



FEBRUARY 2022

# Vostro Account Terms & Conditions

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## 1. PRELIMINARY

- 1.1 ABC International Bank plc is a bank incorporated in the United Kingdom, with its registered office at:  
**Arab Banking Corporation House**  
**1-5 Moorgate**  
**London**  
**United Kingdom,**  
**EC2R 6AB**  
("Bank ABC").
- 1.2 Save when the context otherwise requires, the words "the Bank", "we" and "our" refer to Bank ABC; "you", "your", and "the Account Holder" to you as the client of Bank ABC; and the word "us" shall apply either to Bank ABC, or to both Bank ABC and you, as the context requires.
- 1.3 Save when specified otherwise in this or other documents from Bank ABC:
- (a) "from", "to", "until" and "between" shall include the date or dates mentioned; and
  - (b) "before" and "after" shall exclude the date or dates mentioned.
- 1.4 These Terms and Conditions will apply to each payment that is processed or settled through your Vostro Account ("Payments").
- 1.5 These Terms and Conditions govern the operation of each Vostro Account opened in the books of Bank ABC in your name.

## 2. ACCOUNT CONDITIONS

### 2.1 Purpose of the Vostro Account

- (a) The purpose of the Vostro Account is to facilitate incoming and outgoing Payments on behalf of the Account Holder in the specified currency of the Account.
- (b) Vostro Accounts can only be used for the processing and settlement of Payments of the Account Holder itself. The use of the Account is restricted to the following Payments:
  - i. “Inward” Payments into the Account in favour of the Account Holder as the sole and ultimate beneficiary of the “Inward” Payment;
  - ii. “Outward” Payments to an account maintained by the Account Holder with another Financial Institution where that other account is also in the name of the Account Holder. For the avoidance of doubt, the Account may not be used by the Account Holder to provide downstream correspondent banking services on behalf of its own clients or customers.
  - iii. “Inward” and “Outward” Payments relating to the settlement of transactions to which Bank ABC is a party within the transaction.
  - iv. Any other type of Payment as may be agreed between Bank ABC and the Account Holder from time to time.
- (c) You hereby authorise us to debit your Account with any Payments detailed hereunder.

### 2.2 Payments

- (a) These Terms and Conditions include provisions relevant to the receipt of Payments into and from your Vostro Account. The information to be supplied by you for the Payment to be made will vary according to the particular type of Payment selected by you from time to time.
- (b) Amounts received for the credit of your Account after the applicable cut off time or on a non-Business Day in the United Kingdom will be deemed to have been received on the following Business Day or, where the receipt has involved a currency conversion, then such other time as we may specify to you. For the purposes of this Agreement, “Business Day” shall mean a day on which banks are generally open for business in the United Kingdom.
- (c) When we accept a Payment order, it may not be possible for it to be cancelled or amended thereafter. Notwithstanding the foregoing, if you request cancellation or amendment of an accepted Payment order, we may, but are not required to, attempt to cancel or amend the Payment order but this may require the consent of third parties. You hereby authorise us to contact any such third parties.
- (d) Notwithstanding any other provision of this Agreement, we may refuse to process any Payment if it fails to comply with any of our “know your client”, sanctions, fraud or any other internal checks and/or any legal or regulatory requirements which apply to us.
- (e) We accept no liability for any losses, costs and expenses which you suffer in respect of this clause 2.2, and you shall indemnify us for any losses, costs and expenses which we suffer or incur as a result of taking such action.

### 2.3 Currencies

Accounts may be in such currencies as we may agree to provide.

### 2.4 Pre-funding

- (a) We may ask you to provide us with funds in advance, in the manner and in the amount to be specified by us in our reasonable discretion, in respect of any obligation that we incur in respect of services that we provide to you under these Terms and Conditions.
- (b) Where we have made a request for you to provide us with funds in advance, you acknowledge that we shall be entitled to decline to act or defer acting upon your instructions until such time that we receive the requested funds.

### 2.5 Bank Charges

- (a) All fees and charges in relation to the operation of your Vostro Account with us will be debited from your Account in accordance with the agreed fees and charges set out in the relevant Charges Schedule agreed with your Relationship Manager when the account is opened or as subsequently agreed from time to time. You authorise us to debit your Account with these fees and charges.

- (b) There may be other third party banks that apply charges in effecting a Payment instruction which may be deducted from the amount transferred by you or the amount received by you. If any charges are passed back to us by a third party bank, you authorise us to debit your Account with these charges.
- (c) All payments of fees and charges shall be made clear without set off and without deduction for any tax or duty or other charge, unless this deduction or withhold is required by the applicable law. In case of any withholding or deductible tax or duty, you shall indemnify Bank ABC with the amount equal to the withheld or deducted amount.

### 2.6 Credit Interest

Where we have agreed to pay interest on credit balances on an Account, such interest will be calculated and paid at the rate and on the basis set out in the relevant additional terms advised to you by your Bank ABC relationship manager.

Interest earned on accounts (if any) may be subject to a deduction or withholding under the laws of a jurisdiction other than the United Kingdom.

## 2.7 Overdrafts

- (a) If your Vostro Account becomes overdrawn, unauthorised borrowing fees will be charged at the Unauthorised Debit Interest Rate and other charges may also be incurred. Details of unauthorised borrowing fees can be provided to you upon request by your Bank ABC relationship manager.
- (b) Nothing in these Terms and Conditions restricts our right to refuse to allow any overdraft or other kind of credit.
- (c) We are not obliged to provide you with credit (including, without limitation, on an intra-day or overnight basis) unless agreed in advance with your relationship manager. Any provision of credit to you is entirely at our discretion and we reserve the right to amend or withdraw any facility unconditionally at any time without notice.
- (d) We may at our sole discretion permit you to make Payments out of your Vostro Account before funds are received into your Vostro Account later on the same day, on terms to be agreed in advance with your relationship manager. We reserve the right to amend or withdraw this facility at any time without notice.

## 2.8 Payment & Withholdings

We may make any tax deduction we are required by law to make, and any Payment required in connection with such deduction, and we shall not be required to increase any Payment in respect of which we make such a deduction or otherwise compensate the recipient of the Payment for that deduction.

If we become aware that we must make a deduction or similar deductions in respect of a Payment to you (or that there is any change in the rate or the basis of such deduction or similar deduction) we shall notify you.

## 2.9 Account Statements

- (a) For each Account, we will provide you with Account statements at such frequency as may be agreed between us or, in the absence of such agreement, on a semi-annual basis.
- (b) You agree to examine Account statements sent to you within 10 Business Days after receiving them and notify us promptly of any apparent mistake or discrepancy. In the absence of manifest error, any determination made by us in any Account statement or otherwise shall be final, conclusive and binding on you.

## 2.10 Closing an Account

- (a) You may close your Account at any time on no less than thirty (30) days' notice to us. We may ask you to confirm this in writing.
- (b) We reserve the right not to open an Account or require such Account to be closed without giving a reason.
- (c) If we wish to close your Account, we will give you at least thirty (30) days' notice in writing unless there are exceptional circumstances which require us to close the Account in a shorter time period. Examples of situations where we may request the immediate closure include the improper use of the Account or compliance with legal, tax or regulatory changes.
- (d) Where we close the Vostro Account we will use reasonable endeavours to co-operate with you in relation to migrating your Account to an alternative service provider, at your cost and expense.

- (e) The closure of your Account will not release you from any liability in respect of sums owing to us or from any previous liability or indemnity for any act performed by us in accordance with instructions previously received from you.
- (f) You agree that following the closure of your Account, we are authorised to return any incoming Payments that we would otherwise have credited to your Account.
- (g) The rights and obligations contained in this section (Closing an Account), section 3 (Compliance), section 4 (Data Protection), section 5 (Disclosure of Confidential Information) and any indemnities you provide in these Terms and Conditions shall survive the closure of your account.

## 2.11 Limitation of Liability

- (a) Bank ABC will only be liable for any reasonable losses, costs and expenses incurred by the Account Holder which arise directly due to Bank ABC's gross negligence, wilful default or fraud in relation to the Account. Otherwise, you hereby agree to indemnify Bank ABC and hold Bank ABC harmless for any losses, costs and expenses incurred by Bank ABC in relation to the Account.
- (b) Bank ABC's liability pursuant to 2.11. (a) will be limited to the monetary amount of the relevant transaction in relation to the Account pursuant to which the gross negligence, wilful default or fraud occurred.
- (c) Bank ABC will not be liable for any consequential or indirect loss, loss of business, loss of profits, loss of goodwill or any form of special damages arising from the operation of the Account.

## 3. COMPLIANCE

- 3.1 You agree that we have no responsibility for any legal or regulatory obligation to which you may be the subject or the consequences of any failure on your part to comply therewith whether or not arising out of or in connection with the operation of your Account.
- 3.2 You confirm that you comply and will continue to comply with all legal and regulatory obligations to which you are subject, including but not limited to those relating to the prevention of money laundering, terrorist financing and the provision of financial and other services to persons or entities which may be subject to sanctions, including (without limitation) the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2019 (Amended) requirements on information on the payer accompanying transfers of funds (as amended or replaced from time to time).

You agree that you will also take such steps as we may reasonably require in order to enable us to comply with our duties in relation to the prevention of money laundering, terrorist financing and the provision of financial and other services to persons or entities which may be subject to sanctions, according to our understanding of best practices. We will not be liable for any loss, liability or cost incurred by you as a result of taking such a compliance step.

- 3.3 You acknowledge that we may be required, and agree that we may, if we consider it prudent, take steps for the purposes of compliance with relevant laws and regulations, including laws and regulations relating to the prevention of money laundering, terrorist financing and the provision of financial and other services to persons or entities which may be subject to sanctions.

The compliance steps may include the interception and investigation of instructions, making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity; and reviewing any due diligence performed by you or “know your customer” information held by you in relation to your customers. We will not be liable for any loss, liability or cost incurred by you as a result of taking such a compliance step.





## 4. DATA PROTECTION

Bank ABC may from time to time collect and hold information relating to the Account Holder in the course of its relationship with the Account Holder (including operating any Account or providing any service) or for any other reasonable purpose notified by Bank ABC at any time.

Data relating to the Account Holder may also be used by other affiliates, branches, subsidiaries and/or units of Bank ABC subject to prior notification to the Account Holder. Bank ABC will hold such data in accordance with applicable data protection legislation (including, without limitation, the General Data Protection Regulation EU 2016/679 and the Data Protection Act 2018 (each as may be amended from time to time)).

Please refer to the Bank ABC Privacy Notice (the “Privacy Notice”) for full information on how Bank ABC may process your personal information. The Privacy Notice can be found on our Website ([www.bank-abc.com](http://www.bank-abc.com)) and is available on request.

You acknowledge that Bank ABC may store Account Holder data in servers outside its domicile for operational reasons.

To confirm the identity of the Account Holder and to help prevent fraud and money laundering, Bank ABC may make searches at credit reference agencies, fraud prevention agencies or third parties associated with you, including electoral register information.

We may be required by law or regulation to share information about your Accounts with the UK or other relevant tax authorities.

## 5. DISCLOSURE OF CONFIDENTIAL INFORMATION

- 5.1 Bank ABC may disclose to any of its Affiliates (being any of its direct or indirect subsidiaries, holding companies and/or branches) and any of its or their representatives such Confidential Information as Bank ABC shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph is informed of its confidential nature, except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information.
- 5.2 Bank ABC may disclose to any person,
- (a) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
  - (b) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; or
  - (c) with your consent;
- in each case, such Confidential Information as Bank ABC shall consider appropriate.
- 5.3 “Confidential Information” means all information relating to you of which Bank ABC becomes aware in connection with the Account or which is received by Bank ABC in relation to the Account from in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:
- (a) is or becomes public information; or
  - (b) is known by Bank ABC before the date the information is disclosed to it or is lawfully obtained by Bank ABC after that date, from a source which is, as far as Bank ABC is aware, unconnected with you and which, as far as Bank ABC is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

## 6. MISCELLANEOUS

### 6.1 Variation of Terms & Conditions

Changes will be notified to you in writing by (i) post, or (ii) communication via an electronic platform which may include, without limitation, SWIFT or email (“Electronic Communication”), and in either case we may direct you to our Website at (www.bank-abc.com).

Copies of the latest documents comprising these Terms and Conditions and all other documents and materials mentioned herein can be made available to you upon request to your Bank ABC relationship manager.

### 6.2 Force Majeure

We will not be liable to you for any delay in performance, or for the non-performance, of any of our obligations hereunder by reason of any cause beyond our reasonable control.

This includes without limitation, any change in law or regulation or any change in the interpretation or enforcement of any law or regulation, any breakdown or failure of transmission, communication or computer facilities, strikes or similar industrial action and the failure of any relevant exchange, clearing house and/or broker for any reason to perform its obligations or any Act of God beyond the reasonable control of the Bank.

### 6.3 Changes to Your Account & Communication

You are responsible for ensuring the timely communication to your relationship manager of changes to the nature of your business or if you change your name, postal address, phone number, e-mail address, Electronic Communication channel address, or authorised signatories.

Any notice to be given by either party in relation to the Account shall be written, sent by Electronic Communication message or post to the other party.

The SWIFT address for such notices will be ABCEGB2LXXX, the postal address for such notice will be:

**ABC International Bank plc  
Arab Banking Corporation House  
1-5 Moorgate  
London, United Kingdom  
EC2R 6AB**

Either party may subsequently change address for communication by giving at least 7 days' notice in writing to the other party.

You hereby confirm that all communications (including, without limitation, Electronic Communications) sent to Bank ABC under or pursuant to the terms of this Agreement shall only be sent by an authorised signatory (a list of such authorised signatories shall be provided to Bank ABC on or before the date of this Agreement).

You hereby agree to indemnify Bank ABC and hold Bank ABC harmless for any losses, costs and expenses incurred by Bank ABC in relation to any communication (including, without limitation, Electronic Communications) sent to Bank ABC pursuant to the terms of this Agreement.

#### 6.4 No third party rights

No transaction carried out under these Terms and Conditions shall confer any benefit on or be enforceable by any party other than you or us and the terms of the Contracts (Rights of Third Parties) Act 1999 are hereby excluded.

#### 6.5 Set-off

Without prejudice to any other agreements concluded between you and us, Bank ABC may set off any and all debts owed by you to Bank ABC under any agreement (including, without limitation, this Agreement) against any debt owed by Bank ABC to you under any Agreement (including, without limitation, this Agreement), regardless of the place of payment, booking branch or currency of either obligation.

If the obligations are in different currencies, Bank ABC may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

#### 6.6 Assignment & Transfer

You may not assign or transfer any of your rights or obligations under this Agreement without Bank ABC's prior written consent.

## 7. LAW & JURISDICTION

These Terms and Conditions are governed by and shall be construed in accordance with English law (including in relation to the existence, validity or termination thereof and any non-contractual obligations which arise out of or in connection

therewith), and shall be subject to the exclusive jurisdiction of the English courts (including in relation to the existence, validity or termination thereof and any non-contractual obligations which arise out of or in connection therewith).

**Primary Signature**

**Secondary Signature**

**Date**

## CONTACT INFORMATION

**UK Branch address**

Arab Banking Corporation House  
1-5 Moorgate  
London  
EC2R 6AB  
United Kingdom

**Grant Deadman**

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For details of how we process your personal data, please see our [data privacy notice](#).