

Format of Undertaking to be submitted by RTGS Type 'A' Member

The Director,
Directorate of Banking Services,
Central Bank of Bahrain,
P.O.Box No. 27,
Manama,
Kingdom of Bahrain

Dear Sir,

We,..... incorporated / constituted under the and having our registered office at -----(hereinafter referred to as "the Member") hereby execute this Undertaking in favour of the Central Bank of Bahrain (hereinafter referred to as the "the Bank").

Whereas the Member has made an application in writing in the prescribed format to the Bank for grant of Type 'A' membership of the RTGS System.

And whereas the Bank has agreed to admit the Member provided the Member shall execute an Undertaking in its favour to be bound, inter alia, by the RTGS (Membership) Regulations, 2007 and the RTGS (Membership) Business Operating Guidelines, 2007, as amended from time to time and also by such regulations, directives, circulars, notices, instructions, press releases etc., as may be issued by the Bank in this behalf.

In consideration of the Bank having agreed to grant Membership of the RTGS System, the Member unconditionally and irrevocably undertakes and agrees as follows :

- i) The Member shall abide by and comply with the RTGS (Membership) Regulations, 2007 and the RTGS (Membership) Business Operating Guidelines,2007, as amended from time to time and also such regulations, directives, circulars, notices, instructions, press releases, etc., as may be issued by the Bank in this behalf (hereinafter collectively referred to as "The Regulations").
- ii) The Member shall execute and sign such deeds, documents, agreements, bonds and/or Undertakings as required by the Bank from time to time in terms of the Regulations.
- iii) The Member shall follow and comply with such orders or instructions, be they are in the nature of a penalty or otherwise, as may be issued by the Bank or the Standing Committee, set up under the RTGS (Membership) Regulations, 2007 or any Institution, duly constituted and authorized by the Bank for the purpose, in the event of the Member committing any violation of the Regulations.
- iv) The Member agrees that the Bank shall have the absolute discretion to part with or disclose or disseminate such information concerning the Member's transactions, settled or rejected through the RTGS System, as deemed necessary by the Bank to the Regulatory Authorities, Government and other appropriate authorities.
- v) The Bank shall not be held responsible or liable for any failure or malfunctioning of the computer system, including hardware, software, computer network, telecommunication network and other equipments, installed at the Member's office premises. The Bank shall have the right at all times to inspect and supervise all computer systems including hardware, software, computer network, telecommunication network and other equipments at the Member's end, used for participation in the RTGS System, both at the Primary Site and the Disaster Recovery Site. The Member agrees to set right the deficiencies pointed out by the Bank forthwith and consider implementation of its suggestions.
- vi) The Bank shall not be responsible for the loss, if any, that may be caused to the Member or its customers or any person, arising out of any action taken in good faith by the Bank's staff or the malfunctioning or break down of the Bank's computer systems, computer network, telecommunication network or any other equipment (inclusive of hardware and software) used in the RTGS system or any force majeure.

- vii) The Bank shall be at liberty to review the Member's continuance as a member of the RTGS System if, in the opinion of the Bank, any event or likely occurrence of an event has affected or is likely to affect directly or indirectly, the interests of the Bank or any of the policies of the Bank. The decision of the Bank in this regard shall be final and binding on the Member.
- viii) The Member agrees that in the event of the occurrence of any of the circumstances, as specified in the RTGS (Membership) Regulations, 2004, its membership may be liable for suspension or termination, as per the Regulations.
- ix) In the event of any change in the management of the Member, the Bank shall have a right to call for such information, data, documents etc., as it may deem necessary and the Member shall provide the same to the Bank and also extend all necessary co-operation in this respect.
- x) The Member shall ensure that the transactions submitted are genuine, valid and are eligible under the RTGS according to the Regulations. The Member unconditionally and irrevocably agrees that any transaction, submitted by it through the RTGS System, shall be binding on it. The Member shall not repudiate the transaction(s) subsequently for any reason whatsoever and the Bank may act on such electronic instructions and put through the transactions, at the sole risk and responsibility of the Member.
- xi) The Member shall indemnify and keep indemnified the Bank against any loss or damage that may be suffered by it in consequence of its acting on the messages / transactions, received electronically, from the Member for processing and settlement. The Member will be solely liable for the consequences arising from duplicate messages / transactions.
- xii) Without prejudice to the other rights and remedies available to the Bank, the Member hereby agrees to indemnify and keep indemnified the Bank against any loss or damage, cost or expenses suffered by the Bank arising out of any default, misconduct or negligence on the part of the Member or any employee, agent, servant or representative of the Member, while availing of the RTGS facilities.
- xiii) The Member agrees that the liabilities, responsibilities/obligations, if any, arising out of the use of its computer systems, computer network, telecommunication network, telex, fax and all other equipments at its end for various activities under the RTGS System, shall rest solely on the Member.
- xiv) The Member agrees to maintain the Infrastructural arrangements at its end in good order/condition for participation in the RTGS system and undertakes to observe and comply with the license or sub-license agreements, entered into with other Institutions in this regard.
- xv) The Member undertakes to ensure that its Disaster Recovery Site is functional, when its Primary Site is not functioning.
- xvi) In the event of any differences or disputes arising between the Member and the Bank or any other member of the RTGS System as to the interpretation, meaning or effect in consequence of this undertaking or as to the rights and responsibilities / liabilities of the member(s) or the Bank or as to any other matter, the Bank's decision shall be final.

Yours faithfully

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Authorised Official
Company Seal

Date :