quality of your banking relationship with us (amongst other potential and salient issues). Please keep us informed if your personal data changes during your relationship with us.

2. The data we collect about you

Personal data, or personal information, means any information about an individual from which that person can be identified (as stated above). It does not include data where the identity has been removed (anonymous data).

In the course of your banking relationship with us, we may collect, use, store and disclose different kinds of personal data about you, which we have generally grouped together as follows:

- **Identity Data** includes your first name, maiden name (where applicable), last name, title, address, date of birth, gender, nationality and marital status, identity card and passport numbers.
- **Contact Data** includes your email address, mobile number, telephone number and next of kin details.
- **Banking Data** includes your bank account [and internet banking] details with the Bank.
- **Transaction Data** includes the following information: (i) your bank statements, (ii) a history of your transactions with the Bank and (iii) relative details of each individual transaction.
- **Compliance Data** primarily includes the following documentation about you: (i) copy of identity card or passport, (ii) issued utility bills, (iii) tax domicile status, (iv) source of wealth documentation and (v) criminal records check.
- **Additional Compliance Data** includes, for particular cases, the following additional documentation about you: (i) copies of bank statements held with other credit institutions and professional references
- **Specific Documents** including public deeds, public wills, testamentary instruments and/or inheritance agreements (as relevant to the particular circumstances), which in and of themselves may contain and disclose particular personal information about you.
- **Court Data** includes information relating to freezing orders, garnishee orders, monitoring orders, precautionary warrants, executive warrants, witness summons, interdiction or incapacitation orders and any other order that may be issued by a Court of law or any other competent authority, or requests for information from regulatory or law enforcement authorities such as the MFSA, the FIAU or the Police, and which are served on the Bank in relation to you and/or the Accounts which you hold with the Bank.
- **General Due Diligence Data** includes due diligence information about you collected from third party and publicly available sources at point of application, primarily relating to your creditworthiness as well as the existence of any Court orders, judicial acts or pending litigation against you
- **Usage Data** includes information about how you use our services (including in terms of frequency).
- **Technical Data** includes internet protocol (IP) address, browser type and version, time zone setting and location, browser plug-in types and versions, operating system and platform and other technology on the devices you use to access the website, your internet banking page [and our mobile application].
- **Marketing and Communications Data** includes your preferences in receiving marketing from us and our third parties and your communication preferences.

We also collect, use and share **Aggregated Data** such as statistical or demographic data for any purpose. Aggregate may be derived from your personal data but is not considered personal data in law as this data does **not** directly or indirectly reveal your identity. For example, we may aggregate your Usage Data to ascertain the existence of any trends with regards to our banking or payment services. However, if we combine or connect Aggregated Data with

your personal data so that it can directly or indirectly identify you, we treat the combined data as personal data which will be used in accordance with this privacy Policy.

As indicated, we do collect **Special Categories of Personal Data** about you, specifically as a result of the information that we collect and process in terms of **Compliance Data** [and **Court Data**]. The collection and processing of this information is necessary in order for us to (i) conduct and carry out our internal Know-Your-Customer (“**KYC**”) due diligence, (ii) comply with our various legal and regulatory obligations as a licensed credit institution, including in particular our Anti-Money Laundering (“**AML**”) obligations, (iii) fulfil any mandated external regulated reporting, such as to the Financial Intelligence Analysis Unit (“**FIAU**”) and (iv) abide by Court orders.

If you fail to provide personal data

Where we need to collect personal data by law, or under the terms of the contract we have with you (pursuant to your entry into a banking relationship with us), or as otherwise part of our defined legitimate interests, **and you fail to provide that data when requested**, we may not be able to perform the contract that we have or which we are trying to enter into with you (namely, in respect of the provision of the banking and payment services which we offer as credit institution fully licensed by the Malta Financial Services Authority). In certain cases, particularly where it relates to Compliance Data, we may even need to exercise our prerogative to terminate the contract in accordance with our Terms and Conditions, or otherwise decline to enter into a banking relationship with you, but we will notify you if this is the case at the time.

3. How is your personal data collected?

We use different methods to collect data from and about you including through:

- **Account Opening.** You will need to give us your Identity, Contact and Compliance Data when opening a bank account with us, regardless of the type, nature or purposes of the account. This information is required from you for and in respect of each account opening. You provide this information to us, and we collect and process the same, when you fill in and submit our account opening form and other related forms. Any Banking Data (e.g. bank account details) issued to you on the basis of your account opening is also retained and stored by us.
- **Service Use.** Through your use of our banking or other services, we generate and compile your Banking and Transaction Data, including in the form of records. These sets of data are either issued or made available to you upon request and are retained by us for the purposes set out below. Moreover, to act upon certain service requests (e.g. deposits of a certain size), you will need to provide us with the Additional Compliance Data that we require.
- **Direct Interactions:** You may give us your Identity, Contact, Compliance, Banking and Transaction Data by filling in our other forms (i.e. separate to our account opening form) or by corresponding with us by post, phone, e-mail or otherwise. This includes personal data you provide when you, as may be applicable:
 - contact us with complaints or queries;
 - report issues;
 - submit the Compliance Data or Additional Compliance Data that we request;
 - request marketing to be sent to you; or
 - give us some feedback.
- **Service of Court Orders and similar orders, or requests for information from other authorities.** The Bank could be served with Court orders or judicial acts that may be issued or filed against you and/or the accounts which you hold with us (i.e. **Court Data**). The Bank may also be served with requests for information or orders from regulatory or law enforcement authorities. In such a case, copies of the relative Court order or judicial act will be processed and retained by us.
- **Automated technologies or interactions.** As you interact with our website, we may automatically collect Technical Data about your equipment, browsing actions and patterns. We collect this personal data by using cookies, server logs and other similar technologies.

- **Third parties or publicly available sources.** We may receive personal data about you from various third parties and public sources, such as Identity, Contact, Court Data from your professional referees, publicly available source like the Malta Registry of Companies, public court documents, the Malta Registry of Companies, as well as through general online searches. We may also collect your Identity, Contact, Financial and General Due Diligence Data from credit check databases.

4. How we use your personal data

We will only use your personal data when the law allows us to. Most commonly, we will use your personal data in the following circumstances:

- Where we need to perform the contract, we are about to enter into or have entered into with you in respect of your banking relationship with us.
- Where it is necessary for our legitimate interests (or those of a third party) and your interests and fundamental rights do not override those interests.
- Where we need to comply with a legal or regulatory obligation.

Generally, we do not rely on consent as a legal basis for processing your personal data, other than in relation to sending third party direct marketing communications to you via email or text message. You have the right to withdraw consent to such marketing at any time by contacting us, as indicated below.

Purposes for which we will use your personal data

We have set out below, in a table format, a description of all the ways we plan to use your personal data, and which of the legal bases we rely on to do so. We have also identified what our legitimate interests are where appropriate. Kindly note that we may process your personal data for more than one lawful ground, depending on the specific purpose for which we are using your data.

Accordingly, please contact us at info@merkantibank.com if you need details about the specific legal ground, we are relying on to process your personal data where more than one ground has been set out in the table below.

Purpose/Activity	Type of data	Lawful basis for processing including basis of legitimate interest
To decide on your application with us and, if positive, to enter into a banking relationship with you.	(a) Identity (b) Contact (c) Compliance (d) Due Diligence Data	(a) Performance of a contract with you (b) Necessary for our legitimate interests (to verify your identity and suitability for our services, and your ability to meet financial commitments).
(a) To process and effect the following, as requested by you, the customer: ▪ account openings; ▪ deposits; ▪ payment and transfer instructions; ▪ fund withdrawals and releases; ▪ production of bank statements; ▪ references; and ▪ our other services. (b) Manage transactions;	(a) Identity (b) Contact (c) Compliance (d) Banking, (e) Transaction (f) Specific Documents, as applicable.	(a) Performance of a contract with you (b) Necessary for our legitimate interests (to recover debts due to us)

(c) Collect and recover money which is owed to us (debt recovery).		
(a) To fulfil our: ▪ internal AML compliance policies and requirements; ▪ obligations under the PMLA and PMLFTR and other laws or regulations as may be applicable (for example, relating to sanctions); ▪ external regulated reporting and other obligations to the CIR, MFSA, CBM, the Police Authorities and FIAU, and any other (including foreign) governmental, regulatory, law enforcement or tax authorities; (b) For legal, tax, insurance and accounting and compliance purposes (e.g. reporting to tax authorities in terms of FATCA or other agreement or law). (c) To abide by Court orders (d) To carry out reviews, assessments and audits of the Bank's operations, standards, processes and procedures or to obtain a rating or similar	(a) Compliance (b) Additional Compliance (c) Court Data (d) Specific Documents, as applicable.	(a) Necessary to comply with a legal obligation. (b) Necessary for our legitimate interests (for the detection and prevention of fraud and any other criminal activity (including money laundering and terrorist financing)) (c) Necessary for our legitimate interests (for handling and exercise of claims). (d) Necessary for our legitimate interests in order to determine the extent of the Bank's compliance with law, regulations and internal policies and procedures;
To manage our relationship with you which will include: (a) Notifying you about changes to our terms or Privacy Policies; (b) Responding to complaints, queries and/or reported issues; (c) Dealing with requests; (d) Asking you to participate in a survey; and (e) Requesting feedback from you.	(a) Identity (b) Contact (c) Usage (d) Marketing and Communications	(a) Performance of a contract with you (b) Necessary for our legitimate interests (for customer service matters, to study how customers use our services, to enable a review, assessment or rating of our operations, to develop them and grow our business).
To administer and protect our business, including our website (including troubleshooting, data analysis, testing, system maintenance, support, reporting and hosting of data)	(a) Identity (b) Contact (c) Technical	(a) Necessary for our legitimate interests (for running and administering our business, network security, to prevent fraud and to maintain the confidentiality of transactions, and in the context of a business reorganisation or group restructuring exercise) (b) Performance of a contract with you (ensuring that your transactions remain secure and confidential).

To send you updates which you have requested to receive or which as our clients, we believe you may be interested in.	(a) Identity (b) Contact (c) Marketing and Communications	Necessary for our legitimate interests (to study how existing customers use our services, to develop them, to grow our business and to inform our marketing strategy).
To make suggestions and/or recommendations to you, as an existing customer, about our other services that we feel may be of interest to you.	(a) Identity (b) Contact (c) Technical	Necessary for our legitimate interests (to develop our services and grow our business)

As part of our legitimate (business) interests, we may need to share, disclose or transfer your personal data to any potential acquirer of the Bank or the Bank's business or part thereof, or to an actual or potential assignee or transferee of the Bank's rights against you.

Marketing

We strive to provide you with choices regarding certain personal data uses, particularly around advertising and marketing communications. Through your Identity, Contact, Technical and Usage Data, we can form a view on what we think you may want or need and what may be of interest to you. This would then enable us to determine which of our particular services may be most relevant for you (we call this **marketing**).

In that regard, will only send you advertising and marketing communications:

- if you have entered into a banking relationship with us, actually make use of our services and are thus an existing and ongoing customer; and
- provided you have not opted out of receiving marketing from us (see **Your Legal Rights** below).

Opting out

You can ask us to stop sending you advertising and marketing communications at any time by:

- following the opt-out links on any marketing message sent to you;
- contacting us at any time at info@merkantibank.com

Where you opt out of receiving such communications, this will not apply to personal data processed or provided to us as a result of your entry into a banking relationship with us and our service provision.

Change of purpose

We will only use your personal data for the purposes for which we collected it, unless we reasonably consider that we need to use it for another reason and that reason is compatible with the original purpose.

If you wish to get an explanation as to how the processing for the new purpose is compatible with the original purpose, please contact us at info@merkantibank.com.

If we need to use your personal data for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so.

Please note that we may process your personal data without the need to obtain your consent, in compliance with the above rules, where this is required or permitted by law.

5. Disclosures of your personal data

We may have to share or allow access to your personal data with the parties or authorities identified below for the purposes set out in the table in Clause 4 above.

External Third Parties

- Service providers who provide IT and system administration, maintenance and support services and other service providers which may be engaged by the Bank to provide certain services to the Customer on behalf of the Bank or to provide services which are necessary for the Bank's operations.
- Professional advisers including external legal counsel, internal and external auditors and consultants and insurers who provide, legal, insurance, auditing and accounting services as may be engaged by the Bank from time to time.
- Credit reference agencies and debt recovery agencies acting as joint controllers who assist us with establishing the creditworthiness and credit risk of prospective customers and with the recovery of debts owed to us.

Regulatory and other Authorities

- The Financial Intelligence Analysis Unit, Malta Financial Services Authority, Commissioner of Inland Revenue, Central Bank of Malta, the Police Authorities and other authorities (including overseas authorities) each of whom may require reporting in respect of processing activities and the activities of our customers in certain circumstances or who may request information from us or to whom we are required to disclose information in terms of applicable law, in terms of applicable law and in certain circumstances.

Correspondent Banks

Our subsidiaries, associates and agents where necessary to facilitate your banking relationship with us and/or enable the provision of the services that you have requested from us (e.g. processing of statements).

We may also transfer your personal data to third parties to whom we may choose to sell, transfer, or merge parts of our business or our assets, including to any potential acquirer of the Bank or the Bank's business or part thereof. Alternatively, we may seek to acquire other businesses or merge with them. If a change happens to our business, then the new owners may use your personal data in the same way as set out in this privacy Policy. This may include any actual or potential assignee or transferee of the Bank's rights against you (the Customer).

We require all third parties to respect the security of your personal data and to treat it in accordance with the law. We do not allow our third party service providers to use your personal data for their own purposes and only permit them to process your personal data for specified purposes and in accordance with our instructions.

Personal data in relation to transactions effected via SWIFT (Society for Worldwide Interbank Financial Telecommunication) may be required to be disclosed to the United States authorities in order to comply with legal

requirements applicable in the United States for the prevention of crime and in accordance with the EU-US Terrorist Finance Tracking Program (TFTP) agreement”.

6. International transfers

To process your payments and bank transfers, we will need to share certain Personal Data with our correspondent banks. This may involve transferring your data outside of the European Economic Area (“EEA”), specifically when the requested payment or transfer is to be made to a non-EEA account. On other occasions, we may be requested, whether by you directly or by a third party with your knowledge, to provide banking reference that pertains to you.

Whenever we transfer your personal data out of the EEA, we ensure a similar degree of protection is afforded to it by ensuring at least one of the following safeguards is implemented:

- We will only transfer your personal data to countries that have been deemed to provide an adequate level of protection for personal data by the European Commission and, in the absence of such a decision, on the basis of the Standard Contractual Clauses which have been specifically approved by the European Commission for third-country transfers of personal data;
- Where we use providers based in the US, we may transfer data to them if they are part of the Privacy Shield which requires them to provide similar protection to personal data shared between the Europe and the US.

As indicated, we may also be required to share your information with overseas government and law enforcement authorities, tax authorities and regulatory agencies.

Please contact us if you want further information on the specific mechanism used by us when transferring your personal data out of the EEA.

7. Data security

We have put in place appropriate security measures to prevent your personal data from being accidentally lost, used or accessed in an unauthorised way, altered or disclosed. In addition, we limit access to your personal data to those employees, agents, contractors and other third parties who have a business need to know. They will only process your personal data on our instructions, and they are subject to a duty of confidentiality.

We have also put in place procedures to deal with any suspected personal data breach and will notify you and any applicable regulator of a breach where we are legally required to do so, and within the timeframe prescribed at law.

8. Data retention

Please note that we (the Bank) consider our relationship with you to be an ongoing and continuous customer relationship, until such time that either we or you terminate it in accordance with the General Terms.

We will only retain your personal data for as long as necessary to fulfil the purposes we collected it for (i.e. the ongoing performance of our relationship with you) and, thereafter, for the purpose of satisfying any legal, accounting and regulatory reporting requirements and/or other obligations to which we (as a licensed financial institution) may be subject and/or to the extent that we may also need to retain your personal data to be able to assert, exercise or defend possible future legal claims against or otherwise involving you.

By and large, our retention of your data shall not exceed the period of six (6) years from the date of the termination of your banking relationship with us and closure of your bank accounts. This period of retention enables us to use the data in question for the defence of possible future legal claims (taking into account the timeframe of applicable statutes of limitation and prescriptive periods). In certain cases, we may need to retain your data for longer periods in order to comply with AML and reporting obligations, as well as applicable accounting and tax laws.

In that respect, we observe and apply the ‘Retention Periods’ set out in the Banking Sector Guidelines entitled ‘Data Protection Guidelines for Banks’ available at:

<https://idpc.org.mt/en/Press/Documents/Data%20Protection%20guidelines%20for%20banking.pdf> , which were developed by the Malta Bankers’ Association after a consultation process with the IDPC who ascertained that these Guidelines comply with the GDPR Data Minimisation

Whenever and to the extent possible, we may anonymise the data which we hold about you when it is no longer necessary to identify you from the data which we hold about you. In some circumstances, we may even

pseudonymise your personal data (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further Policy to you.

9. Your Legal Rights

Under certain circumstances, you have rights under data protection laws in relation to your personal data.

You have the right to:

Request access to your personal data (commonly known as a “data subject access request”). This enables you to receive a copy of the personal data we hold about you and to check that we are lawfully processing it.

You may send an email to info@merkantibank.com requesting information as the personal data which we process. You shall receive one copy free of charge via email of the personal data which is undergoing processing.

Right to information when collecting and processing personal data about you from publicly accessible or third party sources. When this takes place, we will inform you, within a reasonable timeframe, about the third party or publicly accessible source from which we have collected your personal data.

Request correction or rectification of the personal data that we hold about you. This enables you to have any incomplete or inaccurate data we hold about you corrected and/or updated, though we may need to verify the accuracy of the new data you provide to us.

Request erasure of your personal data. This enables you to ask us to delete or remove personal data where:

- there is no good reason for us continuing to process it;
- you have successfully exercised your right to object to processing (see below);
- we may have processed your information unlawfully; or
- we are required to erase your personal data to comply with local law.

Note, however, that we may not always be able to comply with your request of erasure for specific legal reasons which will be notified to you, if applicable, at the time of your request. In particular, notwithstanding a request for erasure, we may continue to retain your personal data where necessary:

- for compliance with a legal obligation to which we are subject; or
- for the establishment, exercise or defence of legal claims.

Object to processing of your personal data where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground as you feel it impacts on your fundamental rights and freedoms. You also have the right to object where we are processing your personal data for direct marketing purposes (as under the **Marketing** section of Clause 4).

In some cases, we may demonstrate that we have compelling legitimate grounds to process your information which override your rights and freedoms.

Request restriction of processing of your personal data. This enables you to ask us to suspend the processing of your personal data in the following scenarios:

- if you want us to establish the data's accuracy;
- where our use of the data is unlawful but you do not want us to erase it;
- where you need us to hold the data even if we no longer require it as you need it to establish, exercise or defend legal claims; or
- you have objected to our use of your data but we need to verify whether we have overriding legitimate grounds to use it.

Request the transfer (data portability) of your personal data to you or to a third party. We will provide to you, or a third party you have chosen, your personal data in a structured, commonly used, machine-readable format. Note that this right only applies to automated information which you initially provided consent for us to use or where we used the information to perform a contract with you.

Withdraw consent at any time where we are relying on consent to process your personal data. However, this will not affect the lawfulness of any processing carried out before you withdraw your consent. Withdrawal of consent may, however, affect or impair the possibility of us providing you with the Services. We will advise you if this is the case at the time you withdraw your consent.

No fee usually required

You will not have to pay a fee to access your personal data (or to exercise any of the other rights). However, we may charge a reasonable fee if your request is clearly unfounded, repetitive or excessive. Alternatively, we may refuse to comply with your request in these circumstances.

What we may need from you

We may need to request specific information from you to help us confirm your identity and ensure your right to access your personal data (or to exercise any of your other rights). This is a security measure to ensure that personal data is not disclosed to any person who has no right to receive it. We may also contact you to ask you for further information in relation to your request to speed up our response.

Time limit to respond

We try to respond to all legitimate requests within one month. Occasionally it may take us longer than a month if your request is particularly complex or you have made a number of requests. In this case, we will notify you and keep you updated.

Conclusion

We reserve the right to make changes to this Policy in the future, which will be duly notified to you. If you have any questions regarding this Policy, or if you would like to send us your comments, please contact us today or alternatively write to our Data Protection Officer using the details on our website.