



## GENERAL TERMS & CONDITIONS GOVERNING BANKING WITH ORIENT BANK.

The relationship between the Bank and the Customer is that of a debtor and a creditor, the respective position being decided upon by the position of the customer's account with the bank. The position is governed by the law of Uganda except where the following terms & conditions apply and subject to any further agreement in writing.

### OPERATION OF ACCOUNTS

#### **1. Minimum Balance:**

**Current Accounts:** The minimum credit balance to be maintained in the current accounts with the bank will be Ushs.....for Individual , Sole Proprietorship, Partnership accounts and Ush.....for Corporate accounts.

**Foreign Currency Current Accounts:** The minimum credit balance to be maintained in the Individual account will be US\$ Dollars.....while for Corporate accounts it shall be US Dollars.....

**Savings Accounts:** The minimum credit balance required for the savings is Ushs.....

In the event that the credit balance, in either of these accounts goes below this minimum amount, the account will attract charges for "unremunerative accounts" at a rate stipulated by the bank and revised at the absolute discretion of the bank.

- 2. Authorised Signatories:** The customer will give the bank, in legible and acceptable form, the specimen signature of every person authorized to operate the account. Unless otherwise agreed, all signatories are entitled to withdraw all or any of the customer's property or securities held by the bank from the time to time either in their capacity as a bailee or creditor or in any other capacity and to open any further account(s) in the customer's name.
- 3. Joint Accounts:** In the event of two or more customers holding a joint account the following additional provisions apply:
  - (a) The holders of a joint account authorise the Bank to pay or deliver, or other order of, the survivors of survivor or the executors or administrators of such survivor any moneys standing to the credit of their Joint account:
  - (b) All liability on a joint account is joint and several.
  - (c) Any mandate, intimation, notice, request or letter varying the original instruction regarding operation of the account, issue of mandate for or annulling the stop payment of cheques, debits to the joint account, among others, affecting the operations on the joint account will be acted upon by the Bank only if it is signed by the minimum number of such persons who are authorized to operate the Joint Accounts. This provision shall apply with equal force to authenticating materials, alteration(s) in cheque(s) or other mandate(s) instructing the Bank to debit such accounts and or to the Bank and affecting the said accounts.
- 4. Accounts in Foreign Currency:** Subject to all laws and Governmental Regulations, where an account is in foreign currency any demand for any currency to the Bank for payment from such account is properly met by the Bank issuing a draft or affecting a transfer or making in any other manner in foreign currency at the discretion of the Bank.
- 5. Holdings and Credit in Foreign Currency:** Subject to all laws and Governmental Regulations applicable:-
  - (a) The Bank will credit the counter- value of the customer's holdings in foreign currencies to account with its correspondents in various countries of origin:
  - (b) Such accounts are in the Bank's name but are at the Customer's risk, and the Customer accepts responsibility for any ensuing consequences, including but not limited to consequences of legal, fiscal or other measures affecting such accounts;
  - (c) Except in the case of any assignment by the Customer to the Bank, the Customer may dispose of such only by
  - (d) All credits granted in foreign currencies are also subject to this Clause.

- 6. Customer Instructions:** The customer instructs the bank to honour and to debit to his account with all Cheques, Drafts, Bills, Promisory Notes, Acceptances, Negotiable instruments and orders drawn, accepted or made out by him and to carry out any instructions he may give in connection with his account notwithstanding that any such debit or carrying out may cause his account to be overdrawn or an overdraft to be increased. Where no overdraft has been agreed or when the limit or the overdraft agreed has been fully utilised, the Bank may in its discretion refuse to carry out any instructions which would

result in there being an overdraft or any overdraft limit exceeding that already agreed and sanctioned, as the case may be.

## 7. Cheques:

(a) The customer agrees to ensure:-

- (i) That all incomplete cheque forms are kept in safe custody at all times.
- (ii) That the Bank is informed immediately upon discovery by the Customer that any cheque book or any cheque leaf or requisition slip in the cheque book has been stolen, lost or mislaid.
- (iii) That any person preparing cheque is authorized to do so:
- (iv) That any cheque is prepared and signed in ink:
- (v) That the amount of any cheque is written as near as possible to the left side of the form to prevent any unauthorized addition of letters or figures.
- (vi) That any cheque any alteration is signed by authorised signatories:
- (vii) That no incomplete cheque is given to any stranger or other person when Customer does not have reasonable grounds for believing him to be trustworthy.

(b) The Customer is advised that:-

- (i) Where possible any completed cheque should be crossed with two distinct lines in order to make the cheque negotiable only through a bank and
- (ii) If it is known with which Bank the beneficiary of a cheque keeps his account then the name of that Bank should be added to the crossing in order to make the cheque negotiable only through that particular Bank.

(c) On receipt, in a form accepted by the Bank, of notice from the Customer to stop payment of a cheque, the Bank will record the notice. The Bank is not responsible if such notice is not acted on otherwise than through negligence. If by reason of negligence a cheque is in fact paid after receipt of such notice, the Bank will repay the Customer upon proof to its satisfaction that the payment has not discharged or partially discharged any liability of the Customer to any party to the Cheque and receipt of any assignment of the Customer's rights against all such parties but not otherwise The Customer will give the Bank all assistance necessary to the enforcement of the assigned rights. If reasonable assistance is not forthcoming or if it is proved that the payment has discharged an obligation of the Customer, the Bank may debit the Customer together with costs of the action and is entitled to be paid this amount.

(d) Upon closure of any account or if the customer wants the Account or Accounts to be transferred to (an) other Branch or Branches, the Customer will return to the Bank any remaining unused cheque leaves relating to that account and the Bank will return to the Customer the value of any Revenue Stamps reimbursement for them which is obtained by the Bank.

(e) The Bank may refuse payment of any cheque not drawn on the Bank's cheque leaf in the manner specified by the Bank in these Terms and Conditions.

(f) All cheques or other orders for payment of whatsoever nature are accepted for deposit for collection at the risk of the Customer. Where any cheque or order is unpaid for any reason whatsoever (including but not limited to physical loss) other than the Bank's negligence, the Bank may debit the customer with the amount previously credited (taking into account any exchange fluctuation where relevant) in respect of that cheque or order, together with interest from the date of crediting if the account thereby is overdrawn.

(g) Before making any withdraw, the customer must allow sufficient time to elapse after making any deposit (including of cash) in order to enable the Bank to carry out the necessary bookkeeping operations to credit the account. For the purpose of this subsection sufficient time shall be deemed to be one complete business day.

(h) Money credited to the customer in error must be repaid on demand.

**8. Cash payment against cheques:** In accordance to banking regulations in Uganda, the bank shall not offer cash payment of cheques, drawn by the customer and payable to "Third parties". Provided that if the cheque is payable to "self"/the customer, such payment shall be collected by the customer in person.

## 9. Payment of Bank Charges and Interest Expense:

- (a) The Bank is entitled, without notice to the customer to levy or impose all customary account banking and other charges and expenses in respect of any or in respect of any other banking facilities provided to the Customer by the Bank, and to debit the relevant Accounts in accordance with the Bank's normal banking procedures. Such charges are not refundable upon termination of any or all of the Customer's Account(s) or on termination of any service facilities
- (b) Bank charges include but are not limited to service fees, commissions taxes and stamp duties paid on the customer's behalf, or charges including disbursements for cheque books, postage, cables,

telephone call impositions and expenses incurred as a consequence of any dealings between the bank and the customer.

- (c) Unless otherwise agreed in writing, to pay interest on overdrawn accounts, including loan accounts or any other facility granted by the Bank, at a rate which may be different for the different accounts. The Bank need not notify the customer of any change in the rate of interest charged.
- (d) The Bank may alter its charge for various services from time to time and such changes shall be effective notwithstanding that the customer may not have had notice thereof.

#### **10. Lien:**

- (a) When the customer is indebted to the Bank, the Bank has a general lien over all property of the Customer in the Bank's possession, including, but not limited to cash, goods, securities or valuables deposited for safe custody or as security, cheques presented for payment, bills and any other property movable or immovable charged to secure repayment of any money whether or not that money has been repaid, and also over all property over which by the general law the Bank has a lien.
- (b) Where the Customer is indebted in circumstances giving the Bank a right to set off all securities held as security for the debt Bank has a lien.
- (c) The Bank may at any time, give the customer notice in writing that if an accrued debt is not paid within a period being not less than 28 days after receipt by the Customer of the notice, then the Bank may without further notice realise such Customers assets as are sufficient to discharge the debt.
- (d) If the debt is not discharged within the time allowed, the Bank may realise such Customers assets as are sufficient to discharge the debt, and the Customer constitutes the Bank, his attorney for the purpose of conducting the sale, giving title to the assets sold and all other necessary matters. Any sum remaining after such a transaction will be held for the Customer subject to these Terms and Conditions.
- (e) The Bank is under no obligation in respect of any sale under clause (d) other than for *mala fides*.
- (f) Funds in foreign currencies which are subject to the Bank's lien may be set off against debts or realised at the rate of exchange current at the date of set off or realisation. The Bank accepts no liability for any loss caused by exchange fluctuations.
- (g) Deposits for a given period of time may be set off against debts notwithstanding that the period of the deposit has not expired.

#### **11. Bank's right to Set-off:-**

- (a) The Bank, may without notice, set off against any account or indebtedness of the Customer
  - (i) any other account whether current, loan, savings or any other type.
  - (ii) Any time or other deposit.
- (b) The Bank may, upon notice to the Customer, act off his account against any other account or indebtedness in respect of which the Customer is liable notwithstanding that some other person may also be liable in respect thereof. In such circumstances upon receipt of an indemnity satisfaction to the Bank against costs and at the Customers expense, the Bank will give the Customer any assistance necessary in obtaining a refund.

**12. Dormant Accounts:** If no cheques are drawn on any current account for a continuous period of.....months, such account will be treated as "Dormant Account". Further drawings on such accounts will be with the specific permission of the Branch Manager. If the account remains Dormant for a continuous period of further six months, the account will be treated as Inoperative Account and the drawer shall be requested to call on the Branch personally at the time of drawing the first cheque on such Inoperative Account.

**13. Freezing of an Account:** The Bank may at any time freeze any account of the Customer if and so long as there is any dispute or the Bank has doubt for any other reason (whether or not well founded) as to the person or persons entitled to operate the same,, without any obligation to institute interpleaders proceedings or to take any step of its own initiative for the determination of such dispute or doubt. Provided further that if the Bank shall in its discretion permit the opening of an account for which sufficient documents or details have not be furnished by the Customer, it may in its absolute discretion freeze the account until such time when the Customer shall have compiled and furnished all necessary documents or details.

**14. Delay by Customer in lodging complaints:** The Bank is not responsible for any matter unless the Customer has made a complaint to the Bank as soon as reasonably possible after receipt by him of notification of the matter. Where notification from the Bank is expected but not received, the complaint must be made within a reasonable time after non-receipt.

#### **15. Communications:**

- (a) All notices, statements, letters and other communications from the Bank may be sent to the last

address given by the customer, and the date on the Bank's copy of any such communication is taken to be the date of such dispatch in the absence of proof to the contrary.

- (b) Any written communication from the Bank to the Customer including bill not limited to any notice given pursuant to these Terms and Conditions shall be deemed to have been received by the Customer; if delivered physically to Customer, at the date and time of delivery, and if sent by post, then four days after posting if sent to a Uganda address and five days after, if sent to an address outside Uganda: and in proving such dispatch by post it shall be sufficient to prove that the letter containing the communication was properly stamped and addressed, and put into the Post Office.

**16. Variation and Termination of Relationship:** The Bank may at any time, upon notice to the Customer, terminate or vary its business relationship with the Customer and in particular but without prejudice to the generality of the foregoing, may cancel credits which it has granted and require the repayment of outstanding debts resulting there from within such time as the Bank may determine. The Bank's decision in this connection will be final and binding on the customer and the Bank reserves the right to take any further action as it may deem fit, in case the customer refuses to return unused cheques and or continues to act in a manner detrimental to the Bank.

**17. Statements:** The content of any statement of account or statement of any other nature which has been sent by the Bank to the customer, and to which the customer has not objected within twenty Eight days of receipt thereof, shall be deemed approved by the customer, and shall not thereof be challenged by the customer on any ground whatsoever, whether lack of mandate, forged or inadequate signature or endorsement of cheques, forged alteration thereof, or otherwise.

**18. Accounting Periods:** Accounts are made up at the end of each monthly, quarterly and half-yearly period.

**19. Interpretation:** In these terms and Conditions, the expression "Customer" shall include any person or persons, firm or corporate body.

**20. Amendments:** Any addition or alteration to these Terms and Conditions made from time to time by the Bank of which notice has been given to the Customer shall be binding upon the Customer as fully as if the same were contained in these Terms and Conditions.

I/We have read and understood the General Terms and Conditions as stated above, and referred to in the Account Opening Mandate, and agree to be bound by them in full by signing below:

NAME	CAPACITY	SIGNATURE	DATE