

EXTRACT OF THE ADDENDUM TO ACCOUNT APPLICATION

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Malaysia – J. P. Morgan Chase Bank Berhad

13. IN ADDITION TO THE ABOVE TERMS THE FOLLOWING TERMS AND CONDITIONS ARE APPLICABLE TO JOMPAY BILL PAYMENT FACILITY SERVICE:

(i) PAYMENTS

- (a) The Bank will process payment to Biller in accordance with the Customer's Payment Instructions based on the following timelines:

Refer to J.P. Morgan Malaysia website for latest information – <http://www.jpmorganaccess.com.my/>
- (b) The Bank will not accept orders to stop Payment Instructions once the Customer has instructed the Bank to make the Payment Instructions except when:
 - (1) The Bank has reasonably concluded that the Payment Instructions were fraudulent or unauthorised; or
 - (2) The Payment Instructions are future dated payments that the Bank has not transmitted to IBG.
- (c) The Customer should notify the Bank immediately if the Customer becomes aware that the Customer has made a mistake (except for underpayment) when instructing the Bank to make a payment, or if the Customer did not authorise a payment that has been made from the Account. Recovery of funds for such payments shall be described in section 13(ii) below.
- (d) In the event of an underpayment, the Customer may make another payment for the difference of the said amount.
- (e) The Bank will notify the Customer of the status of the JomPAY payment instructions including the reasons of rejected or failed "Payer not-present" payment instructions. However, the Customer has the option not to receive these notifications upon request.

(ii) RECOVERY OF FUNDS AND LIABILITY FOR PAYMENTS

- (a) The Bank will rectify Mistaken Payment Instruction made by the Customer according to the terms and conditions herein, provided the following conditions are satisfied:
 - (1) The Customer immediately informs the Bank that the Customer becomes aware of any delays or mistakes in processing Payment(s); and
 - (2) The Bank is satisfied that Mistaken Payment Instruction has occurred.
- (b) Subject to section 13(ii)(a) above, the Bank will attempt to rectify any such matters in relation to Mistaken Payment Instructions made by the Customer, in the way described in this section:
 - (1) For misdirected payments, duplicated payments or incorrect Biller Code or incorrect RRN, the Bank shall submit a request to recover funds to the Biller Bank that received the erroneous funds;
 - (2) Upon the Bank's satisfaction that the error for incorrect amount payment is caused by the Biller, the Bank shall carry out a Reversal to the Account and submit a request to recover funds to the Biller Bank of the Biller for the error;
 - (3) For payment that is not completed or failed at the Bank's end, the Bank shall credit back the amount of the failed payment into the Account upon the Bank's satisfaction that the Payment Instruction failed and was not duly processed at the Bank's end;
 - (4) For payment that is not completed or failed at the Scheme Operator's end or the Biller Bank's end, the Bank shall credit back the amount of the failed payment to the Customer into the Account before initiating a recovery of funds request.
- (c) Recovery of funds requests made on behalf of the Customer for Mistaken Payments mentioned in section 13(iii) below or Erroneous Payments shall be processed in accordance with section 13(iii) below. Subject to section 13(iii) below, the Bank will work with the Affected Participant to request and recover the funds on behalf of the Customer.
- (d) All enquiries or complaints raised by the Customer regarding Mistaken Payment Instruction shall be resolved no later than fourteen (14) Business Days. All enquiries and complaints received after 5pm on a Business Day would be deemed received at the start of the next Business Day.
- (e) The Bank is entitled to debit the Account (for recovery of funds), in the event the Bank did not debit the Account after Payment Instruction has been properly and successfully executed.

(f) Subject to Section 13(iii) below (for requests of funds made by Payer Bank) the Bank is entitled to debit the Account for funds credited into the Account due to the following payments made by persons other than the Customer:

- (1) Mistaken Payment Instructions;
- (2) Erroneous Payment Instruction;
- (3) Unauthorised Payment Instruction; and/or
- (4) Fraudulent Payment Instruction.

(iii) ERRONEOUS PAYMENT INSTRUCTION/MISTAKEN PAYMENT INSTRUCTION

(a) The Customer may request for recovery of funds that were incorrectly transferred to Affected Bank Customer who is a non-Biller in the following manner:

- (1) Recovery of funds wrongly credited to Affected Bank Customer who is not a Biller, of which request is received within twenty one (21) Business Days from date of Erroneous Payment Instruction/Mistaken Payment Instruction, the Bank shall proceed with the recovery of funds and remit the funds into the Account within one (1) Business Day, if the following conditions are met:
 1. The Affected Participant is fully satisfied that funds were erroneously credited to the Affected Bank Customer's account;
 2. There is sufficient balance in the affected account; and
 3. There is no evidence that the Affected Bank Customer is entitled to the funds in question.
- (2) Recovery of funds wrongly credited to Affected Bank Customer who is not a Biller, of which request is received between twenty two (22) Business Days and seven (7) months from date of Erroneous Payment Instruction/Mistaken Payment Instruction, the Bank shall proceed with the recovery of funds and remit the funds into the Account within fifteen (15) Business Days, if the following conditions are met:
 1. The Affected Participant is fully satisfied that funds were erroneously credited to the Affected Bank Customer's account; and
 2. There is sufficient balance in the Affected Bank Customer's account;
 3. There is no evidence that the Affected Bank Customer is entitled to the funds in question.
- (3) Recovery of funds wrongly credited to Affected Bank Customer who is not a Biller, of which request is received after seven (7) months from date of Erroneous Payment Instruction/Mistaken Payment Instruction, the Bank shall proceed with the recovery of funds and remit the funds into the Account within fifteen (15) Business Days, if the following conditions are met:
 1. The Affected Participant is fully satisfied that funds were erroneously credited to the Affected Bank Customer's account; and
 2. There is no evidence that the Affected Bank Customer is entitled to the funds in question; and
 3. The Affected Bank Customer has given its consent for the Bank to debit their account.

(b) The Customer may request for recovery of funds that were incorrectly transferred to Affected Bank Customer who is a Biller in the following manner:

- (1) Subject to section 13(iii)(b)(2), if the request is received within twenty one (21) Business Days from date of Erroneous Payment Instruction/Mistaken Payment Instruction, the Bank shall proceed with the recovery of funds and remit the funds into the Account within one (1) Business Day:
 1. If the Affected Participant is fully satisfied that funds were erroneously credited to the Affected Biller;
 2. The funds have been credited to the Affected Biller's account;
 3. The Affected Biller has not acted on RTN;
 4. The RTN has not been delivered to the Affected Biller;
 5. There is sufficient balance in the Affected Biller's account to cover the recovery amount; and
 6. The Affected Participant shall give written notification to the Affected Biller before debiting its account.
- (2) If the funds have not been credited to the Affected Biller's account and that the Affected Biller has acted on RTN (has delivered goods or has provided services), the funds may not be fully recovered.
- (3) Recovery of funds wrongly credited to Affected Bank Customer who is a Biller, of which request is received between twenty two (22) Business Days and seven (7) months from date of Erroneous Payment Instruction/Mistaken Payment Instruction, the recovery of funds shall be processed in accordance with section 13(iii)(a)(2) above.
- (4) Recovery of funds wrongly credited to Affected Bank Customer who is a Biller, of which request is received after seven (7) months from date of Erroneous Payment Instruction/Mistaken Payment Instruction; the recovery of funds shall be processed in accordance with section 13(iii)(a)(3) above.

- (c) Notwithstanding the aforesaid, if the funds for Erroneous Payment Instruction or Mistaken Payment Instruction cannot be recovered or fully recovered due to insufficient balance in the Affected Bank's Customer's account, it will be deemed an Unrecoverable Loss. For avoidance of doubt the party who is responsible for the error, caused the error, causing the incomplete or failed Payment is liable for the Unrecoverable Loss.

Unauthorized Payment Instruction and Fraudulent Payment Instruction

- (d) The Bank shall upon receiving report from the Customer alleging that Unauthorised Payment Instruction was made, or upon becoming aware of Unauthorised Payment Instruction originating from the Bank, remit the funds into the Account within one (1) Business Day from date of receipt from the Biller, if the following conditions are met :
- (1) The Bank shall conduct an investigation and determine within fourteen (14) Calendar Days, if the Unauthorised Payment Instruction did occur;
 - (2) if the Bank is satisfied that the Unauthorised Payment Instruction did indeed occur the Bank shall initiate a Reversal process whereby all debit posted to the Account arising from the Unauthorised Payment Instruction would be reversed; and
 - (3) the Biller Bank has not applied some or all the funds in question for the benefit of the Beneficiary of Fraud.
- (e) For Fraudulent Payment Instruction, the Bank shall upon receiving report from the Customer alleging that Fraudulent Payment Instruction was made, or becoming aware of Fraudulent Payment Instruction originating from the Bank, remit the funds into the Account within one (1) Business Day from date of receipt from the Biller, if the following conditions are met:
- (1) The Bank shall conduct an investigation and determine within fourteen (14) Business Days, if the Fraudulent Payment Instruction did occur;
 - (2) if the Bank is satisfied that the Fraudulent Payment Instruction occurred or fourteen (14) Business Days, has lapsed, the Bank shall initiate a Reversal process whereby all debit posted to the Account arising from the Fraudulent Payment Instruction would be reversed; and
 - (3) the Biller Bank has not applied some or all the funds in question for the benefit of the Beneficiary of Fraud.
- (f) Notwithstanding the aforesaid, if the funds for Unauthorised Payment Instruction or Fraudulent Payment Instruction cannot be recovered or fully recovered, it will be deemed an Unrecoverable Loss.
- (g) No chargeback rights will be available under the Scheme and will not be applicable for Payments made using Cards.
- (h) The Customer shall indemnify the Bank against any loss or damage suffered due to any claim, demand or action brought against the Bank arising directly or indirectly from negligent and fraudulent acts in this section 13 by Customer.

(iv) BATCH PAYMENTS

- (a) Subject to the Bank's agreement, the Customer is allowed to do Batch Payment:
- (1) the Customer is making Batch Payment on its own behalf; or
 - (2) the Customer is making Batch Payment on behalf of the related entities of the Customer to discharge the entities' debts, or debts of the said entities to one or more Billers.
- (b) The Customer is allowed to do Batch Payment by debiting the Customer's CASA or Cards accounts held with the Bank, as the case maybe.
- (c) The Customer warrants to the Bank that:
- (1) such Batch Payment is made on its own account as a Payer, or as Payer in the ordinary course of its business makes multiple payments on its own behalf, or on behalf of the Customer's related entities to discharge the entities' debts, or debts of the said entities to one or more Billers and not for the benefit of other person; and
 - (2) such Batch Payment is made not for the purpose of carrying on business of making payments through the Scheme using Batch Payment method.
- (d) All other terms and conditions of this section 13 also apply to Batch Payment.

(v) PAYMENT QUERIES

- (a) The Bank shall, in good faith, attempt to settle all payment queries or disputes with the Customer arising in connection with the JomPAY service amicably by mutual agreement.
- (b) In the case of a dispute or conflict, the Customer is entitled to seek recourse via the industry mediation and arbitration bodies such as the Financial Ombudsman Scheme.
- (c) The Customer also has the right to lodge a complaint with the Scheme Operator if there are allegations of the Bank's non-compliance to the JomPAY Scheme Rules. However, the Scheme Operator's review of such complaints shall be confined to:
- (1) Determination whether there has been non-compliance;
 - (2) Stipulating remedies for Participants to correct or address the noncompliance; and
 - (3) Determination if penalties are applicable for the non-compliance

- (d) All decisions rendered by the Scheme Operator in response to complaints from the Customer shall be binding on the Bank.

(vi) SUSPENSION

- (a) The Bank may suspend the Customer's right to use the Scheme at any time in the circumstances specified in the Account Terms or other Account Documentation with written notice.

(vii) BILLER CANNOT PROCESS PAYMENT

- (a) If the Bank is informed that payment by the Customer cannot be processed by a Biller, the Bank will :
- (1) Inform the Customer about this; and
 - (2) Credit the Account with the amount of the payment.

(viii) ACCOUNT RECORDS

- (a) The Customer must check its account and immediately report to the Bank as soon as the Customer is aware of any errors or of any payment(s) that the Customer did not authorise or the Customer thinks were made by someone else without the Customer's permission.

(ix) JomPAY

- (a) In the event the Bank ceases or is no longer a Participating Bank, the Bank shall notify the Customer in any manner the Bank deems fit.
- (b) The Customer must inform the Bank the information required as specified in section 13(xi), when informing to make a Payment Instruction. The Bank will debit the amount of the Payment Instruction from the applicable Account.
- (c) The Customer acknowledges that the receipt by a Biller of a Mistaken Payment Instruction or Erroneous Payment Instruction does not or will not constitute under any circumstances part of whole satisfaction of any underlying debt owed between the Customer and that Biller.
- (d) Payments can be made from such Accounts as agreed to between the Bank and the Customer from time to time.
- (e) The Customer agrees that these terms and conditions are in addition to the Account Terms. In the event of any inconsistency between the Account Terms and these terms and conditions, these terms and conditions shall apply to the extent of such inconsistency.

(x) VALID PAYMENT INSTRUCTION

- (a) The Bank will treat the Customer's instructions to make a payment as valid if the Customer complies with any security procedures set out in the Account Terms or any other documentation between the Bank and the Customer.

(xi) INFORMATION REQUIRED

- (a) The information that the Customer must provide to the Bank to instruct the Bank make payment(s) is as follows:
- (1) Biller Code;
 - (2) Ref-1;
 - (3) Ref-2 (if stated in Payer's Bill);
 - (4) Amount;
 - (5) the Account from which the payment to be made;
 - (6) Value Date;
 - (7) Customer's Reference.
- (b) The Customer acknowledges that the Bank is not obliged to effect a payment if the Customer does not give the Bank all information required or if any of the information given is inaccurate.

(xii) AMENDMENTS TO TERMS

- (a) The Bank can change these terms and conditions at any time by giving the Customer written notice.
- (b) As a result of any change the Bank makes, or for any other reason, the Customer may, at its option, choose to no longer use the Scheme.

(xiii) PAYMENT CUT-OFF TIME

- (a) If the Customer orders Payment Instructions to a Biller before the Payment Cut-Off Time for the Business Day, the Biller is deemed to have received payment on the same Business Day. However, the payment may take longer to be credited to a Biller if Payer orders Payment Instructions after the Payment Cut-Off Time or on a Saturday, Sunday or a public holiday the Biller is deemed to have received Payment on the next Business Day.

- (b) The Bank shall, at the minimum, disclose the Payment Cut-Off Time to the Customer at the banking channel where the Customer is initiating the Payment Instruction, or otherwise ensure that the Payment Cut-Off Time is made known to the Customer.

(xiv) CONSEQUENTIAL DAMAGES

- (a) The Bank is not liable for any consequential loss or damage suffered by the Customer as a result of using the Scheme, other than due to any loss or damage the Customer suffer due to the Bank's negligence.

(xv) PERSONAL DATA PROTECTION

- (a) In accordance with section 4, the Customer acknowledges that when the Customer uses the Scheme to make payment, the Customer agrees that the Bank discloses the Customer's personal data to the Scheme Operator, Participating Billers, Participating Banks and for any other lawful purposes incidental to such purposes.
- (b) The kinds or personal data collected by the Bank, and the purpose for which that personal data is used, is set out in the "Consent to Processing of Client Information" between the Bank and the Customer or any other document between the Bank and the Customer in relation to personal data (the "Personal Data Document").
- (c) The Customer agrees that the Bank will use the Customer's transactional information as is necessary to process payment(s) and may provide personal data to any third parties referred to in the Personal Data Document for the purposes set out in the Personal Data Document.
- (d) The Customer must notify the Bank is any of its personal information is inaccurate or changes and the Customers consents to the Bank disclosing the updated personal information to all Participants in the Scheme for the purpose set out in section 13(xv)(a) above.
- (e) The Customer can request access to any personal data provided by the Customer to the Bank by providing written notice to the Bank.
- (f) The Customer acknowledges that if the personal data requested by the Bank is not disclosed to the parties referred to in this section, it will not be possible for the Bank to process the Customer's requested payment(s) or use the Scheme.

(xvi) DEFINITIONS AND INTERPRETATION

For the purposes of section 13, the following definitions shall apply:

Term	Description
Affected Bank Customer	A Customer whose bank account has been erroneously debited or credited due to erroneous or Fraudulent Payment Instructions caused by other Participants, Customers or PayNet.
Affected Biller	A Biller that received erroneous or Fraudulent Payment Instructions and/or funds due to errors of other Participants, Customers or PayNet.
Affected Participant	A Participant that received Erroneous or Fraudulent Payment Instructions and/or funds due to errors of other Participants, Customers or PayNet.
Batch Payment	Payments made to one or more Billers by grouping and bundling individual Payment Instruction(s) and collectively transmitting these Payment Instruction(s) at scheduled times.
Bill	An itemised statement of money owed, or a request to pay, for purchase goods, provision of services and/or any other business transaction.
Biller	Government agencies, statutory bodies, sole proprietor or partnership businesses, a company or an organisation, societies, charities participating in the Scheme to collect Bill payments.
Biller Bank	A Participant appointed by a Biller to facilitate the Biller's collection of Bill payments via JomPAY.
Biller Code	An alpha numeric code uniquely identifying either: <ul style="list-style-type: none"> a Biller; or a Biller's product or service category for purposes of routing Payments to the Biller.
Business Day	Any calendar day from Monday to Friday, except a public holiday or bank holiday in Kuala Lumpur.
CASA	Current account and savings account.
Card Accounts	Credit card account(s), charge card account(s) and prepaid card account(s).
Customer	A term used to collectively refer to Billers, Payers and other clients of a Participant.

Erroneous Payment Instruction	<p>A Payment Instruction that is initiated wrongly or is incorrect as follows:</p> <ul style="list-style-type: none"> • Participants post erroneous entries to Billers'/Payers' bank accounts, or generate invalid, incorrect, misdirected or duplicated Payment Instructions on behalf of Billers'/Payers' due to technical errors or operational errors; • Technical or operations errors at the Scheme Operator that results in incorrect or duplicated Payment Instructions; and • Mistaken Payment Instruction which is directed to the wrong Billers/Payers, contains incorrect recipient reference numbers, carries the wrong amount, or is duplicated.
Fraudulent Payment Instruction	<p>A Payment which has been induced by dishonest or fraudulent means and which the Payer requests be refunded. It includes cases where a Payer makes a Payment as a result of a fraudulent invoice issued by a third party who purports to be a Biller (and is not in fact a Biller) or a third party who impersonates a Biller.</p>
Interbank GIRO or IBG	<p>An interbank payment and funds transfer system that facilitates payments and collections via the exchange of digitized transactions between banks.</p>
IBG Same Day Cut-Off Time	<p>The deadline on a Business Day whereby funds from a Payment Instruction:</p> <ul style="list-style-type: none"> • Initiated before this deadline would be credited on the same Business Day; • Initiated after this deadline would be credited on the next Business Day.
JomPAY Brand	<p>The brand, icon, logo and marks for the JomPAY Scheme.</p>
RRN	<p>Means recipient reference numbers as identified in the JomPAY Scheme. A unique identifier assigned by a Biller to a Payer referred as Ref-1 and Ref-2 on a Bill.</p>
Mistaken Payment Instruction	<p>Means a payment that is made, or not made, to a person or for an amount which is not in accordance with a Payer's Payment Instructions or contains an error in the Payment Instructions from the Payer resulting in payments which:</p> <ul style="list-style-type: none"> • are directed to the wrong Customers; • contain incorrect Recipient Reference Numbers; • carry the wrong amount; or • are duplicated.
Participant	<p>Means any person or organization who has enrolled and participated in the Scheme or signed up to use JomPAY, as the case may be, which includes Customer, Participating Bank or Participating Biller.</p>
Participating Bank	<p>Means a financial institution that is a member of the Scheme.</p>
Participating Biller	<p>Means a company or an organization that has enrolled in the Scheme and accepted by PayNet to participate in JomPAY.</p>
Payer	<p>Individuals, companies, body corporate, businesses (including sole proprietors and partnerships), government agencies, statutory bodies, societies, and other Bank customers that make payments to Billers using the Scheme.</p>
Payer Bank	<p>A Participant in the Scheme who offers services that allow Payers to initiate Payment Instruction.</p>
Payment or Payment Instruction	<p>An order from a Payer to its Payer Bank directing the Payer Bank to:</p> <ul style="list-style-type: none"> • Draw funds from the Payer's bank account; and • Transmit an IBG entry to transfer funds to the Biller Bank to pay a Biller for a Bill.
PayNet	<p>Payments Network Malaysia Sdn. Bhd.</p>
Reversal	<p>means a transaction that :</p> <ol style="list-style-type: none"> a) is initiated by a Biller to cancel an Erroneous Payment Instruction; b) may involve the making of a debit or credit adjustment to the account of the Payer to which the Erroneous Payment Instruction relates; and c) may involve an adjustment to the bank account(s) of the Biller named in the Erroneous Payment Instruction, if funds from the Erroneous Payment Instruction has been applied to the bank account(s).
Scheme Operator	<p>Means the operator of the Scheme, namely PayNet.</p>
Real-time Notification or RTN	<p>A form of electronic message sent to a Biller to provide advance notice of incoming payment from a Payer once the Payer's bank account has been successfully debited for a Payment Instruction to the Biller.</p>
Unauthorised Payment Instruction	<p>A payment made without the authority of the Payer who is purported to have given the Payment Instruction which initiated that payment (and from whose account that Payment was debited) or a Payment made by a Payer which is void for any reason other than fraud. It includes cases where the Payment has been made by a third party who has obtained unauthorised access to a Payer's account and makes unauthorised transactions from the Payer's account to make other payments. However, it does not include a Fraudulent Payment Instruction.</p>
Unrecoverable Loss	<p>The portion of funds credited to the wrong party due to Erroneous Payments or Fraudulent Payments that cannot be retrieved after Participants have exhausted the recovery of funds process.</p>

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