



BANK OF THE COOK ISLANDS

Electronic Banking Terms and Conditions

BCI ELECTRONIC BANKING TERMS AND CONDITIONS

Effective 30th September 2015

DEFINITION

These are the Electronic Banking Services terms and conditions between us, Bank of the Cook Islands Limited, Avarua, Rarotonga, Cook Islands and you. By using our Electronic Banking Services you agree to be bound by these terms and conditions.

INTRODUCTION

These terms and conditions apply in addition to our General Terms and Conditions and any other specific terms and conditions applying to your account(s). In the event that there is inconsistency between these terms and conditions and any other terms and conditions applying to your account(s) or any service, these terms and conditions will prevail to the extent of that inconsistency.

We may vary these terms and conditions and any other terms and conditions applying to your nominated accounts at any time. We may also stop providing Electronic Banking Services at any time. If we do, you will be given at least 30 days notice by:

- Direct communication (for example by letter, email, fax or telephone); or
- Displaying the information at any of our branches or publishing the information on our website; and/or
- Public advertisement (for example in the local newspaper).

We do not have to give notice if an immediate change to these terms and conditions is deemed necessary for the security of the Electronic Banking Services or individual accounts.

From time to time we may advertise financial products or services on the medium through which you access the Electronic Banking Services. You consent to receiving such advertising material when using the Electronic Banking Services.

Please read carefully and store this document in a safe place. We are happy to explain anything that is not clear to you.

ELECTRONIC BANKING SECURITY

You should take care when selecting Password(s), PIN(s) and Security Questions. If you forget your Password(s), PIN(s) or Security Questions please come in to our branch to reset the relevant security settings or alternatively call Ph. +682 29341. You will be asked to identify yourself before arranging any changes.

You have a responsibility to exercise reasonable care to prevent unauthorised access to the computer or

mobile device that you use to access our Electronic Banking Services. This includes:

- Not leaving your device unattended and logged on to our Electronic Banking Services;
- Locking your device or taking other steps to stop unauthorised use of our Electronic Banking Services; and
- Notifying us as soon as practicable if your device is lost or stolen.

Regularly examine your transaction history to identify any instances where Electronic Banking Services have been used without your authority. Notify us immediately where you identify any unauthorised transactions.

You must take reasonable care when accessing our Electronic Banking Services to ensure that your Password, PIN and any answers to your Security Questions are not seen by or disclosed to anyone else.

We do not support or condone the use of third party account aggregators which interface with any of our Electronic Banking Services and require you to input your customer information including any combination of your Customer Number, Password, PIN or Security Questions. The use of these services by you breaches these terms and conditions and is entirely at your own risk and liability. We reserve the right to terminate your access to Electronic Banking Services without notice when use of third party account aggregators on your accounts breaches these terms and conditions, our General Terms and Conditions or any of our other terms and conditions.

You should not open attachments or run software from unknown or untrusted sources on any of the devices that you use to access our Electronic Banking Services.

PASSWORDS & PINS

Your Password(s) should contain a word or phrase you can easily remember and your PIN(s) should be a number you can easily remember, but your Password(s) and PIN(s) should not be easily identifiable by anyone else. For example, you should not use your birth date, phone number or other personal information or sequential numbers (such as "1234").

You must not disclose your Password(s) or PIN(s) to anyone else (not even family members or our staff) nor should you write it down (especially on your card in relation to PIN(s)).

We will never send you an **email** asking you to confirm your security information or asking you to disclose your Password(s) or PIN(s) or other security information. You must contact us immediately if you



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receive an email purporting to be from us requesting your Password(s) or PIN(s).

You should use different Passwords or PINs for different electronic banking services or different cards.

You must take care when keying in your Password(s) or PIN(s) to make sure that no one else can see it.

Your Password(s) and PIN(s) identifies you and allows you access to your account(s). We will not take any further steps to verify that the person using your Password(s) or PIN(s) is you, so anyone else using your Password(s) or PIN(s) will be allowed access to your account(s) whether or not you have given permission.

NOTIFICATION OF LOSS, THEFT OR UNAUTHORISED USE OF YOUR PASSWORD, PIN OR SECURITY QUESTIONS

You must notify us immediately when:

- You know or suspect that someone else knows your Password, PIN or any of your Security Questions.
- You discover or suspect an unauthorised use of your Password, PIN or any of your Security Questions.
- Your transaction history contains any instances of unauthorised use or errors.

We recommend that you record all receipt numbers, payment or transfer reference numbers that are issued to you by any of the Electronic Banking Services to assist in checking transactions against your statements.

During business hours, you should call us on +682 29 341 immediately and we can reset your login details and/or reset your Security Question status.

Outside of business hours, please email myib@bci.co.ck to request we call you during the next business day, or to arrange a reset of your Password, PIN or any of your Security Questions.

PAYMENTS

With the exception of future dated payments, electronic payments will be debited from your account on the day of the authorisation but may not be sent to the receiving bank until the next business day.

When you set up a payment you authorise us to debit your nominated account held with us, with the amounts you request to be paid to a specific account. Payments from a nominated account to another nominated account will be debited and credited immediately (unless it is specified that the payment to be made will occur on a future date).

A payment is irreversible once the instruction to make the payment has been completed using our Electronic Banking Services (unless it is specified that the payment to be made will occur on a future date).

Subject to the compliance with these terms and conditions payments can be requested to be made on the same day or on a future date when you enter the payment details. When a future date is chosen the payment will be automatically debited from your nominated account on the date requested in accordance with your instructions.

It is your responsibility to ensure that there are enough funds in your nominated account(s) to meet any payments that you authorise. Instructions for payment will not be actioned if there are insufficient funds available in your nominated account.

We will endeavour to make the payments you request although we accept no responsibility or liability for any refusal or omission to make any or all of the payments, or for late payment. In particular, we accept no responsibility or liability for the accuracy of the information you supply us when setting up, or changing, or deleting payment instructions.

All payment instructions received from you will be subject to any other arrangements you may have with us in relation to your nominated account(s).

In the event a future dated payment is not able to be made on the due date for any reason referred to in these terms and conditions, we will attempt to complete the payment request daily for the next three business days. Following that period the payment will become your sole responsibility.

We may in our absolute discretion conclusively determine the order of priority of payments requested pursuant to any payment instruction or cheque drawn on a nominated account.

Any and all payments will be made up to that amount allowed by the daily limit on the account.

Any payment instruction given by you is irrevocable, notwithstanding your death, bankruptcy or any other revocation of this authority until actual notice of such event or revocation is received by us.

We are authorised to advise your payees of your full name, address and account number if requested by them in respect of a payment authorised by you.

For payments in which you have saved details to "My Saved Payees" we rely on account numbers and required reference details you may provide from time to time about the payee. We cannot guarantee either at the time payment instruction is received or when the payment is made that these payee details remain current and are correct.

You may elect to skip one or more recurring future-dated payments made from your nominated



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account(s). In order to be actioned, an instruction from you to skip a recurring future-dated payment must be received before the date the payment is scheduled to be made, whether the instruction is provided at a branch of ours or by electronic means.

REVERSING TRANSACTIONS

You cannot cancel a payment instruction once it is given except where the instruction relates to a future-dated payment and you instruct us to stop the payment prior to the stipulated date for payment.

Notwithstanding that transactions are irreversible once authorised, if a request for reversal of a payment is made in writing within 24 hours of the payment error being made, we will attempt to recover the payment. There is no guarantee that we will recover the payment.

If you transfer funds to an incorrect account in error, those funds will not be recoverable unless the owner of the account to which the funds were transferred provides a written consent to recovery.

You agree to meet our fees and costs in respect to any attempted reversal of a payment or transfer, whether or not the reversal is successful. You agree to us debiting any such fees and costs from your nominated account(s).

TRANSACTIONS

You will not be able to draw via any Electronic Banking Services on any cheques and/or deposits deposited to your nominated account(s) until they become cleared funds.

We may set minimum or maximum limits for transactions carried out via any of the Electronic Banking Services.

In the absence of any daily or any other periodic transaction limit arrangements between you and us, you can only withdraw funds, or make payments up to the available balance of your selected nominated account including the unused portion of any credit limit relating to that account.

You agree that aggregation of any available balance or credit limit on that nominated account is not possible when determining the available balance or credit limit for the selected nominated account.

You acknowledge that third parties such as merchants or other financial institutions may impose additional restriction on the amount of funds you may withdraw deposit or transfer.

PRIVACY

In addition to our 'Personal Information' terms in our General Terms and Conditions you authorise us to give information about you and any of your nominated account(s) to others in order to execute

your instructions to us via Electronic Banking Services or when we reasonably think it is necessary for the provision of that service. However you may instruct us not to share your information by giving us written instructions to that effect. By doing so you acknowledge that this may compromise our ability to both act on your instructions and effectively provide Electronic Banking Services to you in accordance with these terms and conditions.

RESTRICTIONS AND TERMINATION OF ACCESS TO THE ELECTRONIC BANKING SERVICES

We may suspend or withdraw your access to any of the Electronic Banking Services at any time without prior notice if:

- You breach these terms and conditions or have acted fraudulently;
- We learn of your death, bankruptcy or lack of legal capacity or that you committed an act of bankruptcy or that bankruptcy application has been made against you;
- There are insufficient funds to cover payments or payment instruction given;
- We consider that we have other reasonable grounds to do so (in which case all reasonable efforts will be made to advise you of the circumstances of withdrawal or suspension);
- We are complying with a court order;
- We are notified by any party of a dispute over either ownership of funds or operation of account;
- We are protecting one or all of the parties to a nominated account, ourselves, or a third party who has reasonably claimed interest in the nominated account;
- We suspect that your account, or any product or service has been or is being used in a manner that may be unlawful or inappropriate, or the activity seems unusual compared to how the accounts, products or services are usually used;
- We suspect that the transaction is or may be unlawful in the Cook Islands or overseas, may involve money laundering or terrorism financing, or involves people, entities or organisations we are not prepared to do business with for any reason;
- We believe that any payments into or out of your account are subject to Cook Islands and/or international sanctions; or
- If you or any person you authorised to operate your account do not meet our identification requirements at any time or



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have failed to provide any information in relation to your account or a transaction requested by us.

You may cancel your access to any Electronic Banking Services at any time by giving us written notice or contacting us during business hours. You will remain responsible for any instructions made on your nominated accounts via the Electronic Banking Services up until the time of cancellation.

LIABILITY

Once we have reset your Password, PIN or Security Question following your notification that either your Password, PIN or Security Questions have been disclosed to someone else, or you suspect that this may have occurred, you will not be liable for any unauthorised transactions carried out after that time unless you have breached these terms and conditions or General Terms and Conditions or you have acted fraudulently or negligently.

You will only be liable to pay up to \$150.00 for any unauthorised transaction that has taken place before you notified us unless you have:

- Unreasonably delayed notifying us;
- Selected an unsuitable Password, PIN or Security Question;
- Disclosed your Password, PIN or Security Question to anyone else, either deliberately or inadvertently, such as if you failed to take reasonable steps to prevent disclosure of any of these when keying them in;
- Written your Password, PIN or Security Question down; or
- Failed to take reasonable care to prevent unauthorised access to the computer or mobile device that you use to access our Electronic Banking Services.

If any of the above apply, you will be liable for transactions completed prior to us resetting your Password, PIN or Security Questions, up to the maximum amount that you yourself could have transferred from your nominated accounts via Electronic Banking Services during that time.

If you have, in our sole opinion, contributed to the cause of the unauthorised transactions, you may be responsible for some or all of the actual losses incurred before notification of the disclosure of your Password, PIN or Security Questions to us except for:

- Any amount that exceeds any applicable transaction limit
- Any portion that exceeds the balance of your nominated account
- Fraudulent or negligent conduct by an employee of ours or agent or other party

involved in the Electronic Banking Services; and

- Any other unauthorised transactions where it is clear that you could not have contributed to the loss.

We will not be liable for any unauthorised use of the Electronic Banking Services in circumstances where you have failed to take reasonable steps to ensure that protective systems such as virus scanning, firewall, anti-spyware, and anti-spam software on your computer or mobile device are up to date or where you have failed to take reasonable care to safeguard any device that is used by you to access the Electronic Banking Services. You agree to allow us to access your computer and mobile devices and relevant related equipment to enable us to determine whether you have taken all reasonable steps to protect the security of your devices.

If you incur a direct loss that is due to a security breach of the Electronic Banking Services and caused as a result of our failure to take reasonable care and that loss is not caused or contributed to by you, then we will reimburse you for that loss.

We will reimburse you for any losses caused by transactions not authorised by you and completed before you had access to the Electronic Banking Services or during any period where you did not have access to Electronic Banking Services including, if applicable, before you have selected either your PIN or Password and your Security Questions.

Subject to the exceptions set out in the preceding paragraphs in this section, to the extent permitted by the law we will not be liable to you or any other person and accept no responsibility for any claim, loss, damage, cost or expense whether direct or indirect, consequential or economic which arises in connection with any one of the following:

- Your use of Electronic Banking Services;
- Any unauthorised use of your Password, PIN or Security Questions
- Any system or telecommunications link failure; or
- Any default, error, or defect in design or engineering of the Electronic Banking Services or any delay, fault, malfunction, unavailability or loss of access to the Electronic Banking Services.

Although the Electronic Banking Services will normally be available 24 hours a day, maintenance of the systems will be required from time to time with the result that the services may not always be available.



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ACCESSING YOUR ACCOUNTS

In order to access Electronic Banking Services you must be a client of ours and hold an account with us or be an authorised signatory or authorised user of an account with us.

You may only use the Electronic Banking Services to perform transactions on those accounts you have nominated. If the terms and conditions of a nominated account such as, but not limited to, a fixed term deposit or loan account, provide a transactional restriction on that account then that restriction will apply when using Electronic Banking Services.

If you are an authorised signatory to a nominated account that can be operated on the instructions of any one authorised signatory to the account, you may access the account through Electronic Banking Services.

You acknowledge and agree that we are authorised to act on the instructions given to you through Electronic Banking Services by using any combination of your Password, PIN or Security Questions and that we are not obliged to make any further enquiries.

If any nominated account is in the name of more than one person, the liability of all the account holders under these terms and conditions will be joint and several for any transactions carried out on that account in accordance with these terms and conditions.

We may restrict which one of your accounts you can nominate for access via Electronic Banking Services and may also restrict the Electronic Banking Services available to those accounts.

FEES/CHARGES

You agree to pay all fees and charges relating to any Electronic Banking Services in addition to any applicable account and transaction fees. Fees and charges are subject to change. Our current fees and charges are available on request and free of charge from any branch of ours or viewed on our website at www.bci.co.ck.

We may deduct such fees and other charges from your account(s) in accordance with the "Fees and Charges" section of the General Terms and Conditions.

INTERNET BANKING YOUR PASSWORD

When you first log into internet banking you will be asked to select your own Password. Passwords must be 6 to 12 characters in length, may consist of a combination or permitted characters on your keyboard and must contain (in any order you choose) at least one numeric digits and at least two characters that are not numeric digits.

You must change your Password the first time you use internet banking and at frequent intervals thereafter, for example, monthly. It is your responsibility to change your Password regularly.

When accessing internet banking you will be allowed three attempts to successfully enter your Password. Upon the third unsuccessful attempt your internet banking will be suspended.

To restore your internet banking access and reset your Password you will need to contact us directly.

Check your last log-in details, which will appear every time you log into internet banking and notify us immediately if the last log-in details are incorrect.

You should ensure that your computer contains up-to-date antivirus and security software before using internet banking.

We recommend that you shut down all the windows of the browser you have used to gain access to the Electronic Banking Service when you finish using internet banking and then restart the browser in order to ensure that the "Back" function (or similar function in your browser) cannot be used to trace your activities.

If you require assistance before clearing your browser's cache, we suggest you review your browser help facility or contact a PC support or maintenance service for instructions on how to complete this process.

BUSINESS OR MULTIPLE SIGNATORY ACCOUNT CUSTOMERS

Where you use internet banking for business, group or association purposes, then without prejudice to any other provisions of these terms and conditions, you must ensure that your Passwords, PIN(s) or Security Questions are kept secure and are only used by those authorised in writing to do so for the purpose of your business. If you share your Passwords, PIN(s) or Security Questions with persons for the purposes of your business you do so at your sole risk, and you are solely responsible for any use or misuse of these by such persons. You must change your Passwords, PIN(s) or Security Questions immediately if you revoke any persons authorised to sign on your accounts which are accessible by internet banking.

You should reconcile your business or financial records with your bank statements at least monthly so that your instructions via internet banking can be monitored.



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LIABILITY FOR BUSINESS CUSTOMERS

The ability to utilise internet banking by your business exposes your business to a higher risk of fraud, either by authorised users or by any unauthorised person to whom an account number and Password has been disclosed. You acknowledge that internet banking exposes your business to these risks and that, except in the case of fraudulent or negligent conduct by an employee or agent of our, we:

- Are not liable for any loss which your business suffers as a result of any use (including unauthorised use) of internet banking; and
- May rely on all instructions received from, and are not required to verify the identity of, any person using a customer number and Password issued to your business.

SECURITY QUESTIONS

Security Questions are an additional security feature of internet banking. You must select three questions and answers in order to use internet banking.

You must select your questions from a pre-set list.

The answers you set for your questions are personalised answers provided by you.

To restore your internet banking access and reset your Passwords, PIN(s) or Security Questions you will need to contact us directly.

ALERTS AND TEXT BANKING NOTIFICATIONS

Alerts and text banking messages are only sent to customers who have opted in to receive such alerts or texts.

Alerts and text banking messages are only available for specific transactional and savings accounts which we make available for the service.

SMS alerts and text banking messages are only available for mobile phone numbers within the Cook Islands.

You can opt in to receive alerts and text banking messages in a branch or online.

You can opt out of receiving alerts and text banking messages in a branch or online.

Standard mobile carrier charges may also apply for the sending and receiving of SMS alerts and text banking messages.

Opting into security alerts will not change any of the terms in the 'Liability' section of this document.

We do not guarantee that alerts and text banking messages will be received by you.

We do not guarantee that alerts and text banking messages will be available at all times.

Information provided to you through alerts and text banking messages will be correct as at the time it is sent by us.

You accept that alerts and text banking messages are not encrypted and may contain confidential information. We take no responsibility for any alerts and text banking messages that are read/accessed by an unauthorised third party on your device.

We take no responsibility for ensuring that the mobile phone number you provide is correct and shall not be liable for the disclosure of your personal or confidential information to a mobile phone number which you have provided which is neither current nor correct at the time the information is sent.

Changes to your mobile phone number will change where your SMS alerts and text banking messages are sent to.

To the extent permitted by law, we will not be responsible for any direct or indirect costs, losses, damages, or other liability resulting from failure or delay in receiving alerts and text banking messages or inaccurate information received in alerts or text banking messages.