

Business Integrated Account General Terms and Conditions – Summary

(The following is for reference only. Please refer to the attached Terms and Conditions for details.)

Section I General Terms

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Under this section, you will find the terms that apply generally to the operation of the Business Integrated Account. For example, there are terms relating to the Phonebanking Services, bank charges, variation of terms, termination of Business Integrated Account etc.

Section II Savings Accounts

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Business Integrated Account General Terms and Conditions

The Customer agrees to be bound by the following Terms and Conditions:

Section 1 General Terms

1. Interpretation

- 1.1 Terms and expressions used herein (including the Appendix), unless the context otherwise requires, have the meanings set out in the Appendix I attached hereto.
- 1.2 Unless the context otherwise requires, any reference in these Terms and Conditions to:
 - (a) a "Section", "Sub-Section", "Clause" or "Appendix" shall be construed as a reference to a section, sub-section or clause hereof or an appendix hereto;
 - (b) these Terms and Conditions or any other agreement or document shall be construed as a reference to the same as amended, varied or supplemented from time to time; and
 - (c) a statute shall be construed as a reference to the same as amended or re-enacted from time to time
- 1.3 Section, Sub-section, Clause and Appendix herein are for ease of reference only.

2. Services and Accounts

- 2.1 The Customer may, subject to such procedures (including the supply of such documents) as the Bank may specify from time to time, utilise any one or more of the Services or open any one or more Accounts at any time by issuing an Instruction in such form as may be acceptable to the Bank.
- 2.2 Unless otherwise specified by the Bank, all Services are provided by, and all Accounts are maintained with, the Bank. Where any Services or Accounts are to be provided by or maintained with any third party, the Customer may be required to accept specific terms and conditions and the provisions of any mandate(s) applicable thereto as required by the third party.
- 2.3 In the event that the Customer has not specified the Account(s) to be credited/debited in order to effect any transaction(s) on the Master Account, the credit/debit will be entered by the Bank in the Savings Account provided that, if the transaction is in foreign currency, entries will be made in the foreign currency Savings Account.
- 2.4 A Customer should ensure that all cheques and other monetary instruments (collectively "Items") deposited with the Bank using any means or channels offered or accepted by the Bank are on the face thereof in order before depositing the same with the Bank, including, without limitation, that they are appropriately dated and signed, with the amounts in both words and figures matched. Where the Customer is required to advise, complete or enter details of the Items when depositing the same with the Bank, the Customer agrees that it is the Customer's sole responsibility to ensure that such details being advised, completed or entered by the Customer are accurate and complete and that the Bank is entitled to rely upon the same in issuing receipts. Such receipts issued shall for all purposes be issued subject to subsequent verification by the Bank in its normal course of business. In the event

of any discrepancy between the receipts and the outcome of the Bank's verification, the outcome of the Bank's verification shall be final and binding on the Customer and the Bank shall be entitled to adjust the Accounts accordingly by debiting or crediting the same as the case may be. All inward remittances, cheques and monetary instruments are accepted for deposit into an Account subject to final payment and the Bank is entitled not to make the proceeds available until they have been cleared. The Bank reserves the right to charge the Accounts concerned with the appropriate amounts if, for whatever reasons, any cheques and monetary instruments shall subsequently be returned unpaid or partially paid or where the remittance amounts are not eventually received.

- 2.5 The Customer as beneficiary of any standing instruction agrees that any credit to an account pursuant to a standing instruction is subject to final payment by the transferor and the Bank reserves the right, and the Customer authorises the Bank, to reverse such credit if the standing instruction is subsequently returned unpaid due to condition of the transferor's account (e.g. insufficient funds in the transferor's account).
- 2.6 Where the Customer has set up a direct debit authorisation on an account and no transaction is performed under such authorisation for a continuous period of 30 months, the Bank reserves the right to cancel the direct debit arrangement without prior notice to the Customer, even though the authorisation has not expired or there is no expiry date for the authorisation.
- 2.7 An inward remittance (whether in Hong Kong dollars or in any other currencies) to an Account may not be credited to the Account on the same day if the related payment advice is not received by the Bank before the relevant cut-off times set by the Bank from time to time. No interest will accrue on any inward remittance before the funds are actually credited into the Account.
- 2.8 The Bank shall be entitled to regard any mandate it holds as being suspended in the event of any dispute between Customers, authorised signatories or directors (where the Customer is a company). In addition, the Bank reserves the right to suspend the operation of all or any accounts of the Customer until such time as the Bank considers appropriate if the Bank is of the opinion or has reason to suspect that:
 - (a) it holds no valid account mandate; or
 - (b) Customer (other than acting in the capacity of a trustee) is not the true owner of the credit balances or other assets held in the account(s).
- 2.9 The Bank and other members of the HSBC Group are required to act in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to, amongst other things, the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities which may be subject to sanctions. The Bank may take, and may instruct (or be instructed by) any other member of the HSBC Group to take, any action which it or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with or by reference to all such laws, regulations and requests.

Such action may include but is not limited to: the interception and investigation of any payment messages and other information or communications sent to or by the Customer or on the Customer's behalf via the systems of the Bank or any other member of the HSBC Group; and making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.

Neither the Bank nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of:

- (i) any delay or failure by the Bank or any member of the HSBC Group in processing any such payment messages or other information or communications, or in performing any of its duties or other obligations in connection with any accounts or the provision of any services to the Customer, caused in whole or in part by any steps which the Bank or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with or by reference to all such laws, regulations and requests; or
- (ii) the exercise of any of the Bank's rights under this clause.

In certain circumstances, the action which the Bank may take may prevent or cause a delay in the processing of certain information. Therefore, neither the Bank nor any member of the HSBC Group warrants that any information on the Bank's systems relating to any payment messages or other information and communications which are the subject of any action taken pursuant to this clause is accurate, current or up-to-date at the time it is accessed, whilst such action is being taken.

- 2.10 The Bank shall have the right to pay to the Customer any amount withdrawn from an Account by any one or more of the following methods at the Bank's sole discretion, namely:
 - (a) by cash payment in the currency of the Account;
 - (b) by issuing to the Customer a cheque drawn by the Bank on any bank payable in the currency of the Account;
 - (c) by cash payment in HKD, converted (if necessary) from the relevant foreign currency equivalent at the Bank's then prevailing buying rate.
- 2.11 Without prejudice to the generality of Clause 14 of this Section, the Bank reserves the right to, at any time from time to time with or without notice or cause, cancel, withdraw, suspend, vary, change, add to, supplement or otherwise any one or more of the Services.
- 2.12 For company incorporated in Hong Kong or registered as an overseas company in Hong Kong, the Bank reserves the right to conduct search at the Companies Registry in respect of such company. Should there be any discrepancy between any search result and the information provided by such company, the Bank reserves the right (including but not limited) to decline account opening request from such company, or if such company has already opened an account(s) with the Bank, to require rectification of such discrepancy and/or limit the use of, suspend and/or terminate, such account(s).
- 2.13 There may be risks involved in accepting foreign currency cheques as payment or settlement of transactions. In some countries, there are laws dealing with the handling of cheques sent for clearing or collection that will entitle a cheque to be returned even after clearing and the proceeds are paid to the payee. For example, for cheques drawn on US banks, the paying bank will have the right to seek refund of a cheque that is subsequently found to be fraudulently drawn, fraudulently endorsed or fraudulently altered within a period of up to 6 years. For a US Treasury cheque, this refund period may be indefinite. The Bank is entitled to seek repayment from the deposit account holders of any cheque required to be repaid or refunded. This right of recourse remains possible throughout the refund period mentioned above and is regardless of whether the cheque is sent for collection or purchased by the Bank. The deposit of any foreign currency cheques is accepted by the Bank subject to the following terms and conditions:

- (i) In accepting cheques drawn on banks abroad, the Bank reserves the right to decide which cheques to purchase and which to send for collection. Where the Bank purchases the cheques, the Bank shall credit the deposit account (using the Bank's prevailing buying rate) with the proceeds immediately, under advice to the deposit account holder, and subject to having recourse to the deposit account holder in the event of dishonour. The purchase of cheques may be subject to the condition that the proceeds credited to the deposit account cannot be withdrawn for a period as determined by the Bank taking into account the required clearing time for cheques in question and which will be specified in the credit advice to be sent to the deposit account holder in confirmation of the transaction.
 - (ii) Where the Bank sends a cheque for collection, this will be done subject to the rules contained in ICC Publication No. 522 and the proceeds of the cheque will only be credited to the deposit account once payment is received from the bank abroad.
 - (iii) In the event that cheques purchased are dishonoured or cheques collected are subsequently liable to be repaid or refunded by applicable laws and regulations, the Bank will debit the deposit account with the value of the cheque as calculated using the Bank's prevailing selling rate or the original buying rate, whichever is higher, plus any charges.
 - (iv) Overseas charges (if any) will be debited to the deposit account under advice to the deposit account holder.
 - (v) Cheques received after the relevant cut-off times set by the Bank from time to time will be processed in the next Business Day.
- 2.14 Whenever the Customer requests the Bank to effect a telegraphic transfer ("TT") or an interbank funds transfer ("RTGS"), whether via the branch offices of the Bank, the Phonebanking Service, the Bank's internet banking services or other channels or means offered by the Bank at any time and from time to time, the following terms shall apply unless otherwise specified:
- (a) The Bank reserves the right to effect an instruction as TT or RTGS according to its routing arrangement;
 - (b) The Bank is at liberty to send the TT / RTGS either literally or in cipher and the Bank accepts no responsibility for any loss, delay, error, omission or mutilation which may occur in the transmission of the message or for its misinterpretation when received;
 - (c) In the absence of specific instructions to the contrary, the TT / RTGS will be effected in the currency of the country in which payment is to be made;
 - (d) While the Bank will endeavour to give effect to the Customer's requests regarding charges relating to the TT / RTGS, the Customer understands that the Bank only has discretion regarding its own charges. Where the Customer has requested to pay overseas charges or other bank's charges, the Bank will communicate such request but whether the beneficiary can receive the full amount of the TT / RTGS will depend on the practice adopted by the correspondent bank and/or beneficiary bank involved, which is beyond the Bank's control and the Bank cannot be held responsible or liable for the same;
 - (e) The Bank reserves the right to draw the TT / RTGS on a different place from that specified by the Customer if operational circumstances so require;
 - (f) Where the Bank is unable to provide a firm exchange rate quotation, the Bank shall effect the TT / RTGS on the basis of a provisional exchange rate which shall be subject to adjustment when the actual exchange rate is ascertained. Any difference between the provisional rate and the actual rate shall be debited/credited (as the case may be) to the Customer's account;

- (g) Applications received by the Bank's remittances department by the cut-off times as stipulated by the Bank from time to time may not be processed on the same day. Also, processing of the applications will be subject to the availability of the relevant services, including (but not limited to) the availability of clearing system of the currency and country of the correspondent and/or destination banks;
- (h) If a TT / RTGS is to be processed on a particular date, this processing date should be clearly specified by the Customer when the TT / RTGS application is submitted to the Bank unless otherwise specified by the Bank;
- (i) Applications for same day value are subject to cut-off times related to the geographical location of the destination and/or the funding arrangement requirements of the settlement banks. This may mean that the Customer's account will be debited before the value day and the Bank will not be responsible for any interest expense or loss as a result;
- (j) The Bank is not responsible to advise the Customer of:
 - (i) any exchange control or similar restriction which may be imposed by the local laws or regulations in the country in which payment is to be effected and shall not be liable for any loss or delay as a result of the payment being subject to such control and restriction. The Customer is strongly advised to make his own enquiries.
 - (ii) any charges which may be imposed by overseas bank or other bank and shall not be liable if such information cannot be provided;
- (k) Where payment is to be made in favour of a beneficiary not maintaining an account with the Bank's overseas Group Office or its agents, the Bank or its agent reserves the right to make payment by a means other than TT / RTGS in accordance with the customary or accepted banking practice in the country in which the payment is to be made. The Bank is not responsible to advise the Customer of the use of such other means or for any delay in effecting payment by such means arising from circumstances beyond the control of the Bank or its agent.
- (l) The Bank reserves the right not to accept or otherwise reject an application for a TT / RTGS without giving reasons;
- (m) Where the Bank has accepted a TT / RTGS application, it reserves the right not to process the TT / RTGS, with or without notice, if it is of the opinion that:
 - (i) there is insufficient available funds; or
 - (ii) the information given is incorrect, incomplete or is not sufficiently clear; or
 - (iii) the processing thereof will be in breach of any applicable laws or regulations; or
 - (iv) the Customer has specified additional instructions to the TT / RTGS which are not provided for by or otherwise acceptable to the Bank.

The Bank cannot be held liable for any loss or damage suffered by any person arising out of payment delay, rejection and/or return, or any delay by the Bank in processing the TT / RTGS or the Bank's decision in not processing the same for any one or more of the above reasons. The Bank reserves the right to deduct any charges imposed by the receiving bank from the payment amount or any of the Customer's accounts; and

- (n) To comply with regulatory and/or international guidelines concerning anti-money laundering and anti-terrorist financing activities, in processing a TT / RTGS, the Bank may be required to disclose the personal data or other customer information of the Customer, including without limitation the originating account number (where applicable) and the Customer's name, address and other unique reference (such as date of birth or number of personal/corporate identity document) and the Customer hereby authorises the Bank (and any correspondent bank(s) involved) to make such disclosure to any correspondent bank(s) involved, the payee or other appropriate authorities as the Bank (or, as the case may be, any such correspondent bank) considers appropriate.
- 2.15 In connection with any banking transaction denominated in United States dollars cleared or settled through the US Dollar Clearing System established in Hong Kong, the Customer:
- (a) acknowledges that the operation of the US Dollar Clearing System will be subject to the US Dollar Clearing House Rules and the USD Operating Procedures referred to therein (as the same may be modified from time to time);
 - (b) agrees that the Hong Kong Monetary Authority shall not owe any duty or incur any liability to the Customer or any other person in respect of any claim, loss, damage or expense (including without limitation, loss of business, loss of business opportunity, loss of profit, special, indirect or consequential loss) (even if the Hong Kong Monetary Authority knew or ought reasonably to have known of their possible existence) of any kind or nature whatsoever arising in whatever manner directly or indirectly from or as a result of:
 - (i) anything done or omitted to be done by the Hong Kong Monetary Authority bona fide or by the settlement institution of the US Dollar Clearing System, Hong Kong Interbank Clearing Limited or any member of the US Dollar Clearing House in the management, operation or use (including without limitation, the termination and/or suspension of the settlement institution, the US dollar clearing facilities or any such member) of the US Dollar Clearing House or the US dollar clearing facilities or any part of any of them;
 - (ii) without prejudice to (i) above, the giving of any notice, advice or approval in relation or pursuant to the US Dollar Clearing House Rules and the US Dollar Operating Procedures referred to therein (as the same may be modified from time to time).
- 2.16 At the request of the Bank, the Customer shall execute such documents and perform such acts as the Bank may consider expedient in connection with the provision of the Services.
- 2.17 The Customer shall notify the Bank of any changes in the signing arrangement of the Third Account(s) or Debit Account(s) or changes in relation to the holder(s) of the ATM Card or Authorised Phonebanking Service User(s).
- 2.18 Where an account has been inactive for a period of time as decided by the Bank (please refer to the Bank for the applicable periods in respect of the different account types), the Bank may restrict or impose conditions for accessing the account.
- 2.19 The Customer accepts that there will be a time lapse between submission of payment application/transaction request involving currency conversion and the processing of such application/request, and the prevailing exchange rates at the time of processing of such application/request (which may vary from the exchange rates at the time of submission) will apply to such application/request. Any exchange rate provided by the Bank at the time of submission of payment application/transaction request is for indication only, the actual exchange rate applicable will be the prevailing exchange rate at the time of processing of such application/request.

3. Account Package

- 3.1 The Bank may from time to time designate one or more Account Package(s) with different Features, which may include enhanced services, preferential terms, preferential interest rates and/or special promotions on other accounts. The Bank may allocate (but without any obligations to do so) an Account Package to a Customer holding a current Master Account either at the request of the Customer or at the Bank's sole discretion. Where the Bank allocates an Account Package to a Customer, the Bank may at any time and from time to time vary or entirely withdraw the Account Package, again, either at the request of the Customer or at the Bank's sole discretion. The allocation or withdrawal of an Account Package to or from a Customer or the variation of an Account Package so allocated, whether at the request of a Customer or at the Bank's sole discretion, will be made by reference to pre-designated criteria, subject always to the final decision of the Bank. These criteria may include, without limitation, the value of assets deposited by the Customer with the Bank and/or the amount of credit facilities granted by the Bank to the Customer from time to time and are subject to changes at the Bank's decision. The most updated criteria and other details concerning the Account Packages are available from the Bank upon request.
- 3.2 The Features which may be made available, and the fees and charges which may be imposed, by the Bank in relation to the Master Account may vary by reference to the Account Package and, within the same Account Package, may vary by reference to whether the Customer continues to satisfy the prevailing criteria for that Account Package. The Bank is also entitled to vary the Features within each Account Package at any time and from time to time.
- 3.3 Each Account Package may have a set of criteria and/or conditions that the Customer has to fulfill so as to maintain in that Account Package and/or to enjoy the Features in that Account Package. Each Feature may also have certain terms and conditions governing the Customer's use and enjoyment of that Feature. Without prejudice to Clauses 3.1 and 3.2 in this Section I, following an allocation or variation of an Account Package, it shall be the Customer's sole responsibility to ensure that all the prevailing criteria for maintaining that Account Package and/ or the terms and conditions for enjoying the Features in that Account Package are fully satisfied and/or observed. The fulfillment of all prevailing criteria in respect of an Account Package, or the failure to do so, by a Customer, however, will not in any way affect or prejudice the Bank's overriding right in allocating, varying or withdrawing an Account Package.
- 3.4 Whether the Bank exercises its discretion to allocate, vary or withdraw an Account Package, it will notify the Customer of the same using such means as it shall deem reasonable. All the Features that the Customer enjoys will automatically be granted, terminated or otherwise adjusted unless the Bank shall at its sole discretion decide otherwise and the Bank is not obliged to provide any further notice in connection therewith.
- 3.5 Following a variation of the Account Package allocated to a Customer, the applicable provisions of these Terms and Conditions and other terms and conditions governing the use of any Features terminated as a result of the variation of the Account Package shall continue to bind the Customer until all obligations and liabilities owing by the Customer to the Bank with respect to such Features have been fully repaid and satisfied. All applicable provisions of these Terms and Conditions and other terms and conditions governing the use of any new or additional Features that the Customer shall enjoy as a result of the variation of the Account Package shall immediately become binding on the Customer.

- 3.6 The Bank cannot be held liable or responsible for any loss incurred by or inconvenience to a Customer as a result of any allocation or withdrawal of an Account Package to or from a Customer or any variation of the Account Package so allocated and this shall include, without limitation, any loss incurred by or inconvenience to a Customer as a result of any granting, termination or adjustment of any Features in connection therewith.
- 3.7 Any card or identification issued by the Bank to a Customer to reflect the Account Package allocated to the Customer (if applicable) is to facilitate identification of the Customer's Account Package only. The Bank's records shall be conclusive as to the Account Package allocated to the Customer at any time except for manifest error.
- 3.8 The withdrawal of an Account Package shall not in itself affect the use or operation of the Master Account or the Accounts unless the Bank shall specify otherwise.

4. Bank-Customer Relationship

- 4.1 The relationship between the Bank and the Customer is basically that of debtor and creditor. However, other relationships may arise, such as bailer and bailee when items are held in safe custody, according to the Services provided.
- 4.2 The Customer confirms that the Customer is acting as principal in relation to the Services and the Master Account, including all Accounts.

5. Consolidated Statement and Account Information

- 5.1 Consolidated Statements will be sent to the Customers, unless otherwise requested and subject to any applicable monthly interval (or such other intervals as may be determined by the Bank from time to time). The Bank reserves the right not to send any Consolidated Statement if there is no transaction, no account balance and no accrual interest in the Master Account during the period covered by the Consolidated Statement concerned and no notice will be given in that regard.
- 5.2 The Consolidated Statement may, in addition to information on the Services, the Accounts and the Account Package, include such information (as determined by the Bank in its sole discretion) of any other services, products or accounts of the type(s) selected by or relating to the Customer which are maintained with or provided by the Bank (or any of its subsidiaries) from time to time under the same identification documents as the Master Account (regardless of the correspondence address).
- 5.3 The Customer agrees to examine each Consolidated Statement received from the Bank to see if there are any errors, discrepancies, unauthorised debits or other transactions or entries arising from whatever cause, including, but without limitation, forgery, forged signature, fraud, lack of authority or negligence of the Customer or any other person (the "Errors").
- 5.4 The Customer also agrees that the Consolidated Statement shall, as between the Bank and the Customer, be conclusive evidence as to the balance shown therein and that the Consolidated Statement shall be binding upon the Customer who shall be deemed to have agreed to waive any rights to raise objections or pursue any remedies against the Bank in respect thereof unless the Customer notifies the Bank in writing of any such Errors within 90 days after personal delivery of such Consolidated Statement to the Customer or, if posted, within the same period after the Bank has posted such Consolidated Statement.
- 5.5 The Bank is authorised to, in its sole discretion, provide any one or more directors or partners of the Customer or such persons of whom the Bank is satisfied as being members of the governing body of the Customer as the case may be, any information

on or relating to the Master Account (including, without limitation, the Consolidated Statements) whether or not those directors, partners or other persons are authorised signatories and if they are, irrespective of their signing authority under the Master Account. The Bank reserves the right to charge an administrative fee for the provision of such account information.

6. Bank's Right of Lien and Set-Off

- 6.1 Without prejudice and in addition to any general lien, right of set-off or other right by way of security which the Bank may have on any Account whatsoever, the Customer agrees that the Bank may at any time and without prior notice:
- (a) apply (even if such application requires breaking of any deposit before its maturity date) any monies held in any currency to the credit of any Account or any other account in the name of the Customer (the "said monies") against any indebtedness of any type whether actual, contingent, present, future, primary, collateral and whether owed by the Customer solely or jointly with any other person (the "said indebtedness"); and/or
 - (b) refuse to repay when demanded or when the same falls due any of the said monies to the Customer if and to the extent that the said indebtedness at the relevant time is equal to or exceeds the said monies at that time.
- 6.2 In the event of an individual Customer, the Bank's right under Clause 6.1 shall not be affected by the death or legal incapacity of the Customer or any person(s) comprising the Customer.

7. More Than One Customer

- 7.1 If there is more than one Customer then under these Terms and Conditions:
- (a) the liabilities and obligations of each of them shall be joint and several;
 - (b) references to the Customer shall be construed, as the context requires, to any or each of them;
 - (c) the Bank is authorised to provide information on or relating to the Account to any one of them in such form and manner and to such extent as any one or more of such persons shall request or as the Bank shall in its sole discretion determine at any time and from time to time;
 - (d) each of them shall be bound by these Terms and Conditions and such other terms and conditions governing the Account even though (i) any other person or any person intended to be bound hereby is not or (ii) these Terms and Conditions may be invalid or unenforceable against any one or more of such persons by reason of fraud, forgery or otherwise (whether or not the deficiency is known to the Bank);
 - (e) the Bank shall be entitled to deal separately with any one of them on any matter including (i) the variation or discharge of any liability to any extent or (ii) the granting of time or other indulgence to or making other arrangements with any such person without prejudicing or affecting the Bank's rights, powers and remedies against any other such persons; and
 - (f) where any one of them is authorised to operate the Account singly, the Bank is authorised to comply with the instructions or directions of any one of such persons in relation to the Account and acceptance of any terms and conditions of any Services rendered by the Bank in respect of the Account by any one of such persons will be deemed acceptable by each and all of them and accordingly, such terms and conditions will be binding on each and all of them.

8. Sole Proprietorship or Partnership

8.1 If the Customer is a sole proprietorship or a partnership:

- (a) the Bank is authorised to honour and to comply with all cheques, promissory notes and other orders drawn, and all bills accepted on behalf and in the name of Customer in question, whether the Current Account be in credit or overdrawn, to comply with all directions given for or in connection with the Master Account on behalf of the Customer , including, without limitation, a direction to close the Master Account unless otherwise agreed with the Bank , for which all partners shall be jointly and severally liable if it is a partnership, and to accept and act upon all receipts for monies deposited with or owing by the Bank on the Master Account, provided that such cheques, promissory notes, orders, bills, directions or receipts are signed by the sole proprietor or such partners or such authorised persons according to the signing arrangement as set out in the Business Integrated Account Opening Form as amended in accordance with (c) below;
- (b) any securities or other property of or deposited in the name of the Customer may be withdrawn and any monies may be borrowed from the Bank in the name or on behalf of the Customer, and may be secured in any manner upon any securities, monies or property of or deposited in the name of the Customer by the sole proprietor or all partners or by other authorised persons according to the borrowing arrangement as set out in the Business Integrated Account Opening Form as amended in accordance with (c) below and all partners will be jointly and severally responsible for the repayment of such monies with interest, costs, charges and expenses if it is a partnership;
- (c) the person(s) authorised for the purpose of (a) or (b) above and/or the signing/borrowing arrangement as set out in the Business Integrated Account Opening Form may be amended and changed from time to time upon notice in writing to the Bank (in such form as the Bank has prescribed for such purpose) duly signed by the sole proprietor or, as the case may be, all the partners.

8.2 If the Customer is a partnership:

- (a) the Bank shall be entitled to treat the partners or last partner, for the time being, of the Customer as having the full power to carry on the business of the Customer and to deal with its assets freely, and to treat the Customer as not dissolved, notwithstanding any change in the constitution or name of the Customer or the membership of the Customer by death, bankruptcy, retirement, admission or otherwise or the occurrence of any event which, but for this provision, would dissolve the Customer so that the authority contained in Clause 8.1 and this Clause 8.2 shall remain in force, notwithstanding the occurrence of any of the above events or any other circumstances, until such time as the authority shall be revoked in writing by any one of the partners or the legal personal representatives or trustees of any one of the partners;
- (b) these Terms and Conditions shall prevail over any contrary agreement between all partners, whether or not known to the Bank.

9. Phonebanking Service

- 9.1 The Bank will from time to time determine or specify the scope and features of the Phonebanking Service and to modify, expand or reduce the same at any time and from time to time with or without notice. Where such notice shall, in the sole discretion of the Bank, be given, such notice may be made in such manner and by such means of communication as the Bank shall deem fit, including, without limitation, the use of direct mailing material, advertisement or branch display.

- 9.2 The Bank is authorised to act on the Telephone Instructions. The Customer, each Authorised Phonebanking Service User and each Debit Accountholder agree that:
- (a) the Bank is authorised to act on any Telephone Instructions which the Bank in its sole discretion believes emanate from the Authorised Phonebanking Service User by the use of the PIN assigned to the Authorised Phonebanking Service User by the Bank and any number(s) substituted by the Authorised Phonebanking Service User for that purpose and the Bank shall not be liable for acting in good faith from Telephone Instructions which emanate from unauthorised individuals and the Bank shall not be under any duty to verify the identify of the person or persons giving Telephone Instructions purportedly in the name of the Authorised Phonebanking Service User;
 - (b) the Authorised Phonebanking Service User shall undertake to keep the PIN strictly confidential at all times and that shall include, without limitation, not disclosing the PIN to any third party under any circumstances or by any means whether voluntarily or otherwise and not to keep any written record of the PIN in any place or manner. The Authorised Phonebanking Service User shall report to the Bank immediately upon losing the PIN or realising it has fallen into the hands of any unauthorised party;
 - (c) the Customer, the Authorised Phonebanking Service User and each related Debit Accountholder shall ensure that there are sufficient funds or pre-arranged credit facilities in the Debit Account(s) for the purpose of the Telephone Instructions and the Bank shall not be liable for any consequence arising out of the Bank's failure to carry out such Telephone Instructions due to inadequacy of funds and/or credit facilities provided always that if the Bank shall at its sole discretion decided to carry out the Telephone Instructions notwithstanding such inadequacy the Bank may do so without seeking prior approval from or notice to the Authorised Phonebanking Service User or the Debit Accountholder and the Customer, the Authorised Phonebanking Service User and each Debit Accountholder shall be responsible for the resulting overdraft, advance or credit thereby created;
 - (d) any exchange rate or interest rate quoted by the Bank in response to a Telephone Instruction is for reference only and shall not be binding on the Bank unless confirmed by the Bank for the purpose of a transaction. Such confirmed exchange rate or interest rate, if accepted by the Authorised Phonebanking Service User through the Phonebanking Service, shall be absolutely binding on the Customer, the Authorised Phonebanking Service User and the Debit Accountholder notwithstanding that a different exchange rate or interest rate might have been quoted by the Bank at the relevant time through other means of communication;
 - (e) the Bank shall not be liable to the Customer, the Authorised Phonebanking Service User or any Debit Accountholder for any failure to carry out any Telephone Instructions which is attributable, wholly or in part, to any cause beyond the Bank's control including any equipment malfunction or failure and under no circumstances shall the Bank be responsible to the Customer, the Authorised Phonebanking Service User or any Debit Accountholder for any indirect or consequential losses arising out of or in connection with the carrying out or otherwise of any Telephone Instructions;
 - (f) the Customer, the Authorised Phonebanking Service User and each Debit Accountholder shall keep the Bank indemnified at all times against, and to save the Bank harmless from, all actions, proceedings, claims, loss, damages, costs and expenses which may be brought against the Bank or suffered or incurred by the Bank and which shall have arisen either directly or indirectly out of or in connection with the Bank accepting Telephone Instructions or its acting or failing to act thereon unless they are

caused directly by the wilful default or gross negligence of the Bank and such indemnity shall continue notwithstanding the termination of Master Account or any other relevant Account(s);

- (g) the Authorised Phonebanking Service User's right to give Telephone Instructions pursuant to these Terms and Conditions shall at all times be subject to the discretion of the Bank and that the Bank may at any time revoke such right without prior notice;
 - (h) all Authorised Phonebanking Service Users shall be entitled to use the Phonebanking Service singly irrespective of their signing authority under the Master Account, the Debit Account(s) and the Credit Account(s);
 - (i) the Customer shall notify the holder of the Credit Account(s) and Debit Account(s) or such other account(s) not designated as Credit Account(s) but to which the Authorised Phonebanking Service User has transferred money using the Phonebanking Service of the details of the transactions performed pursuant to Telephone Instructions. The Bank shall not be responsible to the Customer, the Authorised Phonebanking Service User or any other person for giving any such notice;
 - (j) if there is more than one Authorised Phonebanking Service User then under the provisions herein (i) the liabilities and obligations of each of them shall be joint and several, (ii) references to the Authorised Phonebanking Service User shall be construed, as the context requires, to any or each of them, (iii) each of them shall be bound even though any other Authorised Phonebanking Service User or any person intended to be bound hereby is not, and (iv) the Bank shall be entitled to deal separately with an Authorised Phonebanking Service User on any matter, including the discharge of any liability to any extent, without affecting the liability of any other Authorised Phonebanking Service User; and
 - (k) each of the Customer, the Authorised Phonebanking Service User(s) and the Debit Accountholder understands and acknowledges that Telephone Instructions may not necessarily be processed by the Bank immediately or on the same day of the giving of such Telephone Instructions due to system constraint or the banking procedures of the Bank. The Customer, the Authorised Phonebanking Service Users and the Debit Accountholder agree that the Bank shall not be held responsible to them or any other person for effecting such Telephone Instructions at a later time and the Bank's decision as to when to effect the said Telephone Instructions shall be final and binding on them.
- 9.3 If a personal account of the Authorised Phonebanking Service User is designated as a Credit Account, the Customer should be aware that a higher amount can be transferred from the Account to the aforesaid personal account without the Customer's prior knowledge. The Bank cannot be held liable in acting on a Telephone Instruction emanating from an Authorised Phonebanking Service User instructing the Bank to transfer funds to his or her personal account (whether or not designated as a Credit Account) and is under no obligation to make any enquires in relation thereto.
- 9.4 All agreements, terms and conditions governing the respective accounts, services and products offered under or otherwise covered by the Phonebanking Service at any time and from time to time will continue to apply unless otherwise advised by the Bank. In the event that such agreements, terms and conditions are inconsistent with this Clause 9, the provisions set out in this Clause 9 will prevail to the extent of the inconsistency.

10. Drop & Go Counter Service (applicable to customer who uses the Bank's Drop & Go Counter Service)

10.1 Service

- (a) The Drop & Go Counter Service allows the Customer to conduct certain banking transactions by submitting the applicable documents and relevant items at designated "Drop & Go Counters" of the Bank for processing by the Bank in accordance with its normal procedures relating to the Drop & Go Service.
- (b) The Customer must ensure and hereby undertakes that all documents and items submitted under the Drop & Go Counter Service are complete, accurate and duly signed where applicable.
- (c) The scope of the Drop & Go Counter Service shall be as determined and notified (via such means of communication as the Bank shall decide) by the Bank from time to time and may include, but not necessarily and among other things, the deposit of Hong Kong dollar banknotes, coins, and the submission of telegraphic transfer applications.
- (d) The Customer shall utilize the Drop & Go Counter Service in accordance with its governing terms and conditions and such other instructions, guidelines and directions that the Bank shall issue from time to time.

10.2 Deposits

Where the Drop & Go Counter Service allows for the deposit of banknotes, coins and cheques (collectively "Deposits" and each a "Deposit"), the following terms shall apply:

- (a) the Bank shall accept responsibility for the banknotes, coins and cheques after the Bank has received, checked and verified the same;
- (b) the Bank will only credit the Deposits into the designated account(s) after the banknote(s), coin(s) and/or cheque(s) concerned have been counted, checked and verified by the Bank in accordance with its practice and which shall be final, conclusive and binding on the Customer; and
- (c) in case of discrepancy between the amount specified in the pay-in slip and the amount of banknote(s), coin(s) and/or cheque(s) submitted (as counted, checked and verified by the Bank) or if any banknote(s), coin(s) and/or cheque(s) submitted is/are not accepted by the Bank for any reason including, without limitation, in cases where the banknote(s) or coin(s) is/are suspected to be counterfeit, the Bank is only required to credit the amount of banknote(s), coin(s) and/or cheque(s) as counted, checked, verified and accepted by the Bank to the designated account(s) and which shall be final, conclusive and binding on the Customer.

10.3 Others

- (a) The Customer shall indemnify the Bank against all loss, damages, claims, proceedings, liabilities, costs (including legal costs on a full indemnity basis) and expenses as shall be reasonably incurred or suffered by the Bank arising out of or in connection with the provision of the Drop & Go Counter Service by the Bank and/or the use thereof by the Customer.
- (b) The Bank shall not be liable for any loss, damages or expenses suffered by the Customer arising from its failure or delay in providing the Drop & Go Counter Service and/or the use of the Drop & Go Counter Service by the Customer including, without limitation, any delay in respect of its processing of the documents and items submitted under the Drop & Go Counter Service, including, without limitation, any delay in the counting, checking, verification and acceptance of the banknote(s), coin(s) and/or cheque(s) submitted or the crediting thereof to the designated account(s) or any partial completion of or failure or inability

to act on any of the Customer's instructions or directions in respect thereof for whatever reasons not due to the Bank's gross negligence or willful default including for reasons outside the Bank's reasonable control. The Bank shall not be liable for any loss of profits, or any indirect or consequential loss, damages or expenses.

11. **Communication Address and Change of Customer's Particulars**

- 11.1 The Customer warrants that all particulars given to the Bank (whether in an account opening form or otherwise) are, to the best of the Customer's knowledge, accurate and acknowledges that the Bank may make use of any such particulars recorded with the Bank (including without limitation address, telephone number, email address and fax number) as a means of communication with the Customer (whether through letters, telephone calls, SMS, fax, email or otherwise). The Customer undertakes to notify the Bank (in such manner as may be prescribed or accepted by the Bank from time to time) of any change of address, telephone number, fax number, email address or other pertinent particulars recorded with the Bank.
- 11.2 These Terms and Conditions and any communications delivered personally, sent by post, facsimile transmission, telex or email shall be deemed to have been received by the customer (where delivered personally) at the time of personal delivery or on leaving it at the address last notified in writing by the customer to the Bank, (where sent by post) 48 hours after posting if such address is in the Hong Kong Special Administrative Region ("HKSAR") and seven days after posting if such address is outside the HKSAR or (where sent by facsimile transmission, telex or email) immediately after transmitting to the facsimile or telex number or email address last notified in writing by the customer to the Bank. Communications sent by the customer to the Bank shall be treated as delivered to the Bank on the day of actual receipt.

12. **Charges**

- 12.1 The Bank may impose service fees, facility fees and/or other charges (including without limitation deposit charges on the credit balance of any account) from time to time as the Bank at its sole discretion thinks fit. The Bank's charges, as in effect from time to time, apply to all accounts and a list of such charges is available upon request at any branch of the Bank. The Bank reserves the right to, at any time and without notice, debit any one or more account(s) of the Customer maintained with the Bank for the purposes of settling these service fees, facility fees and/or other charges, irrespective of whether there are sufficient available funds, overdraft or credit facilities in the said account(s) and any overdraft or debit balances resulting therefrom will be subject to the applicable prevailing interest rates and fees.
- 12.2 The Customer agrees that the Bank may use one or more members of the HSBC Group or other third parties to assist the Bank in providing services to the Customer or fulfilling the customer's requirements. These companies may receive remuneration of whatever nature (whether fees, commissions, rebates or other payments) for the services they provide to the Bank. Remuneration may also be payable by the Bank to members of the HSBC Group or other third parties where the Customer has been introduced to the Bank by them. Any such payment will not affect the amount of fees and charges payable by the Customer with respect to accounts held with or services rendered by the Bank.

- 12.3 The Customer shall comply with all applicable laws and regulations in force from time to time in relation to all accounts, activities or transactions contemplated by these Terms and Conditions. The Customer shall indemnify the Bank from and against all liabilities, losses, costs, expenses and charges (whether on account of taxes, duties, imposts or otherwise) which the Bank may incur as a result of:
- (a) maintaining the accounts for the Customer;
 - (b) providing services to or transacting with the Customer; and/or
 - (c) a breach of any of these Terms and Conditions or any applicable laws and regulations by the Customer.
- 12.4 The Bank reserves the right to suspend any one or more Accounts or even the Master Account if the Customer fails to settle any fees and charges imposed by the Bank

13. Customer's Information

- 13.1 To enable the Bank to consider whether to provide the Customer with any Service, the Customer is required to supply to the Bank from time to time information and data ("Data") and failure to do so may result in the Bank not being able to provide such Service.
- 13.2 The Data will be used for considering the Customer's request and subject to the Bank's agreeing to provide such Service, the Data and all other details and information relating to the Master Account, the Customer's transactions or dealings with the Bank will be used in connection with the provision of such Service to the Customer. The Bank will use, store, disclose, transfer (whether within or outside Hong Kong) and/or exchange such Data and such other details and information to, from or with all such persons as the Bank may consider necessary (including without limitation any member of the HSBC Group or any service provider) for any and all purposes:
- (a) in connection with the provision of Services;
 - (b) in connection with matching for whatever purpose (whether or not with a view to taking any adverse action against the Customer) any such Data with other data in the Bank's possession;
 - (c) in connection with the provision of banker's reference about the Customer to other financial institution or other parties;
 - (d) in connection with conducting checks with any credit reference agency or other persons (including without limitation upon an application of any credit facility or upon periodic review of such facility);
 - (e) as mentioned in the Notice in Appendix II hereto;
 - (f) of considering, promoting, improving and furthering the provision of financial or other services or products by the Bank and any other member of the HSBC Group to the Customer generally;
and/or for the purpose of detecting or preventing money laundering, terrorist financing and other criminal activities;
and/or for any other purposes and to, from or with such other persons as may be in accordance with the Bank's general policy on disclosure of customer information or personal data as set out in Statements, Circulars, Notices or other terms and conditions made available by the Bank to the Customer from time to time.
- Without prejudice to the foregoing, the Customer acknowledges that where the Bank considers it necessary or appropriate, the Bank may transfer any such Data, details or information to any service provider (whether situated in or outside Hong

Kong) for the purpose of data processing or providing any service on behalf of the Bank to the Customer. Where the service provider is situated outside Hong Kong in an area where there are less stringent data protection laws, the Bank will impose on the service provider confidentiality undertakings substantially similar to the requirements of the data protection laws in Hong Kong. In any event, the Bank will remain responsible for ensuring the confidentiality of such Data, details and information.

13.3 If the Data includes information or data of any third party, the Customer confirms and warrants that the Customer has obtained the consent of such third party to the provision of such information or data to the Bank for the foregoing purposes and for disclosure to such persons as stipulated above.

13.4 The Customer or any third party referred to in Clause 13.3 above has the right to request access to and correction of any its/his/her Data or to request such Data not to be used for direct marketing purpose. Any request may be made in writing and addressed to the Bank's Data Protection Officer at such address as may be specified by the Bank from time to time. The Bank will comply with such request unless the Bank may or is required to refuse to do so under any applicable laws and regulations.

14. Termination of Account, Variation of Terms

14.1 The Bank may terminate the Master Account or any Account with prior notice (save under exceptional circumstances when termination may be made without notice) with or without cause. Except in the case of a termination of the Master Account, the Customer may retain any one or more of the other Accounts or services which shall continue to be governed by these Terms and Conditions and the provisions of any mandate(s) pertaining thereto.

14.2 These Terms and Conditions may, at the Bank's sole discretion, be changed from time to time upon giving the Customer prior notice by way of display in the Bank's premises or in the Consolidated Statements or by such other method as the Bank may decide. If the Customer does not close the Master Account prior to the expiry of the notice period, the Customer shall be deemed to have agreed to such changes.

15. Miscellaneous General Provisions

15.1 *Collecting Agent.* The Bank reserves the right to employ collection agent(s) and third parties to collect any outstandings or overdue amount owed by the Customer. The Customer shall keep the Bank indemnified for costs and expenses including without limitation legal fees, costs of engaging collection agent(s) (and such other third parties) and other expenses which are of reasonable amount and which are reasonably incurred by the Bank in demanding, collecting, suing or recovering such outstandings or overdue amount.

15.2 *Tape Recording.* In the course of providing the Services, the Bank (or its agent) may need to (but shall not be obliged to) record verbal instructions received from the Customer and/or any verbal communication between the Customer and the Bank (or its agent) in relation to such Services. The Bank reserves the right to destroy these recording after such period of time as it considers prudent.

15.3 *Microfilming/Scanning.* The Bank may destroy any documents relating to the Master Account or any of the Services after microfilming/scanning the same and destroy any microfilm/scanned records after such period of time as it considers prudent.

- 15.4 *Bank's By-laws and Practices.* All Services and Accounts, the interest thereon, service charges and other matters relating thereto, shall be governed, in addition to these Terms and Conditions, by the Rules of Hong Kong Association of Banks and the Bank's by-laws, regulations and practices, brought to the attention of the Customer by display, the Consolidated Statement, advertisement or otherwise, as the foregoing are in effect from time to time.
- 15.5 *Waivers and Remedies.* No failure or delay by the Bank in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Any remedies provided to the Bank herein are not intended to be exclusive of any other remedy and each and every remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise.
- 15.6 *Partial Invalidity.* If any provision hereof shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not affect any of the other provisions hereof, which shall remain in full force, validity and effect.
- 15.7 *Failure Beyond Bank's Control.* The Bank shall not be liable for any delay or failure in providing any of the Bank's equipment or other facilities or services to the Customer to the extent that it is attributable to any cause beyond the Bank's reasonable control including any equipment malfunction or failure and under no circumstances shall the Bank be responsible to the Customer or any third party for any indirect or consequential losses arising out of or in connection with such delay or failure.
- 15.8 *Appointment of Agent.* The Bank may appoint any agent, service provider or sub-contractor to perform any of its obligations hereunder.
- 15.9 *Assignment of Bank.* The Bank may at any time assign or transfer any or all of its rights and obligations hereunder to any person without the Customer's agreement.
- 15.10 *Loss of Seal etc.* In the event of loss of the identity document, seal or chop used for giving Instructions to the Bank in respect of or the use of the Services, the Customer must immediately notify the Bank in writing. The Bank will not be responsible for any payment made prior to receiving such written notice.
- 15.11 *Terms and Conditions.* References to the Terms and Conditions shall mean all the Terms and Conditions herein set out or the Terms and Conditions specified in a particular section as the context shall so require. In the event of any inconsistency between the Terms and Conditions set out in different sections hereof, the Terms and Conditions set out in the section governing the Account or the Service in question shall prevail to the extent of the inconsistency.
- 15.12 *Governing Law and Jurisdiction.* These Terms and Conditions are governed by and will be construed in accordance with the laws of the HKSAR. The parties submit to the non-exclusive jurisdiction of the courts of the HKSAR. These Terms and Conditions may be enforced in the courts of any competent jurisdiction.
- 15.13 *Prevailing Version.* In the case of discrepancies between the English and Chinese versions, the English version shall prevail unless otherwise provided herein.

Section II Savings Accounts

1. Savings Interest

1.1 Interest will accrue on the daily balance at the rates displayed from time to time at the Bank's premises and/or advertised in the media and, in the case of HKD, compounded at such intervals as may be specified by the Bank. Interest earned will be credited to the Savings Account, in the case of HKD, monthly or, in the case of foreign currencies, half-yearly (or in either case on such other basis as may be specified by the Bank from time to time). Interest is payable on Savings Accounts closed during an interest period only up to the last calendar day.

2. Withdrawals and Deposits

2.1 Withdrawals from a Savings Account may be made on demand at the counter in the hours during which the Bank's Savings Department is open for business on production of satisfactory identification and/or appropriate authority. Withdrawals may not be made by means of cheques.

2.2 In the case of a foreign currency Savings Account withdrawals in foreign currency cash are subject to 7 day's prior notice and availability of the currency in question.

2.3 In the event that a cheque deposited to a Savings Account is in a currency different to that of the currency of that Savings Account and that Savings Account is credited with an amount calculated using an applicable rate of exchange and that the cheque is subsequently returned, the Bank may debit that Savings Account with an amount calculated, at the Bank's discretion, using (i) the Bank's prevailing buying or selling rate or (ii) the original buying or selling rate, which may differ from the rate applicable at the time of crediting that Savings Account. If there is insufficient funds in that Savings Account, the Bank shall be entitled to debit the said amount or such part(s) thereof from any other account(s) maintained by and held in the name of the Customer, including, without limitation, any other Accounts.

2.4 The Bank will charge commission for foreign currency notes deposited to/withdrawn from the Savings Account if the amounts deposited/withdrawn exceed the daily limit set by the Bank from time to time. Additionally, the Bank reserves the right to levy a charge for deposit to/withdrawal from the Savings Accounts of foreign currency notes (regardless of the amount).

3. Payment to Third Party

3.1 Any payment made by the Bank to a person producing satisfactory identification and/or a withdrawal form purporting to be signed, sealed or chopped as authorised by the Customer shall have the same effect as if made to the Customer and will absolve the Bank from all liabilities to the Customer or to any other party.

Section III Current Accounts

1. Cheque Books

- 1.1 A cheque book will be issued to the Customer on opening a HKD Current Account.
- 1.2 Cheque books should be kept safe at all times and, as necessary, under lock and key so as to be inaccessible to unauthorised persons.
- 1.3 Applications for a new cheque book for a HKD Current Account may be made by presenting a duly completed and signed cheque book application form to the Bank or by any other means acceptable to the Bank. The Bank may, at its sole discretion, refuse to issue a cheque book. New cheque books will be delivered to the Customer by post according to the address record kept by the Bank (or by such other means as determined by the Bank). The Bank assumes no responsibility for any delay or loss caused by any mode of forwarding.
- 1.4 Upon receipt of a new cheque book, the Customer should verify the cheque serial numbers, account number and name of the Customer printed thereon as well as the number of cheques before use. Any irregularities should be promptly reported to the Bank.

2. Cheques

- 2.1 Cheques should be drawn in HKD.
- 2.2 When a signed cheque or a cheque book is lost or stolen, the Customer must immediately report such loss in writing to the Bank.
- 2.3 When cheques are sent through the post or by other means, the words "OR BEARER" should be deleted and the cheque crossed.
- 2.4 The Customer should exercise care when drawing cheques to ensure their correctness and agrees that cheques shall not be drawn by any means and/or in any manner which may enable a cheque to be altered or may facilitate fraud or forgery. In particular:
 - (a) the Customer should write the amount, both in words and figures in the space provided on the cheque, as close to each other and to the left-hand margin as possible so as to leave no space for insertions;
 - (b) the word "only" should be added after the amount stated in words and only Arabic numerals should be used for figures;
 - (c) all cheques must be written in dark colour non-erasable ink or ball-point pen in Chinese or English and be signed in conformity with the specimen signature(s) registered with the Bank; and
 - (d) the Customer should comply with the conditions printed on the inside cover of cheque books.
- (e) the Customer agrees that:
 - (i) cheques drawn by the Customer which have been paid may, after having been recorded in electronic form or other form as determined by the Bank, be retained by the collecting bank or Hong Kong Interbank Clearing Limited ("HKICL") for such period as is stated in the rules relating to the operation of the Clearing House for the related currency and after this, they may be destroyed by the collecting bank or HKICL as the case may be; and
 - (ii) the Bank is authorised to contract inter alia with collecting banks and HKICL in accordance with the terms in paragraph (i) of this clause.
- 2.5 Any alteration on a cheque must be confirmed by the full signature of the person(s) authorised by the Customer to sign the cheque. The Customer acknowledges that the Bank will not be held responsible for loss arising from alterations which cannot be readily detected.

3. Return Cheques

3.1 The Bank reserves the right to return cheques with insufficient funds in Account, technical error or any other reasons and to impose a service charge in respect of returned cheques.

4. Stop Payment Order

4.1 The Customer may only cancel payment of a cheque by giving Instructions (the authenticity of which the Bank must be able to verify) to the Bank clearly identifying the cheque in question by reference to its cheque number before the cheque has been paid. For clarification:

- (a) if the Customer identifies the cheque in question by reference to other details in addition to the cheque number, the Bank shall not be responsible to ensure that other details correspond with the details of the cheque in question identified by number;
- (b) if the Customer identifies the cheque in question by reference to other details instead of identifying the cheque number, the Bank shall not be required to take any action but the Bank may, at its sole discretion and without responsibility, follow such Instruction.

4.2 If the Customer requests to cancel payment of a cheque by means of an Instruction which cannot be verified by the Bank, the Bank shall not be required to take any action in the absence of any special arrangement to the contrary with the Customer. However, the Bank may at its sole discretion and without responsibility follow any such Instruction which it believes in good faith emanate from the Customer and shall not be liable for having followed any such Instruction which is incorrect, false or unclear or in any other circumstances. Regardless of whether or not the Bank acts on such Instruction, the Customer shall immediately confirm such Instruction to the Bank in writing and in such manner that the Bank may verify the authenticity of such Instruction.

5. No Interest

5.1 Unless otherwise specified by the Bank, no interest is payable on credit balances in a HKD Current Account.

6. OD Protection

6.1 When an overdraft protection facility (the "OD Protection") with a pre-defined limit is granted to the HKD Current Account, the Customer agrees that:

- (a) the OD Protection may be granted, revised and cancelled at any time at the Bank's sole discretion without notice;
- (b) the pre-defined limit of the OD Protection shall be subject to variation from time to time by the Bank;
- (c) interest on the OD Protection shall accrue at the rate(s) determined from time to time by the Bank and will be payable monthly to the debit of the HKD Current Account; and
- (d) the Bank has the overriding right at any time to demand immediate repayment of any debit balance (plus interest) created under the OD Protection.

Section IV Time Deposits

1. Placement of Time Deposits

- 1.1 A Time Deposit Account will be opened when the Customer places a Time Deposit for the first time and all subsequent Time Deposits will be placed under such Account. A Time Deposit may only be placed in such currencies and with such minimum initial deposit with respect to a range of maturity dates as determined by the Bank from time to time.
- 1.2 In the event that a cheque deposited to a Time Deposit Account is in a currency different to that of the currency of that Time Deposit Account and that Time Deposit Account is credited with an amount calculated using an applicable rate of exchange and that cheque is subsequently returned, the Bank may debit that Time Deposit Account with an amount calculated, at the Bank's discretion, using (i) the Bank's prevailing buying or selling rate or (ii) the original buying or selling rate, which may differ from the rate applicable at the time of crediting that Time Deposit Account. If there is insufficient funds in the said Account, the Bank shall be entitled to debit the amount concerned or such part(s) thereof from any other account(s) maintained by and held in the name of the Customer, including, without limitation, any other Account(s).

2. Time Deposit Interest

- 2.1 The Bank reserves the right to vary the interest rate offered from time to time at the Bank's sole discretion as displayed in the Bank's premises and/or advertised in the media.
- 2.2 Interest on a Time Deposit will accrue to the day prior to maturity of the Time Deposits and is payable on the due date and may be either withdrawn or added to the principal on a Business Day. (Notwithstanding the foregoing, accrued interest on deposits of not less than a prescribed amount and for a term of 18 months and over will be paid at the end of each calendar half-year on such dates as determined by the Bank. Monthly interest may be paid upon request on HK Dollar deposits of not less than a prescribed amount for a prescribed term as determined by the Bank.) Details of accrued interest and the amount of tax deducted (if applicable) will be advised each time a Time Deposit is withdrawn or renewed.
- 2.3 Interest for call deposits is calculated daily based on the prevailing rate at the end of the day except that interest for the day upon which the call deposits are placed with the Bank shall be calculated based on the interest rate printed on the deposit confirmation.

3. Withdrawal and Renewal of Time Deposits

- 3.1 At the request of the Customer, the Bank may at its discretion repay a Time Deposit before the due date and the Bank:
 - (a) shall not be required to pay any interest on such Time Deposit;
 - (b) may recover a handling charge and the additional cost (if any) of obtaining funds in the market for the remaining period of such Time Deposit and may cancel such pre-mature uplift of the Time Deposit if there is a lack of funds or that the appropriate handling fee levied exceeds the amount of the Time Deposit; and
 - (c) may deduct any sums already paid to the Customer by way of interest and to the Government by way of taxation (if applicable) from the principal sum before repayment of the balance.

- 3.2 Deposits which fall due on a day which is not a business day in Hong Kong or in the country of the foreign currency concerned shall become payable on the business day immediately after the non-business day(s) of concerned, except when such extension exceeds the maximum period for deposits acceptable to the Bank or as regulated from time to time in which case the deposits will become payable on the business day immediately preceding the non-business day(s) of concerned.
- 3.3 All placements, renewals and withdrawals of Time Deposits are accepted subject to the transaction date and hours set by the Bank from time to time.
- 3.4 Any Instructions regarding disposal of funds at maturity and any amendments thereto must be given at least one Business Day prior to the date of maturity by letter, by means of an authenticated cable or telex sent through local bankers or by such other means as may be acceptable to the Bank.
- 3.5 Where automatic renewal Instructions are given for Time Deposits, the prevailing rate applied will be the rate applicable on the due date at such time as the Bank at its sole discretion decides.
- 3.6 If no disposal instructions are received by the due date, interest on the due date and thereafter will accrue on the principal amount only. The interest will accrue at the Bank's daily savings deposit rates applicable during the period on and after the due date in respect of the relevant currency concerned. Accrued interest will be paid or credited into the relevant account on a business day only when instructions are received.
- 3.7 Withdrawals in foreign currency cash are subject to 7 days' prior notice and availability of the currency in question.
- 3.8 The Bank will charge commission for foreign currency notes deposited to/withdrawn from Time Deposit Account, if the amounts deposited/withdrawn exceed the daily limit set by the Bank from time to time. Additionally, the Bank reserves the right to levy a charge for deposit to/withdrawal from Time Deposit Account of foreign currency notes (regardless of the amount).

Section V ATM Card

1. Card

- 1.1 The Card is and will be at all times, the property of the Bank. The Bank reserves the right to withdraw, at its discretion, the Card and/or to add to, delete from or vary the scope of any of the services thereby offered at any time with or without notice.
- 1.2 The loss or theft of the Card should be reported to the Bank immediately and confirmed in writing as soon as possible. The Customer will be responsible for all transactions effected by use of the Card until such notification. The Bank may debit any Account with any cost incurred in issuing a replacement Card.
- 1.3 When the Bank executes its rights under Clause 14 of Section I to add to, delete and/or to vary any of the terms and conditions under this Section V, the use of the Card after the date upon which any change to these terms and conditions is to have effect (as specified in the Bank's notice) will constitute acceptance without reservation by the Customer of such changes. If the Customer does not accept any proposed changes, the Card must be returned to the Bank prior to the date upon which such changes are to have effect.

2. Liabilities of Card Transactions

- 2.1 Subject to Clause 1.2 of this section, the Customer will be responsible for all transactions effected through the use of the Card, whether authorised by the Customer or not and whether effected by the Cardholder or not.
- 2.2 The related Account will be debited with the amount of any withdrawal, transfer and/or other transaction effected by use of the ATM Card. The Customer will maintain sufficient funds in the Accounts to meet any such transactions. Transactions which are effected in currencies other than HKD will be debited to the related Account after conversions into HKD at a prevailing rate as determined by the Bank on the day of conversion.
- 2.3 The PIN is strictly confidential and should not be disclosed to any third party under any circumstances or by any means whether voluntarily or otherwise. The Customer should not keep any written record of any PIN in any place or manner which may enable a third party to use its ATM Card.
- 2.4 Cash and/or cheques deposited with any automated teller machines (ATM) by use of the Card will be credited to the related Account subject to subsequent verification by the Bank in its normal course of business. The statement issued by the ATM at the time of deposit only represents what the Customer purports to have deposited and will not be binding on the Bank. Cheques will be accepted for collection only and the proceeds will not be available until they have been cleared.
- 2.5 The Bank will not be liable for any consequential or indirect damages arising from or related to the use of the Card.
- 2.6 The related Account will be debited with such charges as the Bank may from time to time consider reasonable in respect of the Card provided that prior notice of such charges is given to the Customer and/or Cardholder.
- 2.7 The Bank may disclose, in strict confidence, to other institutions (whether within or outside Hong Kong) such information concerning the Card and the Accounts as may be necessary or appropriate in connection with its participation in any electronic fund transfer network or generally to facilitate its provision of any and all services relating to the Card.

- 2.8 Through ATMs or other means, the Bank may provide information about products, services and banking facilities offered by the Bank, other members of the HSBC Group or those selected third parties which the Bank thinks may interest the Customer. The information accessible by the Customer and the Cardholder may include among other things indicative facility limit(s), indicative pricing or business terms that may be applicable to the Customer.
- 2.9 For the purposes of this Section V, all references to Accounts shall include all other accounts accessible by the Card.
- 2.10 The Customer shall maintain a record of the name and identification of the Cardholder of each Card issued to the Customer and shall produce such record to the Bank on demand. The Customer undertakes to ensure that the Cardholders agree to the foregoing and will comply with all these Terms and Conditions to the extent applicable as if each of them were the Customer.

Section VI Secured Credit Facility (Applicable to Sole Proprietorship or Partnership only)

1. Secured Credit Facility

- 1.1 Where a secured credit facility (the "Secured Credit") is granted to the Customer, the Customer will be notified by a facility letter which will set out (among others):
 - (a) the credit limit and/or the basis upon which it is calculated;
 - (b) the applicable interest rate and/or the basis upon which it is calculated; and
 - (c) any other terms for granting the Secured Credit.Such notification by letter constitutes a binding agreement as regards the granting of the Secured Credit on the terms and conditions listed in such letter (as varied from time to time).
- 1.2 The Bank reserves the overriding right at any time to demand immediate repayment of the Secured Credit outstanding at that time and the right to withdraw the Secured Credit. Further, the Bank shall have an unrestricted discretion to cancel or suspend, or determine whether or not to permit drawings in relation to the Secured Credit for any reasons.
- 1.3 An annual non-refundable service fee on the current overdraft limit calculated at the rate from time to time determined by the Bank will be debited annually at its absolute discretion from the account to which the Secured Credit has been granted.
- 1.4 Interest on the Secured Credit shall accrue at the rate or rates determined and shall be subject to variation from time to time by the Bank at its absolute discretion and shall be payable monthly to the debit of the account to which the Secured Credit has been granted.
- 1.5 The Customer will notify the Bank as soon as possible of any difficulty in repaying any amount outstanding under the Secured Credit.
- 1.6 The Secured Credit is subject to review at any time at the Bank's sole discretion.

2. Security over Personal Assets

- 2.1 In consideration of the Bank providing the Services and granting or continuing to make available the Secured Credit, **the Customer as beneficial owner hereby charges, pledges and assigns the Secured Assets to the Bank as a continuing security for the payment by the Customer of the Secured Indebtedness. For the avoidance of doubt, no security will be created if no Secured Credit is granted by the Bank to the Customer.**
- 2.2 In this Section VI:
 - (a) "Secured Assets" means all assets and property of the Customer which stand to the credit of the Master Account at any time and from time to time of and up to an amount equal to the Secured Assets Value comprising, without limitation, deposits (including renewals and extensions thereof), monies, interest on such deposits and monies (irrespective of the currency of denomination and any change therein), gold and any other precious metal and commodity, stocks, shares, bonds, notes, options and other money market, debt and financial instruments, whether negotiable, bearer or otherwise, investments and

securities of all kinds, all rights and benefits attached or accruing thereto and the proceeds thereof. For the purposes of this Section VI:

- (i) "Secured Assets Value" means the value determined by the Bank to be appropriate to secure the Ceiling Limit from time to time in accordance with the loan-to-asset ratio specified and notified by the Bank to the Customer from time to time; and
- (ii) "Ceiling Limit" means the maximum principal amount of the Secured Credit (a) as elected by the Customer and accepted by the Bank or (b) if no such election has been made, as prescribed by the Bank from time to time.

Where the value of the assets and property (as conclusively determined by the Bank) in the Master Account at any relevant time exceeds the Secured Assets Value at that time, the "Secured Assets" shall mean a portion of the assets and property in the Master Account of and up to the Secured Assets Value at that time comprising assets and property in accordance with the order of priority as specified in the Business Integrated Account Secured Credit Facility Interest Rate and Loan Ratio Table as amended and notified by the Bank to the Customer from time to time.

- (b) "Secured Indebtedness" means all monies (including interest, fees, charges, costs and expenses), in whatever currency, which are now or may at any time hereafter be or become, from time to time, due or owing to the Bank by the Customer in respect of the Secured Credit made available to the Customer and which the Customer hereby agrees are payable on demand. Any statement of account signed as correct by any of the Bank's duly authorised officers shall be conclusive evidence of the Secured Indebtedness.

- 2.3 The Customer hereby irrevocably and by way of security appoints the Bank to be the Customer's attorney and in the name and on the Customer's behalf and as the Customer's act or deed or otherwise, without any reference to or consent from the Customer, to execute all documents and to do all things as may be required for the full exercise of all or any of the powers conferred on the Bank under this Section VI or as the Bank may deem expedient in connection with the Secured Assets. This power of attorney is coupled with an interest and is irrevocable and shall remain irrevocable as long as any Secured Indebtedness remains outstanding. The Customer ratifies and confirms and agrees to ratify and confirm any agreement, act or thing which any attorney appointed under this Clause may lawfully execute, seal, deliver or do.
- 2.4 The Customer undertakes at all times to maintain in the Master Account assets and property of a value (according to the determination of the Bank) that exceeds or equals to the value determined by the Bank to be appropriate to secure the amount of Secured Indebtedness from time to time in accordance with the loan-to-asset ratio specified and notified by the Bank to the Customer from time to time.
- 2.5 The Customer hereby undertakes, during the continuance of the security created hereunder, to maintain absolute title to the Secured Assets and not, without the Bank's prior written consent, to withdraw, sell, dispose of or deal with or to charge, pledge, assign otherwise encumber or grant or suffer to arise any third party rights over or against any of the Secured Assets, except in the Bank's favour. Further, if the Customer creates or purports to create any security (whether fixed or floating) over the Secured Assets or any part thereof in breach of this Clause 2.5 or if any person levies or attempts to levy any form of process against the Secured Assets or any part thereof, the security created by Clause 2 of this Section VI, to the extent that it may be a floating

charge, shall automatically and without notice from the Bank crystallize and operate as a fixed charge instantly when such events occurs.

- 2.6 The Customer undertakes, if and when required by the Bank, to execute or do such agreements, assurances, acts and things as the Bank shall require in respect of the Master Account to (i) secure the Secured Indebtedness; (ii) perfect, protect or improve any security created or intended to be created by Clause 2 of this Section VI; or (iii) facilitate the exercise or proposed exercise by the Bank of any of its rights under this Section VI.
- 2.7 The Customer undertakes to pay the Bank, on demand, all the Bank's expenses (including legal and out-of-pocket expenses) of reasonable amount and reasonably incurred by the Bank in contemplation of, or in connection with, the preservation, enforcement or exercise of any rights under this Section VI.
- 2.8 Payments by the Customer shall be made to the Bank as specified by the Bank without any set-off, counterclaim, withholding or condition of any kind except that, if the Customer is compelled by law to make such withholding, the sum payable by the Customer shall be increased so that the amount actually received by the Bank is the amount it would have received if there had been no withholding.

3. Enforcement of Security

3.1 If:

- (a) the Customer has failed to pay any Secured Indebtedness on demand or is in default under any of these Terms and Conditions; or
- (b) the Customer is unable or admit inability to pay debts as they become due; or
- (c) any proceedings in or analogous to the bankruptcy, insolvency or composition of the Customer are started; or
- (d) legal process is levied or enforced against any of the Customer's assets,

the Bank may, without notice, legal process or any other action with respect to the Customer, realise or sell the Secured Assets or any of them, at any time and in any way which the Bank may deem expedient, free from and discharged from all the Customer's trusts, claims, rights of redemption and equities, in or towards settlement of the Secured Indebtedness. The Customer shall not have any right or claim against the Bank in respect of any loss arising out of such realisation or sale, howsoever such loss may have been caused.

Without prejudice to Clause 2.5 of this Section VI and insofar as the security created by Clause 2 of this Section VI is a floating charge, the Bank may, without prejudice to the above, convert the floating charge into a specific fixed charge at any time and from time to time by notice in writing to the Customer.

- 3.2 The proceeds of the realisation or sale of Secured Assets may be placed by the Bank to the credit of a suspense account with a view to preserving the Bank's rights to prove for the whole of the Bank's rights against the Customer in the event of any proceedings in or analogous to bankruptcy, insolvency, winding-up, liquidation or composition and may also be applied by the Bank to such account, obligation or liability of the Customer as the Bank may, at the Bank's sole discretion, from time to time conclusively determine.

- 3.3 If the currency of any Secured Indebtedness is not the currency in which the Secured Assets or any of them are denominated, the conversion shall be calculated at the Bank's spot buying rate of exchange (as conclusively determined by the Bank) for the currency for which the Customer is liable against the currency in which the relevant Secured Assets are denominated.
- 3.4 No payment to the Bank (whether under any judgement or order of any court or otherwise) shall discharge an obligation in respect of the Secured Indebtedness unless and until the Bank shall have received payment in full in the currency in which such obligation was incurred and, to the extent that the amount of any such payment shall, on actual conversion into such currency, fall short of such obligation expressed in that currency, the Bank shall have a further separate cause of action against the Customer and shall be entitled to enforce the security hereunder to recover the amount of such shortfall.

4. Nature of Security

- 4.1 The security hereunder shall be a continuing security and shall cover and secure the ultimate balance of the Secured Indebtedness from time to time owing to the Bank by the Customer on each separate account or in any manner whatsoever notwithstanding the Customer's death, bankruptcy, incapacity, winding-up, liquidation, insolvency or the Bank's receipt of notice of any such occurrence or any settlement of account or other matter whatsoever.
- 4.2 The security hereunder is in addition to and may be enforced notwithstanding any guarantee, indemnity, assurance, pledge, lien, bill, note, mortgage, charge, debenture, security or other right, power or remedy now or hereafter held by or available to the Bank.
- 4.3 Any release, discharge or settlement between the Bank and the Customer shall be conditional upon no security, disposition or payment to the Bank by the Customer or any other person being avoided, reduced or repaid pursuant to any provisions or enactments relating to bankruptcy, liquidation, winding-up, insolvency or circumstances analogous thereto and, for such purpose, shall be entitled to retain this instrument for such period as the Bank may determine and, if such condition shall not be fulfilled, the Bank shall be entitled to enforce the security hereunder subsequently as if such release, discharge or settlement had not occurred.
- 4.4 If more than one person comprises the Customer, these Terms and Conditions create a security in the Secured Assets to the full extent of their respective interests therein and none of such persons shall be entitled to any rights or remedies of a surety as regards the Customer's obligations.
- 4.5 Any statutory restriction on the right of consolidating mortgage securities contained in any law in force in Hong Kong shall not apply to this security.

Section VII Wayfoong Statement Gold

The Wayfoong Statement Gold Terms and Conditions and the fact sheet should be read in conjunction with each other.

1. Purchase of Gold

- 1.1 Purchase orders for gold should be given by the Customer in such form as may be specified by the Bank from time to time. Each purchase order shall be for not less than one (1) mace of gold and in whole multiple thereof.
- 1.2 The price per mace at which each purchase will be made shall be the prevailing market price for purchase of gold (as conclusively determined by the Bank) at the time the purchase order is carried out by the Bank. Purchase orders, if time permits, will be made during the Business Day of receipt of the Customer's purchase order, except for a purchase order to be settled by cheque which will be made, if time permits, during the Business Day on which such cheque is cleared. Settlement for a purchase shall be completed by:
 - (a) an immediate direct debit of the Current or Savings Account or any other account designated by the Customer; or
 - (b) full payment by the Customer in cash, by cheque or by cashier's order on the same Business Day as execution of the purchase order.
- 1.3 The Customer agrees that should the amount of any cheque tendered as payment for the purchase order be insufficient on clearance to purchase the amount of gold ordered, the Bank shall have full right and authority to purchase such lesser amount as shall be necessary to comply with the amount of the cheque and shall only be obliged to account to the Customer for any balance monies remaining and shall incur no other liability to the Customer.
- 1.4 By the execution of any purchase order either by the Customer or on the Customer's behalf the Customer represents and warrants that he has full right, power and authority to make the purchase of gold applied for and the person or persons, if any, signing on behalf of the Customer represent and warrant that they are duly authorised to sign the purchase order and to purchase gold on behalf of the Customer in accordance with these Terms and Conditions.
- 1.5 These Terms and Conditions, together with each purchase order and sale order submitted by the Customer, shall constitute the entire agreement between the Bank and the Customer with respect to the transactions contemplated hereby.

2. Acknowledgement regarding Wayfoong Statement Gold Account

- 2.1 The Customer recognizes and acknowledges that:
 - (a) the gold market is volatile and that in particular:
 - (i) there is the possibility that a loss will be incurred from an investment in gold;
 - (ii) an investment in gold provides no yield or interest;
 - (iii) that gold prices have to rise over the purchase price in order to provide a return equal to that of income-producing assets; and
 - (iv) a Wayfoong Statement Gold Account does not represent a deposit of money;

- (b) if by virtue of or arising out of the purchase or sale of gold in accordance with these Terms and Conditions any profit, commission, fee, benefit or other advantage shall accrue to the Bank (or any of its subsidiary or affiliate), the Bank (or any such subsidiary or affiliate) shall be entitled to retain the same for its own account; and
 - (c) at no time will the Customer be able to take delivery of gold from the Bank: the operation of the Wayfoong Statement Gold Account shall be restricted to purchases and sales and when the Customer wishes to close the Wayfoong Statement Gold Account the Customer may only so do by selling the gold and receiving the proceeds of sale.
 - 2.2 The Customer acknowledges that any purchase order or sales order placed by means not bearing an original signature as acceptable to the Bank from time to time, eg Telephone Instructions, which is executed by the Bank at the price stated by the Bank to the Customer in the course of exchange of such means, eg in the course of the telephone order, shall be binding upon the Customer and, in the case of a purchase order, payment therefore must be made in accordance with Clause 1.2(b) of this section and, in the case of a sale order, the proceeds shall be remitted to the Customer in accordance with Clause 3.4 of this section.
 - 2.3 The Customer acknowledges that the Bank may close the Wayfoong Statement Gold account by giving not less than one month's prior notice, or such a shorter period subject to the approval by the Securities and Futures Commission, to the Customer. The Customer could suffer a loss from the sale of gold upon account closure, depending on the price of gold upon account closure. These terms and conditions may, at the Bank's sole discretion, be amended/revised from time to time upon giving the Customer 30 days prior notice. If the Customer does not close the Wayfoong Statement Gold account prior to the expiry of such notice period, the Customer shall be deemed to have agreed to such change.
 - 2.4 The Customer acknowledges that the Bank is not making, and has not made, any representation whatsoever on the gold performance. In the purchase of gold or investment in any products referred to herein, the Customer is not relying on either the views or advice of the Bank or any other HSBC Group company.
3. Sale of Gold
- 3.1 Sale orders for gold held for the Customer in the Wayfoong Statement Gold Account should be given in such form as may be specified by the Bank from time to time and should specify the Wayfoong Statement Gold Account designation and the number of maces of gold to be sold.
 - 3.2 The execution by the Customer or on the Customer's behalf of Instructions to sell shall be irrevocable and the content of the detail completed on such form shall be conclusive evidence as to the number of maces of gold to be sold.
 - 3.3 The price per mace at which each sale will be made shall be the prevailing market price for sale of gold (as conclusively determined by the Bank) at the time the sale order is carried out by the Bank.
 - 3.4 The proceeds of any sale of gold shall, if time permits, be paid to the Customer on the same Business Day as execution of the sale order by way of direct credit to the Current or Savings Account or any other account designated by the Customer or by payment in cash, by cheque or by cashier's order as specified by the Customer on the sale order.

- 3.5 The Customer shall pay and indemnify the Bank against any tax or other levy imposed with respect to the establishment, issuance or operation of the Wayfoong Statement Gold Account or the sale or purchase of gold held in connection therewith.
4. Lien on Wayfoong Statement Gold Account
- 4.1 The Bank is authorised to appropriate from the Wayfoong Statement Gold Account so much thereof as may be required to discharge any liability of the Customer to the Bank on any account howsoever and may retain the gold in the Wayfoong Statement Gold Account by way of security for the payment of all amounts due from the Customer to the Bank on any account howsoever arise. If the Customer shall fail to pay to the Bank any amount due to the Bank within 5 Business Days after a demand for payment has been made by the Bank, the Bank may sell all or so much of the gold held in the Wayfoong Statement Gold Account as if an Instruction for sale had been received from the Customer and may then apply the proceeds of sale to discharge the liability of the Customer to the Bank on any such account after first discharging all expenses incurred by the Bank in effecting any such sale.
5. Wayfoong Statement Gold Account Closure
- 5.1 If the Wayfoong Statement Gold Account is to be closed at any time, the Bank shall sell the gold held for the Account and the proceeds of such sale shall be remitted to the Customer in accordance with Clause 3.4 of this section, whereafter the Wayfoong Statement Gold Account shall be closed.
- 5.2 Subject to the records of the Bank, the balance entry in the Wayfoong Statement Gold Account shall confirm that the Bank is holding for the Wayfoong Statement Gold Account the quantity of gold described therein.

Section VIII Structured Investment Deposits (“SID Deposits”)

Sub-Section (A) – General Terms & Conditions for Structured Investment Deposits

1. General Provisions

- 1.1 The terms set out in this Sub-Section govern all SID Deposits. In addition, Supplemental Terms and Conditions where appropriate apply to each relevant type of SID Deposit which the Bank makes available. An Appendix to such Supplemental Terms and Conditions and/or the SID Terms and Conditions sets out the methodology for determining the Redemption Amount, Return and/or other similar factors in respect of the relevant SID Deposit. Where you place a deposit which is accepted as a SID Deposit by the Bank, a confirmation in respect of the SID Deposit setting out details such as the principal amount of the SID Deposit, and incorporating by reference the relevant Appendix, will be issued to you.
- 1.2 It is anticipated that in addition to any Supplemental Terms and Conditions and Appendices set out herein or herewith, further Supplemental Terms and Conditions and further Appendices, all of which supplement and form a part of these Terms and Conditions, will be produced from time to time.
- 1.3 These Terms and Conditions, each set of Supplemental Terms and Conditions, and each Appendix (as well as the form of any confirmation used) are subject to change as per these Terms and Conditions.
- 1.4 In the event of any conflict, the documentation will govern in the following order:
 - (i) The relevant confirmation;
 - (ii) The relevant Appendix;
 - (iii) The relevant Supplemental Terms and Conditions;
 - (iv) The SID Terms & Conditions; and
 - (v) Section I General Terms.The English and Chinese language versions of all such documents shall bear equal weight for the purposes of these Deposits only.

2. SID Deposits

- 2.1 SID Deposits may be made in such currencies as the Bank may allow, with such minimum initial deposit and in multiples of such minimum amounts as the Bank may decide, from time to time.
- 2.2 SID Deposits are to be placed for such SID Deposit Periods as the Bank may allow from time to time.
- 2.3 Funds in respect of a SID Deposit must be received before the Cut-off Time for the relevant SID Deposit Period. Subject to the terms hereof, such funds shall be held in an interest-bearing account as a Time Deposit to which the relevant terms hereof shall apply, until the relevant SID Deposit Date. Details of interest rates payable will be available upon request. Once funds have been received for the purposes of making a SID Deposit, they may not be withdrawn except in accordance herewith. Subject to the terms hereof, the Reserved Amount shall on the SID Deposit Date be placed as a SID Deposit.

- 2.4 No SID Deposit (including the principal amount of any such SID Deposit and any Return or Redemption Amount payable in respect of such SID Deposit) can or will be automatically renewed for any subsequent SID Deposit Period.
 - 2.5 The Bank reserves the right, in its sole discretion, on or before a SID Deposit Date either not to accept any funds received (including any Reserved Amount), or to accept only part of such funds, as a SID Deposit (whether or not funds are accepted in whole or in part from any other customer as such SID Deposit). In the event of such non-acceptance, the Bank will notify the Customer as soon as practicable and any funds received but not accepted as a SID Deposit will be placed in the Disposal Account.
3. **Withdrawal of SID Deposits**
 - 3.1 A SID Deposit, or any part thereof, may not be withdrawn without the Bank's consent prior to the SID Maturity Date relating to the current SID Deposit Period.
 - 3.2 Where the Bank permits the Customer to redeem a SID Deposit prior to the relevant SID Maturity Date ("Early Redemption"), the terms on which such Early Redemption will be permitted will be set out in the relevant Appendix. **Note that it is likely that the Return upon such Early Redemption will be lower than if the SID Deposit had been kept in place until the relevant SID Maturity Date (and may be negative).**
 - 3.3 The Bank shall have the discretion to uplift a SID Deposit or any part thereof prior to the SID Maturity Date, and (subject to the deduction of such break costs or the addition of such proportion of the Return or Redemption Amount, as the Bank shall conclusively determine to be deductible or to have accrued, which may result in a figure less than the original principal amount of the SID Deposit) place the relevant funds in the Disposal Account or otherwise on interest bearing deposit if it determines, in its sole discretion, that this is necessary or appropriate to protect any right of the Bank to combine accounts or set off, or any security interest, or to protect the Customer's interests.
 4. **Return and Redemption Amount**
 - 4.1 Interest may not be paid on a SID Deposit at a predetermined rate. Instead, a Return calculated in accordance with the relevant Supplemental Terms and Conditions (and/or the relevant Appendix), will be payable on maturity.
 - 4.2 In relation to certain types of SID Deposit, the total amount repayable on maturity is expressed as a Redemption Amount. **Such Redemption Amount may, in certain circumstances, depending upon the capital protection provisions which may be applicable, be greater than or less than the original principal amount of the SID Deposit.**
 - 4.3 The Bank will notify the Customer of the amount of the Return or Redemption Amount payable on or in respect of a SID Deposit as soon as practicable after the SID Maturity Date.

5. **Calculations and Determinations**

5.1 All rates, fixings and values required for the purposes of calculating a Return or Redemption Amount, and all other matters to be ascertained or established in respect of any SID Deposit, shall be as conclusively determined by the Bank acting in a reasonable manner in accordance with prevailing market practices.

6. **Participation Rate**

6.1 The Participation Rate (if applicable), which (if applicable) may be different for each type of SID Deposit and for each choice of calculation of Return or Redemption Amount available to Customers, represents the percentage of the increase or decrease (as the case may be), if any, of the underlying index(es) or other reference(s), of which the Customer will receive the benefit over the SID Deposit Period and which is to be used in calculating the Return or Redemption Amount in accordance with the relevant formula set out in the relevant Supplemental Terms and Conditions and/or the relevant Appendix. It will be affected by a number of variables such as interest rates, currency exchange rates, market volatility and dividend/coupon yield and will therefore change for each SID Deposit Period.

7. **Fees**

7.1 The Bank reserves the right to impose service fees, facility fees and/or other charges from time to time as the Bank in its absolute discretion thinks fit. The Bank will notify the Customer of any fees or charges imposed (or of any changes to such fees or charges) at least one month in advance. Such fees will not apply in respect of a specific SID Deposit already placed with the Bank during the term of that SID Deposit.

8. **Tax**

8.1 Any Return, Redemption Amount and/or interest will be paid subject to any deduction or withholding in respect of tax required to be made by law. The amount of tax deducted (if applicable) will be advised each time any Return, Redemption Amount and/or interest is paid.

9. **Waiver**

9.1 No act or omission by the Bank shall affect its right, powers or remedies hereunder or any further or other exercise of such rights, power or remedies.

10. **Business days**

10.1 If any payment or calculation to be made or other action to be taken hereunder by the Bank and/or the Customer would otherwise fall on or by reference to a day which is not a Business Day, unless otherwise provided in the relevant Supplemental Terms, Appendix or Confirmation, it shall be postponed until (or, as appropriate, by reference to) the first succeeding Business Day.

Sub-Section (B) – Supplemental Terms & Conditions for Index-Linked Structured Investment Deposits

11. Return

11.1 The Return payable on a SID Deposit in respect of any SID Deposit Period will be calculated in accordance with the terms of the relevant Appendix to these Supplemental Terms and Conditions setting out the structure selected, or deemed selected, by the Customer from those made available by the Bank from time to time, and will be payable on the SID Maturity Date.

12. SID Fixing Dates

12.1 Where a fixing for an Index, in respect of a SID Deposit, is required to be taken on any date which is not an Index Business Day in relation to that Index, or such date is an Index Business Day in relation to that Index but a Market Disruption Event exists in relation to that Index, that fixing shall be taken on the next following Index Business Day in relation to that Index on which no Market Disruption Event exists (whether or not that date is already a date on which a fixing is taken). However, if there is a Market Disruption Event on each of the five Index Business Days in respect of that Index immediately following the original date that would have been the fixing date, that fifth Index Business Day shall be deemed to be the relevant fixing date (such fixing date, the “Amended Fixing Date”), and the Bank shall determine the relevant level of that Index in good faith and in a commercially reasonable manner for such fixing.

12.2 Where as a result of clause 11.1 of this section (but not otherwise) the SID Deposit Date (or, as applicable, the SID Maturity Date) would otherwise fall before the last Amended Fixing Date related to it, the SID Deposit Date (or, as applicable, the SID Maturity Date) shall be deemed to be the day (the “Applicable Day”) which is the Interim Day count after (or where the Interim Day count is zero, on) that last Amended Fixing Date (or, if such Applicable Day is not a Business Day in the relevant location, on the Business Day in such location next following such Applicable Day).

12.3 Where the Redemption Amount and/or Return in respect of a SID Deposit is determined by reference to more than one Index, the provisions set out in clause 11 of this section shall (unless provided otherwise in the relevant Appendix) apply separately in respect of each such Index, with the effect that all calculations of the relevant Redemption Amount and/or Return shall be made (and the SID Deposit Date or, as applicable, the SID Maturity Date shall be determined) by reference to the above provisions, but using fixings in respect of any Index, in respect of which such provisions do not have any effect, as of the relevant scheduled date therefor without reference to such provisions and the SID Deposit Date (or, as applicable, the SID Maturity Date) shall be determined by reference to the last fixing date to occur.

13. Adjustment to an Index

13.1 If an Index is (a) not calculated and announced by the original Sponsor but is calculated and announced by a successor Sponsor acceptable to the Bank or (b) replaced by a successor index using, in the good faith determination of the Bank, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then that Index will be deemed to be the index so calculated and announced by that successor Sponsor or that successor index, as the case may be.

13.2 If (a) on or prior to a date upon which the level of an Index falls to be determined, the original Sponsor (or any relevant successor Sponsor) makes a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events), or (b) on such a date the original Sponsor (or any relevant successor Sponsor) fails to calculate and announce that Index, then the Bank shall ascertain the relevant level of that Index using, in lieu of a published level for that Index, the level for that Index as at the relevant date as determined by the Bank so as to produce substantially the same economic effect as if the change or failure had not occurred.

14. Correction of an Index

14.1 Where the level of an Index used for the purposes of calculating the Redemption Amount and/or Return in respect of a SID Deposit is corrected by the Sponsor prior to the SID Maturity Date (or, where applicable, prior to the Early Redemption Date), such amended level shall be used in place of the level originally published, for the purposes of such calculations.

15. Disclaimers and Definitions

15.1 The Customer acknowledges the various disclaimers and definitions attached to the relevant Appendix in relation to each Index.

16. Risk Disclosures

16.1 The Return or Redemption Amount in relation to a SID Deposit will depend upon market conditions prevailing at the relevant fixing times during or in respect of the relevant SID Deposit Period. The level of an Index may go up or down during such period and this will affect the Return or Redemption Amount. The Return or Redemption Amount may be less than would have been payable on a time deposit for the same period and it is possible that no amount by way of return will be payable at all. The Customer must be prepared to risk the interest that the Customer might otherwise have earned on money invested as a SID Deposit and, in the case of a SID Deposit which is not 100% capital protected, the principal amount of the SID Deposit to the extent not so protected. If the Customer has any concerns about SID Deposits, the Customer should consult the Customer's professional advisers.

17. Capital Protection

17.1 The principal amount of SID Deposits is (unless otherwise stated in the relevant Appendix) fully (i.e. 100%) capital protected on maturity. Subject to any provisions to the contrary in respect of Early Redemption, or early withdrawal by the Bank, and unless otherwise stated in the relevant Appendix, if the Return, calculated on maturity under the relevant formula in the Appendix, would be negative, it shall not be deductible from the principal amount and, instead, shall be deemed to be nil.

Sub-Section (C) – Supplemental Terms & Conditions for Currency-Linked Structured Investment Deposits

18. Return and Redemption Amount

18.1 The Redemption Amount shall be calculated in accordance with the terms of the relevant Appendix to these Supplemental Terms and Conditions and be payable on the SID Maturity Date.

19. Interest

19.1 Interest on a SID Deposit in respect of any SID Deposit Period, if stated to be payable in the relevant Appendix to these Supplemental Terms and Conditions, will be calculated in accordance with the terms of the relevant Appendix setting out the structure selected by the Customer from those made available by the Bank from time to time, and will be payable on the SID Maturity Date.

Interest shall accrue from and including the SID Deposit Date to but excluding the SID Maturity Date at the applicable Interest Rate per annum on the basis of the actual number of days that have elapsed during such period and in accordance with the prevailing market practices.

20. Risk disclosure

20.1 The Return in relation to a SID Deposit will depend on the exchange rate movements of the relevant currencies prevailing at the fixing time(s) during or in respect of the relevant SID Deposit Period or such other period or periods as specified in the relevant Appendix. The foreign exchange rate(s) may go up or down during such period and this will affect the Return. The Return may be less than that which would have been payable on a time deposit for the same period and it is possible that no amount by way of return will be payable at all.

You must be prepared to risk the interest that you might otherwise have earned on money invested on a deposit and, in the case of a SID Deposit which is not 100% capital protected, the principal amount of the SID Deposit to the extent not so protected. If you have any concerns about SID Deposits, you should consult your professional advisers.

21. Capital protection

21.1 The principal amount of SID Deposits under these Supplemental Terms and Conditions is (unless otherwise stated in the relevant Appendix) fully (i.e. 100%) capital protected on maturity. Subject to any provisions to the contrary in respect of Early Redemption, or early withdrawal by the Bank, and unless otherwise stated in the relevant Appendix, if the Return, calculated on maturity under the relevant formula in the Appendix, would be negative, it shall not be deductible from the principal amount and, instead, shall be deemed to be nil.

Sub-Section (D) – Supplemental Terms & Conditions for Interest Rate-Linked Structured Investment Deposits

22. Redemption amount

22.1 The Redemption Amount in respect of a SID Deposit will be calculated in accordance with the terms of the relevant Appendix and will be payable on the SID Maturity Date or such other day or days as specified in the relevant Appendix.

23. Interest

23.1 Interest on a SID Deposit in respect of any SID Deposit Period, if stated to be payable in the relevant Appendix, will be calculated in accordance with the terms of the relevant Appendix setting out the structure selected by the Customer from those made available by the Bank from time to time, and will be payable on the SID Maturity Date of the Deposit or at such other time or times as specified in the relevant Appendix.

Unless otherwise stated in the relevant Appendix, interest shall accrue from and including the SID Deposit Date to but excluding the SID Maturity Date at the applicable Interest Rate per annum on the basis of the actual number of days that have elapsed during such period and in accordance with the prevailing market practices.

Where Interest Rate on a SID Deposit is calculated by reference to HIBOR, LIBOR or other reference rate (as such terms may be defined in the relevant Appendix) and the rate is not available for whatever reason, it will be conclusively determined by the Bank in good faith and in a commercially reasonable manner.

24. Risk disclosure

24.1 The Return in relation to a SID Deposit will depend on the interest rate movements of the relevant currencies prevailing at the fixing time(s) during or in respect of the relevant SID Deposit Period or such other period or periods as specified in the relevant Appendix. The interest rate(s) may go up or down during such period and this will affect the Return. The Return may be less than that which would have been payable on a time deposit for the same period and it is possible that no amount by way of return will be payable at all.

You must be prepared to risk the interest that you might otherwise have earned on money invested on a deposit and, in the case of a SID Deposit which is not 100% capital protected, the principal amount of the SID Deposit to the extent not so protected. If you have any concerns about this product, you should consult your professional advisers.

25. Capital protection

25.1 The principal amount of SID Deposits under these Supplemental Terms and Conditions is (unless otherwise stated in the relevant Appendix) fully (i.e.100%) capital protected on maturity. Subject to any provisions to the contrary in respect of Early Redemption, or early withdrawal by the Bank, and unless otherwise stated in the relevant Appendix, if the Return, calculated on maturity under the relevant formula in the Appendix, would be negative, it shall not be deductible from the principal amount and, instead, shall be deemed to be nil.

Sub-Section (E) – Supplemental Terms & Conditions For Equity-Linked/Equity Basket-Linked Structured Investment Deposits

26. Return

26.1 The Return payable on a SID Deposit in respect of any SID Deposit Period will be calculated in accordance with the terms of the relevant Appendix to these Supplemental Terms and Conditions setting out the structure selected, or deemed selected, by the Customer from those made available by the Bank from time to time, and will be payable on the SID Maturity Date of the SID Deposit.

27. Disruption Provisions

27.1 If the Bank determines that a Valuation Date is a Disrupted Day, the relevant Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the applicable Equity, unless each of the 8 Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) that 8th Scheduled Trading Day shall be deemed to be the Valuation Date relating to such Equity notwithstanding the fact that such day is a Disrupted Day, and (ii) the Bank shall determine its good faith estimate of the value of the relevant Unit as of the Valuation Time on that 8th Scheduled Trading Day. The Valuation Date determined in accordance with this Clause 26.1 of this section is referenced below as the “Amended Valuation Date”.

27.2 Where as a result of Clause 26.1 (but not otherwise) the SID Deposit Date (or, as applicable, the SID Maturity Date) would otherwise fall before the last Amended Valuation Date related to it, the SID Deposit Date (or, as applicable, the SID Maturity Date) shall be deemed to be the day (the ‘Applicable Day’) which is the Interim Day count after (or where the Interim Day count is zero, on) that last Amended Valuation Date (or, if such Applicable Day is not a Business Day, on the Business Day next following such Applicable Day).

27.3 Where the Redemption Amount and/or Return in respect of a SID Deposit is determined by reference to an Equity Basket, the provisions set out in Clause 26 of this section shall (unless provided otherwise in the relevant Appendix) apply separately in respect of each Component Equity, with the effect that the Valuation Date for each Component Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Component Equity affected by the occurrence of a Disrupted Day shall be determined in accordance with the provisions set out in Clause 26.1 of this section (and the SID Deposit Date (or, as applicable, the SID Maturity Date) shall be determined by reference to the last Amended Valuation Date to occur in respect of the Scheduled Valuation Date in question).

28. Averaging Days

- 28.1 If Averaging Days are a feature of an Equity-linked Deposit, then unless otherwise specified in the relevant Appendix, (i) the Initial Price, Final Price, or other relevant value, shall be the arithmetic mean of the Relevant Prices of the Unit on each relevant Averaging Date, and (ii) if the Bank determines that an Averaging Date is a Disrupted Day, then the relevant Averaging Date shall be the first succeeding Valid Date, unless the first succeeding Valid Date has not occurred as of the Valuation Time on the 8th Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, in which case (i) that 8th Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that 8th Scheduled Trading Day is already an Averaging Date), and (ii) the Bank shall determine its good faith estimate of the value of the relevant Unit as of the Valuation Time on that 8th Averaging Date.
- 28.2 If Averaging Days are a feature of a Equity Basket-linked Deposit, then (i) the Initial Price, Final Price, or other relevant value, shall be the arithmetic mean of the amounts for the Equity Basket calculated on each Averaging Date as the sum of the values calculated for Component Equities of each Issuer as the product of (A) the Relevant Prices of one unit of the relevant Component Equity and (B) the relevant number of such Component Equity in the Equity Basket and (ii) the provisions set out in Clause 27.1 of this section shall apply separately in respect of each Component Equity, with the effect that the Averaging Dates for each such Component Equity not affected by the occurrence of a Disrupted Day shall be the dates specified in (or determined in accordance with the provisions of) the relevant Appendix as Averaging Dates in respect of the relevant Valuation Date and the Averaging Dates for each such Component Equity affected by the occurrence of an Disrupted Day shall be determined in accordance with the provisions set out in Clause 27.1 of this section.

29. Correction of an Equity Value

- 29.1 Where the value of a Unit or (in the case of an Equity Basket-linked Deposit) of a Component Equity required for the purposes of calculating the Redemption Amount and/or Return in respect of a SID Deposit is corrected by the relevant Exchange prior to the SID Maturity Date (or, where applicable, prior to the Early Redemption Date), such amended value shall be used in place of the value originally published, for the purposes of such calculations.

30. Reference Value/Equity Basket adjustment

- 30.1 The Bank may, at its sole discretion, adjust the Final Price, the Initial Price or another value relating to a Unit, or the composition of the Component Equities of the applicable Equity Basket, should any of the following events (or any analogous event) occur:
- (a) A Market Disruption Event; or

- (b) (i) a sub-division, consolidation or reclassification of the relevant Equity or, as applicable, Component Equity, (unless resulting in a Merger Event) or a free distribution or dividend of any such Equities or, as applicable, Component Equities, to existing holders by way of bonus, capitalization or similar issue; (ii) a distribution, issue or dividend to existing holders of the relevant Equities or, as applicable, Component Equities, of such Equities or, as applicable, Component Equities, or other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Issuer equally or proportionately with such payments to holders of any such Equity or, as applicable, Component Equity, or any type of securities, rights or warrants or other assets, in any case for payment (cash or otherwise) at less than the prevailing market price as determined by the Bank; (iii) an extraordinary dividend; (iv) a call by the Issuer in respect of relevant Equities or, as applicable, Component Equities, that are not fully paid; (v) a repurchase by the Issuer of the Equities or, as applicable, Component Equities, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; (vi) in respect of the Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Bank, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Equities or, as applicable, Component Equities, (each a "Potential Adjustment Event"), as determined by the Bank; or
- (c) (i) any reclassification or change of such Equities or, as applicable, Component Equities, that results in transfer of or an irrevocable commitment to transfer all of such Equities or, as applicable, Component Equities, outstanding to another entity or person; (ii) any consolidation, amalgamation, merger or binding share exchange of the Issuer of such Equities or, as applicable, Component Equities, with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Issuer is the controlling entity and which does not result in any such reclassification or change of all such Equities or, as applicable, Component Equities, outstanding); (iii) any takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Equities or, as applicable, Component Equities, of such Issuer that results in a transfer of or an irrevocable commitment to transfer all of such Equities or, as applicable, Component Equities (other than such Equities or, as applicable, Component Equities, owned or controlled by such other entity or person); or (iv) any consolidation, amalgamation, merger or binding share exchange of the Issuer of such Equities or, as applicable, Component Equities, or its subsidiaries with or into another entity in which the Issuer of such Equities or, as applicable, Component Equities, is the continuing entity and which does not result in a reclassification or change of all such Equities or, as applicable, Component Equities, outstanding but results in the outstanding Equities or, as applicable, Component Equities, (other than Equities or, as applicable, Component Equities, owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Equities or, as applicable, Component Equities, immediately following such event (each a "Merger Event"); or

- (d) all the shares or all or substantially all of the assets of the Issuer are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof (“Nationalization”); or
- (e) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Issuer of the Equities or, as applicable, Component Equities, (A) all the equities of such Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Equities or, as applicable, Component Equities of that Issuer become legally prohibited from transferring them (“Insolvency”); or
- (f) the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant Equities or, as applicable, Component Equities, cease (or will cease) to be listed, traded or publicly quoted on the relevant Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) (“Delisting”); or
- (g) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Bank determines in good faith that (X) it has become illegal to hold, acquire or dispose of Equities or, as applicable, Component Equities, or (Y) it will incur a materially increased cost in performing its obligations under the Deposit (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) (“Change in Law”); or
- (h) the Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition (excluding proceedings instituted or petitions presented by creditors and not consented to by the Issuer) (an “Insolvency Filing”); or
- (i) due to an event beyond the Bank’s control (for example, adverse price movements or a change in applicable law or regulation) the Bank is unable, after using commercially reasonable efforts, to either (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk including, but not limited to, any equity price risk or currency risk, of entering into and performing its obligations with respect to the SID Deposit, or (ii) freely realize, recover, receive, repatriate, remit or transfer the proceeds of the SID Deposit or any transaction(s) or asset(s) maintained or held by the Bank for the purposes of hedging its obligations with respect to the SID Deposit.

31. Risk disclosure

31.1 The Return or Redemption Amount in relation to a SID Deposit will depend upon market conditions prevailing at the relevant valuation times during or in respect of the relevant SID Deposit Period. The value of a Unit may go up or down during such period and this will affect the Return. The Return may be less than would have been payable on a time deposit for the same period and it is possible that no amount by way of Return will be payable at all. You must be prepared to risk the interest that you might otherwise have earned on money invested as a SID Deposit and, in the case of a SID Deposit which is not 100% capital protected, the principal amount of the SID Deposit to the extent not so protected. If you have any concerns about this product you should consult your professional advisers.

32. Capital protection

32.1 The principal amount of SID Deposits under these Supplemental Terms and Conditions is (unless otherwise stated in the relevant Appendix) fully (i.e. 100%) capital protected on maturity. Subject to any provisions to the contrary in respect of Early Redemption, or early withdrawal by the Bank (for instance in the context of illegality or in accordance with Clause 3.3 of this section), and unless otherwise stated in the relevant Appendix, if the Return, calculated on maturity under the relevant formula in the Appendix, would be negative, it shall not be deductible from the principal amount and, instead, shall be deemed to be nil.

Section IX Deposit Plus

1. **These Terms and Conditions are supplemental to the Terms and Conditions for Time Deposits (the “Time Deposit Terms”) in force from time to time. These Terms and Conditions and the Time Deposit Terms shall apply to all Deposit Plus deposits (the “Deposits”). In the event of any conflict between these Terms and Conditions and the Time Deposit Terms, these Terms and Conditions will prevail for the purposes of the Deposits.**
2. **Deposits**
 - 2.1 Deposits may be made in such currency as the Bank may agree at its absolute discretion. The Bank may impose such additional conditions in relation to any Deposit as the Bank thinks fit in respect of the Deposit Currency and/or the Linked Currency, such additional terms to be contained in the relevant Confirmation.
 - 2.2 Each Deposit must be of not less than a minimum amount specified by the Bank from time to time.
 - 2.3 The terms of each Deposit shall be subject to the terms of each separate Confirmation to be issued in respect of each Deposit. The terms of each Confirmation shall be read with these Terms and Conditions and the Time Deposit Terms and shall be deemed to form a single agreement between the Bank and the Customer. In the event of any conflict between these Terms and Conditions, the Time Deposit Terms and a Confirmation, the terms of the Confirmation will prevail.
 - 2.4 Any repayment of a Deposit (whether on maturity or otherwise) as provided in Clause 3 of this section shall be paid to the credit of an account with the Bank in Hong Kong unless the Bank shall at its sole discretion agree to the contrary.
3. **Returns and Currency of Deposit**
 - 3.1 On the Maturity Date the Bank shall pay to the Customer for value on the Maturity Date, subject as provided below, for the credit of such account with the Bank as the Customer shall have nominated in any disposal instructions (or if the Customer has not nominated an account or the nominated account has been closed, such other account of the Customer as the Bank shall decide), the principal amount of the Deposit and interest thereon calculated in accordance with Clauses 3.2 and 3.3 of this section.
 - 3.2 Interest shall be calculated on the principal amount of the Deposit on the basis of the number of days in the Interest Period (or which have elapsed prior to any breaking of the Deposit for whatever reason) and the relevant Interest Year.
 - 3.3 Interest shall accrue at the rate specified in the relevant Confirmation.
 - 3.4 For a Deposit where a Trigger Rate has not been specified in the relevant Confirmation, or to the extent Clause 3.5 of this section applies:
the Deposit and interest payable thereon will be repaid in the Deposit Currency where:
 - (i) the Deposit Currency and Linked Currency are a Table 1 Currency Pair in Appendix I and the Final Exchange Rate is less than or equal to the Conversion Rate; or
 - (ii) the Deposit Currency and Linked Currency are a Table 2 Currency Pair in Appendix I and the Final Exchange Rate is greater than or equal to the Conversion Rate and

the Deposit and interest payable thereon will be repaid in the Linked Currency where:

- (i) the Deposit Currency and Linked Currency are a Table 1 Currency Pair in Appendix I and the Final Exchange Rate is greater than the Conversion Rate; or
- (ii) the Deposit Currency and Linked Currency are a Table 2 Currency Pair in Appendix I and the Final Exchange Rate is less than the Conversion Rate.

3.5 For each Deposit where a Trigger Rate has been specified in the relevant Confirmation, either one of the following options will apply depending on the terms specified in the relevant Confirmation:

- (i) (a) If the FX Rate has NOT traded at or above the Trigger Rate at any time during the Observation Period, Clause 3.4 of this section shall apply.
(b) If the FX Rate has traded at or above the Trigger Rate at any time during the Observation Period, the Deposit and interest payable thereon will be repaid in the Deposit Currency.
- (ii) (a) If the FX Rate has traded at or above the Trigger Rate at any time during the Observation Period, Clause 3.4 of this section shall apply.
(b) If the FX Rate has NOT traded at or above the Trigger Rate at any time during the Observation Period, the Deposit and interest payable thereon will be repaid in the Deposit Currency.
- (iii) (a) If the FX Rate has NOT traded at or below the Trigger Rate at any time during the Observation Period, Clause 3.4 of this section shall apply.
(b) If the FX Rate has traded at or below the Trigger Rate at any time during the Observation Period, the Deposit and interest payable thereon will be repaid in the Deposit Currency.
- (iv) (a) If the FX Rate has traded at or below the Trigger Rate at any time during the Observation Period, Clause 3.4 of this section shall apply.
(b) If the FX Rate has NOT traded at or below the Trigger Rate at any time during the Observation Period, the Deposit and interest payable thereon will be repaid in the Deposit Currency.

3.6 Notwithstanding anything to the contrary, in relation to each Deposit to which Clause 3.5(i), (ii), (iii) or (iv) of this section applies, if the conditions set out in sub-clause (b) of such clause are satisfied at any time prior to such date of maturity and if the Bank's Early Repayment Option is specified as being applicable in the relevant Confirmation, then the Bank may, in its sole discretion and with binding effect on the Customer, elect an earlier date which is a Business Day to be the Maturity Date in which case such earlier date shall be deemed the Maturity Date for the purposes of these Terms and Conditions, including Appendix I of these Terms and Conditions, to the extent they relate to the Deposit.

4. Withdrawals

4.1 A Deposit may not be withdrawn prior to its Maturity Date without the consent of the Bank. The Bank may at its absolute discretion refuse to give such consent, or impose such conditions as the Bank may determine for the withdrawal of such Deposit, such conditions to include (without limitation) the deduction of such breakage costs as the Bank shall determine conclusively acting in good faith. Such breakage costs shall include the costs, expenses, liabilities or losses incurred or suffered by the Bank as a consequence of breaking its hedge, or funding from other sources in respect of the Deposit and/or in respect of the Linked Currency and therefore the total amount repaid on withdrawal may be less than the principal amount of the Deposit.

5. No Renewal

5.1 There can be no automatic renewal of Deposits.

6. Representations and Warranties

6.1 Any Customer which is a body corporate hereby represents and warrants that it has the authority and power to enter into these Terms and Conditions and to make the Deposit, that it has taken all necessary corporate steps to authorise the execution hereof and that the terms hereof are legally binding upon it and are fully enforceable against it.

7. Waiver

7.1 No act or omission by the Bank shall affect its rights, powers or remedies hereunder or any further or other exercise of such rights, powers or remedies.

8. Force Majeure

8.1 If the Bank is prevented from, hindered or delayed by reason of force majeure or act of State, in the performance of any of its obligations under these Terms and Conditions or any Confirmation, the Bank will not be under any liability to the Customer for any loss, damage, cost or expense incurred by the Customer due to the inability or failure of the Bank to perform any such obligation.

9. Invalidity, Illegality or Unenforceability

9.1 In the event that any one or more of the provisions contained in these Terms and Conditions or any Confirmation should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof or thereof shall not in any way be affected or impaired thereby.

10. Certificates

10.1 The Bank's certificate as to the amount of any sum payable by the Bank or to the Bank pursuant hereto shall be conclusive save in the case of manifest error.

11. Law and Jurisdiction

11.1 This Agreement shall be subject to, governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region and the parties submit to the non-exclusive jurisdiction of the Hong Kong courts.

12. Tax

12.1 Any return, principal and/or interest will be paid subject to any deduction or withholding in respect of tax required to be made by law. The amount of tax deducted (if applicable) will be advised each time any return, principal and/or interest is paid.

13. Risk Disclosure Statement

13.1 The net return on the Deposit will depend upon market conditions prevailing during the Observation Period and/or at the Fixing Time on the Fixing Date. You must be prepared to risk any loss as a result of depreciation in the value of the currency paid. Such loss may offset the interest earned on the deposit and may even result in losses to the principal amount of the Deposit. If you have any concerns about this product you should consult your professional advisers.

Section X Investment Services Account

1. Authority

1.1 The Bank is hereby appointed and authorised by the Customer on the terms set out below, as may be amended from time to time, to provide the Services. This Authority may be revoked at any time by the Customer pursuant to the Terms of Clause 15 of this section.

2. Investment Services

2.1 The Bank is hereby appointed and authorised to perform all or any of the following investment services but reserves the right to refuse to do so if, in its opinion, there are grounds for such refusal:

- (a) to purchase or subscribe for any type of Securities or other investment in accordance with the Customer's Instructions;
- (b) to sell or otherwise dispose of Securities and to deal with the proceeds, in each case in accordance with the Customer's Instructions;
- (c) to deliver the documents of title and any other instruments relating to such Securities to the Customer or to the order of the Customer in accordance with any Instruction but at the risk of the Customer; and
- (d) to provide credit facilities from time to time at the discretion of the Bank.

3. Custodian Services

3.1 The Bank is hereby appointed and authorised to perform all or any of the following custodian services but reserves the right to refuse to do so if, in its opinion, there are grounds for such refusal:

- (a) to hold or to arrange for Securities to be held in safe custody;
- (b) to hold bearer instruments in that form and to register other instruments in the name of the Bank or any other person appointed by it;
- (c) where Securities are registered in the name of the Bank or any other person appointed by it and have been deposited under these Terms and Conditions, to notify the Customer of information received by the Bank which requires action to be taken by the Customer in relation to such Securities and to request, collect, receive and make payments or distributions attributable to such Securities arising from acquisition, ownership, disposal, conversion, exchange or otherwise.

3.2 In providing the Investment Services, the Bank shall:

- (a) maintain a Cash Account and a Securities Account or accounts and will credit all income and proceeds derived from the Securities to the Cash Account; and
- (b) maintain records which identify the Securities which records shall segregate such Securities from other assets held by the Bank for its own account and for the account of other customers.

- 3.3 No Security may be deposited with the Bank under these Terms and Conditions unless it is either:
- (a) beneficially owned by and registered in the name of the Customer (or jointly by all of them where there is more than one person making up the Customer); or
 - (b) is accompanied by such transfer documents and/or Instructions as the Bank may require to transfer the beneficial ownership to the Customer (or jointly to all of them where there is more than one person making up the Customer); and
 - (c) in addition to any transfer documents and/or Instructions required by (b) above, the Securities for depositing shall also be accompanied by such transfer documents and Instructions as the Bank may require to enable the Bank to transfer such Securities into the name of the Bank or the Bank's nominee; and
 - (d) any fees, expenses, duties or other sums payable in respect of any transfer under (b) and/or (c) above shall be payable by the Customer and shall be fees and expenses payable under Clause 12 of this section. The Bank may refuse to accept the deposit of any Securities until such sums have been paid.
- 3.4 All Securities delivered, purchased or held pursuant to these Terms and Conditions will be held in the name of the Bank, as nominee, or by the Bank's nominee or the CCASS nominee for one or more accounts of the Bank as a CCASS participant as the Bank in its complete discretion may deem fit. For the purposes of settlement of any purchase or sale of any Securities and/or for the purposes of transacting any Corporate Action, the Bank may transfer Securities between such entities.

4. Provision of Services

- 4.1 The Bank is authorised, at its discretion, to take such steps as it may consider expedient to enable it to provide the Investment Services and to exercise its powers under these Terms and Conditions, including the right:
- (a) to comply with any law, regulation, order, directive, notice or request of any government agency (whether or not having the force of law) requiring the Bank to take or refrain from action and nothing herein shall remove, exclude or restrict any rights of the Customer under such law;
 - (b) on behalf of the Customer, to withhold and/or make payment of any taxes or duties payable on or in respect of the Securities;
 - (c) not to notify the Customer of any Corporate Action information received by the Bank referred in Clause 3.1 (c) of this section;
 - (d) in the absence of or delay in receiving Instructions from the Customer in response to a notification and request in accordance with Clause 3.1 (c) of this section, to act or refrain from acting in accordance with the default option as specified in the notification and request ;
 - (e) to co-mingle the Securities with the property of other owners;
 - (f) to return to the Customer Securities which may not have the same serial number or identification as those originally deposited with or received by the Bank; and
 - (g) to participate in and to comply with the rules and regulations of any depository and system which provides central clearing and settlement facilities in respect of Securities and to hold the Securities in any such depository or system without the Bank incurring any liability for any acts or omissions on the part of the manager or operator of such system or depository.

- 4.2 Where any Securities are held in the Bank's name or the name of any nominee of the Bank, unless the Bank receives an Instruction (which shall be deemed to include the default option specified in any notification and request for Instructions), the Bank shall not attend any meeting or exercise any voting or other rights including the completion of proxies.
- 4.3 The Bank may appoint any other person as its nominee or agent to perform any of the Investment Services on its behalf and may delegate any of its powers under these Terms and Conditions to such person but, in such a case, the Bank shall remain liable for the negligence or wilful default of any such appointee as if no such appointment had been made.
- 4.4 In performing the Investment Services, the Bank shall exercise the same degree of care as it exercises in respect of its own property save as may otherwise be provided in these Terms and Conditions.
- 4.5 The Bank is authorised to disclose any information it has concerning the Customer, any Securities and the Investment Services to any other person appointed by it in connection with the Investment Services.
- 4.6 Where foreign listed Securities are accepted in jurisdictions restricting foreign ownership of Securities, the Bank shall have no duty to ascertain the nationality of the owner of the Securities or whether Securities deposited are approved for foreign ownership unless specifically instructed by the Customer.

5. Reports Statements and Information

- 5.1 The Bank shall provide the Customer with such reports and statements concerning the Securities at least on a monthly basis and on request by the Customer.
- 5.2 The Bank and the Customer hereby undertake to notify the other in the event of any material change to any information provided to the other in connection with this Investment Services Account.
- 5.3 After effecting a securities transaction, the Bank will make available the essential features of the transaction as soon as reasonably possible through such means or mediums provided by the Bank from time to time. The Customer shall check the essential features of the securities transaction by himself through such means or mediums provided by the Bank. The Customer accepts that the Bank is not obliged to confirm with the Customer the essential features of the securities transaction otherwise than in accordance with the foregoing.
- 5.4 The Bank will provide a contract note to the Customer in accordance with applicable regulatory requirements after effecting a securities transaction. Where the contract note refers to a settlement date, if settlement cannot take place on that date because a gale warning or black rainstorm warning is in force on that date, the settlement date will be deferred to the next trading day.

6. Instructions

- 6.1 The Bank is authorised but not obliged to act on Instructions given, or purported to be given by the Customer or any of them where there is more than one person making up the Customer. Instructions may be given during the times advised by the Bank to the Customer which the Bank may vary from time to time.

- 6.2 The Bank may, at its discretion, accept Instructions reasonably believed by it to have emanated from the Customer in which case, if it acts in good faith on such Instructions, such Instructions shall be binding on the Customer and the Bank shall not be liable for doing so, whether or not the Instructions were given by the Customer and the Bank shall not be under any duty to verify the identity of the person(s) giving those Instructions.
- 6.3 The Bank will not be under any obligation to accept any Instruction to purchase any Securities unless:
 - (a) there are sufficient monies held in cleared funds and/or due to be received under any sale of Securities transaction(s) to the credit of the Cash Account to meet any purchase price together with any estimated expenses to be incurred in connection with such purchase; or
 - (b) there are sufficient available credit facilities provided by the Bank to meet such purchase price and expenses and all terms and conditions relating to such facilities have or will have been satisfied in the opinion of the Bank.
- 6.4 The operation of the Cash Account, in particular the manner in which and the times during which credits to and withdrawals from the Cash Account may be made, may be subject to restrictions as advised by the Bank to the Customer which the Bank may vary from time to time.
- 6.5 The Bank shall not be under any obligation to act on any Instruction to sell any Securities unless sufficient of such Securities are held in the Bank's nominee name, or that of the Bank's nominee and/or due to be credited to the Securities Account under any purchase transaction(s) which are not subject to any charge, lien or other security interest in favour of any person including the Bank.
- 6.6 Any Instruction for the purchase or sale of any Securities shall only be accepted if it is for completion on the day of Instruction if it is received before the relevant 'cut-off' time as provided in Clause 6.7 of this section. Where for whatever reason such Instruction has not been executed (or any unexecuted part of any such Instruction in the case of a partially executed Instruction), it shall be deemed to lapse at the expiry of the trading date specified in any such Instruction. If on the date of Instruction it is a public holiday, the Bank will execute the Instruction on the first Business Day thereafter.
- 6.7 Any Instruction for the sale or purchase of any Securities for execution on the date of Instruction must be received before any relevant 'cut-off' time in respect of any relevant exchange or market.
- 6.8 All other Instructions shall be given so as to allow the Bank sufficient time with which to comply.

7. Bank's Duties – Instructions

- 7.1 The Bank shall act on Instructions as soon as reasonably **possible but shall not be liable for any loss, damage or expense or consequential loss, damage or expense suffered by the Customer** (including without limitation any loss, damage or expense suffered or incurred as a result of any change in the price of any Securities between the time of giving or receipt of any Instruction to or by the Bank and the time at which such any Instruction is acted on) by virtue of any delay in acting on any Instruction or any partial completion of or failure or inability to act on any Instruction for whatsoever reason **unless such delay is caused by the Bank's negligence** (including without limitation any failure or error of any computer or electronic system or equipment).

8. Purchase and Sale Instruction

8.1 On receipt of any Instruction to purchase Securities pursuant hereto the Bank acting in good faith will forthwith calculate the sums required to meet such purchase Instruction plus an estimate of the sums required to meet any tax, duty or other expenses in connection with such purchase. Following such calculation the following provisions shall apply:

- (a) The Bank shall be entitled to set-off over an amount equivalent to such sum available in the Cash Account or any other account maintained by the Customer or any of them with the Bank (in the form of credit balance and/or credit facility) against all actual or contingent liabilities incurred by the Bank as a consequence of the said Instruction including any liability to pay the purchase price and other expenses to any third party.
- (b) Until completion of the said purchase the Customer shall not be entitled to withdraw all or any part of the said amount and the said amount shall not constitute a debt owed by the Bank to the Customer.
- (c) The Customer hereby charges the said amount in favour of the Bank as security for the Bank's actual or contingent liabilities in respect of the said purchase monies and anticipated purchase expenses.

8.2 On receipt of any Instruction to sell Securities pursuant hereto, the Bank shall be entitled to debit the Securities Account with the relevant Securities on or (at the Bank's sole discretion) at any time before completion of the said sale. The Customer acknowledges that the Customer shall not be entitled to withdraw or in any way deal with all or any part of such relevant Securities (which shall be held on trust for the Bank) until completion of the said sale.

9. Cancellation of Instructions

9.1 The Bank shall not be obliged to act on any Instruction for cancellation, variation or amendment of any Instruction already given to the Bank nor be responsible or liable to the Customer for any loss or expense suffered or incurred by the Customer if the original Instruction has already been completed or in the opinion of the Bank, the Bank has insufficient time or is unable to act on such Instruction to cancel, vary or amend the original Instruction.

10. Limitations on Liability and Indemnity

- 10.1 The provision of the Investment Services does not constitute the Bank a trustee and the Bank shall have no trust or other obligations in respect of the Securities except those contained in these Terms and Conditions.
- 10.2 The Bank is under no duty to examine or verify the validity of the ownership of or title to any Securities and shall not be liable in respect of any defect in ownership or title.
- 10.3 Neither the Bank nor any of its market information providers shall be liable for any taxes or duties payable on or in respect of the Securities nor for the management of or any diminution in the value of the Securities.
- 10.4 The Bank shall not be liable for losses of any kind which may be incurred by the Customer as a result of the provision of the Services by the Bank in accordance with Instructions nor, in any other case (including without limitation any delay, error or failure in making available the essential features of a securities transaction as provided in Clause 5.3 of this section) unless due to the negligence or wilful default of the Bank or any other person appointed by it or their respective officers or employees.

- 10.5 The Customer shall indemnify the Bank, its market information providers, any other person appointed by it and their respective officers and employees against all claims, liabilities, damages, losses, costs and expenses of any kind which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection with the provision of the Investment Services and/or as a result of any default by the Customer in the performance of these Terms and Conditions (including without limitation to the generality of the foregoing, any costs incurred or actions or proceedings brought as a result of the Customer failing to maintain sufficient Securities in the Securities Account) and/or the enforcement of these Terms and Conditions unless due to the negligence or wilful default of the Bank, any other person appointed by it or their respective officers or employees and this indemnity shall continue despite the termination of these Terms and Conditions.
- 10.6 The Bank may at its discretion and subject to any conditions it may require agree to include in the Securities, Securities which are not fully paid. Where such Securities are included in the Securities, the Customer shall indemnify the Bank and any other person appointed by the Bank against all claims, liabilities, damages, costs and expenses of any kind which may be incurred by them as a result. In particular (but without limitation) the Customer agrees to pay to the Bank on demand or as specified by the Bank the amount of any call received by the Bank or any such person in respect of any such Securities.

11. Customer Representations and Warranties and Acknowledgements

11.1 The Customer represents and warrants as follows:

- (a) that the Customer is not resident or incorporated in a country where there is any restriction on the Customer's purchase of any Securities. If the Customer becomes resident in any such country or is otherwise subject to such restrictions, the Customer will inform the Bank immediately and will if so required by the Bank sell or redeem any such restricted Securities;
- (b) that the Customer when purchasing or dealing in any Securities will ensure that the Customer is not subject to, and is not acting on behalf of any person who is subject to any prohibition against the purchase or dealing in any such Securities;
- (c) that any decision to sell or purchase any Securities shall be based on the Customer's own judgment and that the Customer has relied upon information obtained by the Customer not on any advice or information provided by the Bank; and
- (d) that the Customer is acting as principal in relation to the Investment Services.

11.2 The Customer acknowledges the following risk disclosure statements:

(a) Risk of Securities Trading

The prices of Securities fluctuate, sometimes dramatically. The price of a Security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling Securities.

(b) Risk of Trading Growth Enterprise Market Stocks

Growth Enterprise Market (GEM) stocks involve a high investment risk. In particular companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid. There may be risks arising out of the emerging nature of GEM Companies and the business sectors or countries in which the companies operate.

The Customer should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors. Accordingly, the Customer needs to have access to up-to-date information on GEM-listed companies as published GEM website.

Current information of GEM stocks may only be found on the internet website operated by The Stock Exchange of Hong Kong Limited. Companies listed on GEM are usually not required to issue paid announcements in gazetted newspapers.

This risk disclosure statement does not purport to disclose all the risks and other significant aspects of GEM. The Customer should undertake the Customer's own research and study on the trading of Securities on GEM before commencing any trading activities.

The Customer should seek independent professional advice if the Customer is uncertain of or has not understood any aspect of this disclosure statement or the nature and risks involved in trading of GEM stocks.

(c) Risk of Client Assets Received or Held Outside Hong Kong

Securities that are foreign listed securities and are held outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction that may be different from the Securities and Futures Ordinance and the rules made thereunder in Hong Kong. Consequently, such Securities may not enjoy the same protection as that conferred on Securities received or held in Hong Kong.

12. Fees and Expenses

12.1 The Customer shall pay fees to the Bank for the provision of the Investment Services as is advised to the Customer by the Bank upon the opening of this Investment Services Account and as may be varied upon 30 days prior notice to the Customer.

12.2 The Customer shall also pay to the Bank all other expenses incurred by the Bank or any other person appointed by it in the provision of the Investment Services. A certificate as to the nature and amount of such expenses issued by the Bank shall be conclusive evidence against the Customer of such expenses.

12.3 Without prejudice to any other rights under these Terms and Conditions if any of the fees and expenses referred to in Clauses 12.1 and 12.2 of this section or incurred or owing pursuant to these Terms and Conditions remain outstanding after they have become due and payable:

- (a) the Bank shall be entitled to debit automatically and/or set off against any account of the Customer with the Bank in or towards settlement;
 - (b) the Bank shall have a lien over the Securities which shall stand as security for such fees and expenses with power to sell by public or private sale on such conditions as the Bank thinks fit any such Securities in or towards settlement. Any proceeds of sale may be applied in or towards payment of the said fees and expenses.
- The Bank's rights pursuant to this clause shall be in addition to and not in substitution for any other rights of a similar nature enjoyed by the Bank.

13. Power to Debit

- 13.1 In addition to any other rights the sums payable in respect of any transaction, including the payment of any fee payable to the Bank or any person employed by the Bank may be debited to the Cash Account and in the event that such debiting causes such account to be overdrawn then interest shall be payable at such rate as the Bank shall determine and shall in the absence of agreement to the contrary be repayable on demand. Any sale proceeds, dividend received by the Bank in respect of the Services shall be credited to the Cash Account.

14. Commission

- 14.1 The Customer agrees that the Bank may accept from any stockbroker(s) or underwriter(s) or any other third party engaged in any transaction authorised in accordance with these Terms and Conditions any rebate or reallowance of any brokerage or commission payable in respect thereof. The Customer further agrees that the Bank shall be entitled to retain any interest generated on any payment(s) made by/to the Customer pending transfer to the Cash Account (or any other account maintained by the Customer or any of them with the Bank) or to stockbrokers, underwriters and/or fund houses to effect an Instruction hereunder.

15. Termination of Investment Services Account

- 15.1 The provision of the Services may be terminated by the Bank giving not less than 30 days notice in writing to the Customer or by the Customer revoking its Authority by giving not less than 30 days notice in writing to the Bank.
- 15.2 The Bank may also by giving notice in writing to the Customer any time (save in the case of any event referred to in sub-clause (f) below when no such notice need to be given) on the occurrence in the opinion of the Bank of any of the following events exercise any or all of the rights contained in Clauses 15.3 and 15.4 of this section and/or terminate or suspend the Investment Services or any part thereof with immediate effect:
- (a) any breach of these Terms and Conditions by the Customer; or
 - (b) any failure by the Customer or any of them to pay monies of whatever nature when due under these Terms and Conditions, to pay any purchase monies when due, or to pay when due any other monies payable by the Customer to the Bank of whatever nature; or
 - (c) the filing of a petition in bankruptcy, winding up or the commencement of any analogous proceedings against the Customer or any of them; or
 - (d) the levying of any attachment against the Cash Account or any of the Securities; or
 - (e) any dispute or proceedings between any of the persons making up the Customer where there is more than one; or
 - (f) any other matter or event including any regulatory requirement which in the opinion of the Bank renders termination necessary or advisable in the interests of the Bank.
- 15.3 On the occurrence of any of the events described in Clause 15.2 of this section the Bank may at its discretion:
- (a) cancel any outstanding Instruction(s); or
 - (b) close any outstanding contracts entered into on behalf of or with the Customer; or
 - (c) exercise any of its right under Clause 15.4 of this section.

- 15.4 As provided in Clauses 15.2 and 15.3 (c) of this section the Bank may at its discretion without prejudice to any other rights under these Terms and Conditions or any other agreements:
- (a) without prior notice to the Customer set off over or withhold any monies held to the credit of the Cash Account or resulting from the sale of any Securities in respect of any other monies due, owing or payable to the Bank by the Customer of whatever nature, including all sums payable pursuant to these Terms and Conditions;
 - (b) without notice to the Customer combine or consolidate the Cash Account with any other account(s) held by the Customer with the Bank;
 - (c) for the purpose of the exercise of any right under (a) and (b) above to sell or otherwise dispose of any of the Securities on such terms as the Bank may determine either to the Bank, its associated entity or a third person.
- 15.5 Any termination of the Investment Services Account and any withdrawals of the Securities, whether or not following termination, shall be without prejudice to the right of the Bank to settle any transactions entered into or to settle any liability incurred by the Customer under these Terms and Conditions or by the Bank on behalf of the Customer prior to termination.

16. Prices

- 16.1 Prices of Securities listed on the Hong Kong Stock Exchange are provided by The Stock Exchange of Hong Kong Limited and prices of unit trusts are provided by the related fund houses. While the Bank and its market information providers endeavour to ensure the accuracy and reliability of the prices quoted, no guarantee as to their accuracy is given and no liability (whether in tort or contract or otherwise) is accepted for any loss or damages arising from any inaccuracies or omissions.
- 16.2 Any price of any Securities quoted by the Bank in response to any enquiry by the Customer is for reference only and shall not be binding on the Bank or any of its market information providers. The Bank shall be entitled to act on any Instruction for the sale and purchase of any Securities even if the price of such Securities has altered to the disadvantages of the Customer between the time of receipt of such Instruction and the time at which the Bank or its agent completes any such sale or purchase.
- 16.3 No Customer who has obtained quotes of the prices of any Securities from the Bank shall:
- (a) disseminate such quotes (or any part thereof) to any other person;
 - (b) use or permit the use of such quotes (or any part thereof) for any illegal purpose;
 - (c) use such quotes (or any part thereof) other than for the Customer's own personal use; or
 - (d) use such quotes (or any part thereof) in relation to any trading or dealing of Securities otherwise than through the Bank.

17. Customer Consent to Lend Securities

- 17.1 In case the Customer expressly gives consent to the Bank to lend Securities owned by the Customer, the Bank shall remain fully liable for the return of equivalent Securities to the Investment Services Account of the Customer free of any encumbrances or liens of any nature.
- 17.2 The term of the Customer's consent to lend Securities under Clause 17.1 of this section shall be for a period of twelve months and may be renewed by the Customer's written consent on its anniversary for, in each instance, a further twelve months.

Section XI BUSINESS INTERNET BANKING

1. INTRODUCTION

- 1.1 The Customer and the Bank agree that the Business Internet Banking Service shall be supplied to the Customer subject to these Terms and Conditions.
- 1.2 The Customer will acting through Customer Delegate(s) access the Business Internet Banking Service through the hsbc.com Site.
- 1.3 The Customer wishes to use the Business Internet Banking Service provided by the Bank and the Bank is willing to make the Business Internet Banking available to the Customer.

2. THE BUSINESS INTERNET BANKING SERVICE

- 2.1 The Business Internet Banking Service enables the Customer to view certain accounts Online and to give the Bank instructions Online in relation to certain services that Customers receive from the Bank, and certain accounts and products that the Customer has with the Bank. The Bank may also provide certain related or ancillary products and services to the Customer using or via the Business Internet Banking Service from time to time.
- 2.2 The Customer agrees to at all times, in addition to complying with these Terms and Conditions, exercise due diligence and good faith in using the Bank's Business Internet Banking and our Business Internet Banking Service. Should the Bank be of the opinion that the Customer or the Customer Delegates have in any way breached these Terms and Conditions, the Bank shall have the right to, without further notice, suspend or terminate the use of Business Internet Banking or Business Internet Banking Service by the Customer and/or any one or more of the Customer Delegates.

3. REGISTRATION PROCEDURE

The procedure for registration of Customer Delegates is set out in the Business Internet Banking Customer Guide. Failure to follow the procedures set out in the Business Internet Banking Customer Guide may result in the Customer or any of the Customer Delegates being unable to access fully or in part the Business Internet Banking Service.

4. CUSTOMER INSTRUCTIONS

- 4.1 The Bank will only accept a Customer Instruction if it has been effected through the Business Internet Banking Service using the appropriate Password(s) in accordance with the Business Internet Banking Customer Guide and these Terms and Conditions and as shall be prescribed by the Bank from time to time.
- 4.2 The Customer requests and authorises the Bank to treat all apparently valid Customer Instructions received by the Bank as instructions properly authorised by the Customer, even if they conflict with the terms of any other mandates given by the Customer at any time concerning the Customer's accounts or affairs. Subject to the Bank's obligations in Clause 4.1 of this Section, the Bank shall be under no other obligation to check the authenticity of Customer Instructions or the authority of the person or persons giving them.

- 4.3 The Customer is responsible for the accuracy and completeness of Customer Instructions and for ensuring that they will achieve the Customer's intended purpose. The Bank is not liable for any loss or delay where the contents of a Customer Instruction are inaccurate or incomplete.
- 4.4 In the event that the Customer requests the Bank to cancel or modify any Customer Instruction, the Bank will make all reasonable efforts to comply with the Customer's request. However, the Bank is not liable for any failure to cancel or modify the Customer Instruction if such a request is received at a time or under circumstances that render the Bank unable to comply with the Customer's request.
- 4.5 The Bank is entitled to debit the Customer's accounts, wherever they are situated and whenever they are opened, with any amounts that the Bank has paid or incurred in accordance with a Customer Instruction.
- 4.6 The Bank may, in its absolute discretion and without liability, refuse to act on or delay acting on a Customer Instruction if:
 - (a) it is a request or instruction the effect of which would be to exceed a limit imposed by the Bank upon the Customer generally or upon the Customer Delegate in question;
 - (b) the Bank knows of or suspect a breach of security in respect of or in connection with the operation of one or more of the Customer's account or the Business Internet Banking Service generally; or
 - (c) the Bank has terminated these Terms and Conditions pursuant to Clause 18 of this Section hereof.
- 4.7 In the event that the Bank does not act on or delay acting on a Customer Instruction pursuant to Clause 4.6 of this Section, The Bank shall notify the Customer of this as soon as is reasonably possible.
- 4.8 A transaction being carried out is not always simultaneous with a Customer Instruction being given. Some matters may take time to process and certain Customer Instructions may only be processed during normal banking hours even though Business Internet Banking is Online and may be accessible outside such hours.
- 4.9 As part of certain of the Business Internet Banking Service, the Customer may issue a Customer Instruction requesting the Bank to forward certain information to third parties on its behalf. If the Bank agrees to act on such request, the Bank will use reasonable efforts to forward any such information to the recipient and address specified in the relevant Customer Instruction within a reasonable time of receipt of such Customer Instruction. The Customer must ensure information the Customer asks the Bank to forward is complete, accurate and will not give rise to any claim against the Bank (including without limitation any claim in defamation, in relation to privacy or for infringement of any other third party rights).
- 4.10 If the Bank agrees that the Customer may communicate with the Bank or the Bank agree to communicate with the Customer (or any third party) via email, the internet, or any other method (other than via Business Internet Banking) the Customer acknowledges the risks that any such communications may be intercepted, monitored, amended or otherwise interfered with by third parties. The Bank is not responsible or liable to the Customer or any third party in the event of any such occurrence in relation to any communication between the Bank and the Customer (or which appears to have been made on its behalf), or any communication the Customer ask the Bank to enter into with any third party.

5. SERVICE INTERRUPTION

- 5.1 The Bank may suspend any service provided to the Customer under the Business Internet Banking Service without notice where the Bank consider it necessary or advisable to do so, for example to protect the Customer when there is a suspected breach of security or the Bank needs to suspend the Business Internet Banking Service for maintenance or other reasons.
- 5.2 The Bank will use reasonable efforts to inform the Customer without undue delay through the Business Internet Banking Service, and/or the Bank's website(s) if any service under the Business Internet Banking Service is not available. In the event that the Bank has levied any charge to the Customer which is specifically expressed to be for a particular service which is not available (which for the avoidance of doubt shall not mean any periodic fee charged for the Business Internet Banking Service as a whole) then the Bank will reimburse the Customer this sum. Other than reimbursing any sum as set out above, the Bank will have no further liability to the Customer.
- 5.3 It may be necessary from time to time to suspend some or all of the Business Internet Banking Service for routine, non-routine or emergency maintenance where the Bank considers it necessary to do so. In the event of such a suspension being necessary, the Bank will in so far as is possible provide the Customer with a reasonable period of notice prior to the suspension.

6. TRANSACTIONS WITH OTHER INSTITUTIONS

- 6.1 The Customer appoints the Bank as the Customer's agent on its behalf to request any Institution to supply Business Internet Banking with information about the Customer and the Customer's accounts and to use Business Internet Banking to instruct an Institution to give effect to Customer Instructions.
- 6.2 Where the Bank passes Customer Instructions to an Institution on the Customer's behalf, the Bank is not responsible for any delay or failure by the Institution in executing those instructions.
- 6.3 Where Business Internet Banking delivers to the Customer any information supplied to the Bank by an Institution, the Bank makes no warranty as to the accuracy or sufficiency of the information provided by that Institution.
- 6.4 In order that an Institution may give effect to a Customer Instruction, the Customer agrees that the Bank may, as the Customer's agent, agree with any Institution that where applicable the terms of these Terms and Conditions will apply between the Customer and the Institution.
- 6.5 The Bank may appoint other parties to provide some or all of the Business Internet Banking Service under these Terms and Conditions. The Customer agrees that such parties shall have the benefit of any provisions of these Terms and Conditions which limit the Bank's liability.

7. CONFIDENTIALITY

- 7.1 The Bank will take reasonable care to ensure that information about the Customer and all Customer Delegates which is stored or transmitted using Business Internet Banking and the Business Internet Banking Service remains confidential and is not disclosed to any third parties outside the HSBC Group without the Customer's written permission. However, the Customer authorises the Bank to disclose information relating to the Customer, the Customer's accounts and all Customer Delegates to any agent, contractor or

third party service provider who provides services to the Bank in connection with the operation of the Bank's business and where the Bank is obliged to comply with the orders of courts, government agencies or other lawful authorities anywhere in the world or where the Bank reasonably thinks necessary in order to give effect to a Customer Instruction or generally to enable the Bank to provide the Business Internet Banking Service.

- 7.2 The Customer agrees that the Bank, and any other members of the HSBC Group, may disclose information relating to the Customer, the Customer's accounts and all Customer Delegates to other members of the HSBC Group where the Bank considers this to be desirable for the effective provision of the Business Internet Banking Service, or so that services may be processed for the Bank or any member of the HSBC Group in any country or jurisdiction, both inside and outside the Hong Kong SAR and the European Economic Area (EEA).
- 7.3 Citizens of the EEA should be aware that other countries may not provide the same level of protection as the EEA. By these Terms and Conditions, the Customer agrees to its data being used as described and that it may be transferred as stated above.
- 7.4 Where the Bank's service provider is situated outside the Hong Kong SAR in an area where there are less data protection laws, the Bank will impose on the service provider confidentiality undertakings substantially similar to the requirements of the data protection laws in the Hong Kong SAR.

8. SECURITY PROVISIONS

- 8.1 The Customer and all Customer Delegates agree to comply with the terms of these Terms and Conditions and any other reasonable instructions or recommendations the Bank may issue to the Customer regarding Business Internet Banking security including, without limitation, the security recommendations contained in the Business Internet Banking Customer Guide. The Customer agrees that it is the Customer's sole responsibility to set-up, maintain and regularly review security arrangements concerning access to, and use of, the Business Internet Banking Service, and information stored on the Customer's computing and communications systems, and in particular the Customer's and any of the Customer Delegates' control of Passwords and Digital Certificates and access to Business Internet Banking.
- 8.2 The Customer confirms that the Customer has assessed the security features of Business Internet Banking and has determined that they are adequate to protect each of the Customer Delegate's and the Customer's interests.
- 8.3 The Customer agrees to ensure that each of the Customer Delegates complies with the terms of these Terms and Conditions and any security procedures mentioned or referred to in it including, without limitation, the security recommendations contained in the Business Internet Banking Customer Guide.
- 8.4 The Customer must ensure that the Customer Delegates keep their Passwords, Security Device and Digital Certificates secure and secret at all times and take steps to prevent unauthorised use thereof. For example, they must:
 - (a) never write or otherwise record their Passwords in a way that can be understood by someone else except where it is required by the Bank for the registration of a Customer Delegate or for any other reason as set out in the Business Internet Banking Customer Guide;

- (b) never reveal their Passwords to anyone else including the Bank's staff, except where specifically provided in the Business Internet Banking Customer Guide;
 - (c) destroy any advice from the Bank concerning their Passwords promptly after linking their Business Internet Banking logon details to their hsbc.com Site logon, except where specifically provided in the Business Internet Banking Customer Guide;
 - (d) avoid Passwords which may be easy to guess such as passwords used in connection with third parties;
 - (e) inform the Bank immediately if they believe that a third party may have seen or have had access to their Passwords or access to their Security Device;
 - (f) never record their Passwords on any software which retains it automatically (for example, any computer screen prompts or 'save password' feature or the like on their Internet browser);
 - (g) ensure that they are not overlooked by anyone or monitored by closed circuit TV and must avoid allowing anyone to identify the keys they are pressing while logging on;
 - (h) change their Password on a regular basis and not alternate between passwords;
 - (i) never personalise their Security Device in such a manner so as to allow or facilitate anyone to link the Security Device to them; and
 - (j) never allow anyone to come into possession or take control of or use their Security Device.
- 8.5 Once they have logged on to Business Internet Banking or the hsbc.com Site the Customer Delegate must not leave at any time the Internet terminal from which they have accessed Business Internet Banking or the hsbc.com Site or let anyone else use the Internet terminal until they have logged off Business Internet Banking and the hsbc.com Site. The Customer will be responsible for ensuring that each Customer Delegate has logged off Business Internet Banking and the hsbc.com Site at the end of any session.
- 8.6 The Customer and the Customer Delegates must not permit Customer Delegates to access Business Internet Banking or the hsbc.com Site from any computer connected to a local area network (LAN) or any public Internet access device or access point without first making sure that the computer and the network are free of virus, spyware, destructive or disruptive component, malicious code or any other software or component which will or may compromise either the Bank's or the Customer's access to and/or use of the hsbc.com Site, the Bank's Business Internet Banking and the Business Internet Banking Service and that no-one else will be able to observe or copy their access or get access to Business Internet Banking or the hsbc.com Site pretending to be a Customer Delegate.
- 8.7 The Customer and/or the Customer Delegates must notify the Bank immediately of the following:
- (a) any unauthorised access to Business Internet Banking, the hsbc.com Site or any unauthorised transaction or instruction which the Customer or any of the Customer Delegates know of or suspect; or
 - (b) if the Customer suspects someone else knows the Password(s) of one or more of the Customer Delegates or has access to their Digital Certificate or Security Device. In the event of any such breach or suspected breach of security the Customer must ensure that all the Customer Delegates change their Passwords (except the Security Code) immediately to one which they have not used before.

The Customer hereby agree to comply immediately with all reasonable requests for assistance from the Bank and/or the police in trying to recover any losses or identify actual or potential breaches of security. The Bank may disclose information about the Customer or the Customer's account to the police or other third parties if the Bank thinks it will help prevent or recover losses.

- 8.8 If the Customer suspects any impropriety on the part of any Customer Delegate in connection with the Business Internet Banking Service or a Customer Delegate leaves the Customer's business, the Customer must ensure that the Primary User immediately takes all steps available to ensure that the Customer Delegate is unable to access the Business Internet Banking Service.
- 8.9 If the Customer suspects any impropriety on the part of the Primary User in connection with the Business Internet Banking Service or the Primary User leaves the Customer's business, the Customer must immediately take steps to replace such Primary User.
- 8.10 Where the Bank provides the Customer and/or the Customer Delegate(s) with or otherwise require the Customer and/or the Customer Delegate(s) to use Digital Certificate(s) in connection with the Customer's access to and/or use of the Bank's Business Internet Banking and/or any Business Internet Banking Service, the Customer and the Customer Delegates are responsible for the security of any of the Digital Certificates held on the memory of the Customer's computers or otherwise held by the Customer or held on the memory of the computers of the Customer Delegates or otherwise held by them. The Customer and the Customer Delegates must ensure that Digital Certificates cannot be accessed, copied or otherwise tampered with. In particular, the Customer and the Customer Delegates must ensure that Digital Certificates are removed from the memory of any computers which leave the Customer's possession at any time or the possession of the Customer Delegates, even temporarily. The Bank shall not be liable to the Customer or to third parties for any loss whatsoever arising from the unauthorised copying and/or unauthorised use of any Digital Certificates. Further, neither the Customer nor any Customer Delegate must use any Digital Certificate other than for the purposes of identifying itself to the Bank and must not transmit or otherwise send the Digital Certificate to any party other than the Bank.
- 8.11 The Customer agrees that it is solely responsible for the performance and protection of any browser used in connection with Business Internet Banking including the prompt adoption by the Customer of all security patches and other security measures issued or recommended from time to time by the suppliers of such browsers.
- 8.12 The Customer agrees to keep the Bank indemnified against all actions, proceedings, costs, loss and damage of any kind which the Bank or any other member of the HSBC Group may suffer as a result of the Bank or any member of the HSBC Group, acting on any Customer Instruction in accordance with these Terms and Conditions, or as a result of the Customer's failure to comply with the Customer's duties under Clause 8 of this section.

9. INFORMATION AND INFORMATION PROVIDERS

- 9.1 The Customer is aware and acknowledges that the Information and Reports and their form, format, mode or method of compilation, selection, configuration, presentation and expression are trade secrets and are confidential and proprietary property of the Bank and the respective Information Providers.

- 9.2 The Customer and the Customer Delegates must not do or attempt to do any of the following:
- (a) Sell, transfer, disclose, assign, convey, lease, sub-licence, share, loan, distribute, transmit, broadcast, cablecast, put in circulation, download, reproduce, duplicate or otherwise provide or disseminate any of the Information and Reports in any form whatsoever.
 - (b) Remove, obliterate, erase, relocate or modify in any way any proprietary marking on or appearing with the Information and/or the Reports, including any trademark or copyright notice.
 - (c) Incorporate in any of the Information or Reports with any other programmes.
- 9.3 The restrictions on confidentiality in respect of the Information and/or the Reports referred to in 9.1 shall not apply where :
- (a) the disclosure is compelled by law but only to the extent required by law and only after the Customer has given written notice of the requirement to disclose to the Bank; or
 - (b) The Bank has written to agree to the disclosure.
- 9.4 The Customer agrees that all right, title and interest to the Reports and Information and any and all copyright, patent, trademark, service mark, proprietary property, trade secrets and exclusive works remains the Bank's and the Information Provider's exclusive property. Other than accessing the Information and Reports in accordance with these Terms and Conditions, the Customer does not have or acquire any right or title to the Information and the Reports. Accordingly the Customer must not represent or act in such a manner to indicate that the Customer has acquired any of the foregoing rights.
- 9.5 An Information Provider can impose its own terms in relation to the Information or Reports that it supplies. Where these terms have been made known to the Customer and the Customer continue to access this Information and/or Reports after the date that these terms, come into effect, the Customer will be considered to have accepted those terms of the Information Provider.
- 9.6 The Information and Reports are available for reference only and not intended for trading or other purposes. Therefore the Customer shall not consider any Information Provider or the Bank as an investment adviser.
- 9.7 The Customer acknowledges that it is its responsibility to independently determine market prices and rates for trading purposes, to verify any Information and/or Report before acting on it and to seek independent legal, accounting and tax advice in connection with the use of Business Internet Banking, Business Internet Banking Services, the Information and/or the Reports and the terms of these Terms and Conditions and other issues which may affect the Customer under all applicable laws.
- 9.8 The Information and Reports are supplied by the Information Provider and the Bank is making this available to the Customer as the Bank receives this from the Information Provider. This does not mean or imply that the Bank endorses the content of the materials by the Bank's simply making the Information and Reports available. The Bank is not responsible for verifying the content of any Information or Reports.
- 9.9 No warranty, representation or guarantee of any kind relating to the Information and/or Reports is given or may be implied and no employee or agent of the Bank or any Information Provider is authorized to give any such warranty, representation or guarantee.
- 9.10 Neither the Bank nor the Information Provider guarantee the accuracy, completeness, reliability, truth or timeliness of any of the Information and Reports or that it is fit for any purpose. Therefore the Bank and the Information Provider are not liable to the Customer or any other person (whether in tort or contract or otherwise) if the Customer relies on the Information and/or the Reports.

9.11 The Bank will take reasonable care to ensure that any information provided to the Customer by the Business Internet Banking Service is an accurate reflection of the information contained in the Bank's computer systems or, where the information is provided by a third party, accurately reflects the information the Bank receive from that third party. Due to the nature of the product and circumstances beyond the Bank's control the Bank does not warrant that the information provided through the Business Internet Banking Service is accurate or error free. Some of the information available through the Business Internet Banking Service may be identified on the screens or in the Business Internet Banking Customer Guides as subject to a disclaimer or other provisions. If the Customer relies on that information, the Customer does so subject to the disclaimer or those provisions.

10. DIGITAL CERTIFICATE AND SECURITY DEVICE

- 10.1 Where the Bank requires the Customer and/or any of the Customer Delegate(s) to use Digital Certificates in connection with the Bank's Business Internet Banking and/or any Business Internet Banking Service, the Bank grants the Customer a non-exclusive, non-transferable licence to install and use Digital Certificates on the Internet browsers of such Customer Delegates and this license can be revoked by the Bank at any time with or without notice. Title to and rights in the Digital Certificates belong to the relevant member of the HSBC Group and, except for the specific rights granted to the Customer by this licence, neither the Customer nor any Customer Delegates will acquire any rights whatsoever to the Digital Certificates, which will remain the property of the Bank or relevant member of the HSBC Group.
- 10.2 The Bank will make all reasonable efforts to ensure that any Digital Certificate and Security Device that the Bank provides to the Customer will perform as necessary to permit access to Business Internet Banking as and when required. The Customer and/or the relevant Customer Delegate will notify the Bank immediately if any Digital Certificate and Security Device fails to function correctly.
- 10.3 The Bank shall have no liability for breach of any implied term as to satisfactory quality, merchantability or fitness for purpose of any Digital Certificate and Security Device.
- 10.4 The Bank shall not be liable for any damage to or reduction in the performance of the Customer's computer system or any part thereof by the installation and/or use of any Digital Certificate.
- 10.5 The Bank shall not be liable for any loss or damages incurred or suffered by the Customer or the Customer Delegates arising from or in connection with, whether directly or indirectly, the Customer and their use of the Security Device.

11. FEES, SUPPLEMENTARY TERMS, CHANGES TO AND TERMINATION OF THE AGREEMENT AND SITE

- 11.1 The Customer agrees to pay the Bank's scale of charges (if any) for providing the Business Internet Banking Service as the Bank advises the Customer from time to time including, without limitation, charges for the Security Device. The Bank may vary The Bank's charges and the frequency and dates of payment on giving the Customer not less than 30 days notice. These charges are in addition to any charges for particular banking or other services the Bank might provide in response to the Customer Instructions through the Business Internet Banking Service.

- 11.2 The Customer is liable for any telephone charges and any charges made by The Customer's Internet service provider as a result of the use by the Customer of the Business Internet Banking Service.
- 11.3 The Customer authorises the Bank to debit any of The Customer's accounts with any charges for providing the Business Internet Banking Service.
- 11.4 When the Bank introduces new services under Business Internet Banking the Bank may provide them on supplementary terms which will be notified to the Customer from time to time in accordance with these Terms and Conditions.
- 11.5 The hsb.com Site through which the Customer accesses Business Internet Banking and the Business Internet Banking Service is subject to change by the Bank. Unless the Bank has specifically agreed to give prior notice to the Customer the Bank may make such changes (including changes to layout) without notification to the Customer.
- 11.6 The Bank may modify the terms of these Terms and Conditions on not less than 30 days notice to the Customer or such shorter period (other than in the case of any variations to the Bank's charges) as is necessary for the effective operation of the Business Internet Banking Service.

12. OUR LIABILITY TO YOU

- 12.1 Subject to Clause 12.6 of this Section, the Bank shall be liable to the Customer for direct losses suffered by the Customer arising out of the Customer's use of Business Internet Banking or the Business Internet Banking Service where such losses are directly attributable to the Bank's breach of contract, including any breach of Clause 12.3 of this Section , or to gross negligence of the Bank, its officers or employees.
- 12.2 The Bank does not exclude or limit liability for loss of interest on the Customer's credit balances or interest incurred on the Customer's debit balances as a result of a Customer Instruction that the bank has processed in breach of the Bank's duties to the Customer under these Terms and Conditions. The Bank is not liable for this loss to the extent that it is attributable to the Customer's own neglect or default.
- 12.3 In the case of a breach of the undertaking in Clause 10.2 of this Section, the Bank will take all reasonable steps to correct the defect.
- 12.4 The Bank will not be liable to the Customer for any loss or damage arising out of the Customer's use of Business Internet Banking or the Business Internet Banking Service, or caused by any breach of contract, including any breach of Clauses 12.1, 12.2 or 12.3 of this Section, or any negligence of the Bank, to the extent that such loss or damage is indirect, consequential or special, whether or not the Bank has been advised of the possibility of such loss or damage.
- 12.5 The Customer agrees that unless the Bank has specifically agreed with the Customer otherwise, the Bank shall have no liability whatsoever for (a) any equipment, software or associated user documentation which any party other than the Bank produces or supplies at any time for use in connection with Business Internet Banking or the Business Internet Banking Service including, without limitation, the Security Device or (b) any services through which the Customer accesses Business Internet Banking or the Business Internet Banking Service which are not controlled by the Bank.

- 12.6 Without prejudice to Clause 12.4 of this Section, the Bank will not be liable to the Customer for any loss or damage arising out of the Customer's use of Business Internet Banking or the Business Internet Banking Service to the extent that such loss or damage is:
- (a) a loss of profits;
 - (b) a loss of data; or
 - (c) any loss other than as set out in Clauses 12.1, 12.2 or 12.3 of this Section
- whether or not the Customer has been advised of the possibility of such loss or damage.
- 12.7 For the avoidance of doubt, the provisions of Clauses 12.6 (a), 12.6 (b) and 12.6 (c) of this Section shall each be construed as a separate exclusion of liability.
- 12.8 Nothing in these Terms and Conditions shall limit the Bank's liability for death or personal injury or for dishonesty, deceit or fraudulent misrepresentation on the part of the Bank.

13. BUSINESS INTERNET BANKING PASSWORD SET UP

- 13.1 The Customer may only access Business Internet Banking via the hsbc.com Site. To access the hsbc.com Site, Customer Delegates are required to set up their own personal hsbc.com Site username and password. Once this has been achieved they can link their Business Internet Banking logon details to their hsbc.com Site logon and thereafter gain access to Business Internet Banking.
- 13.2 The procedure for setting up Customer Delegates with Business Internet Banking Passwords is set out in the Business Internet Banking Customer Guide.

14. BUSINESS INTERNET BANKING PASSWORD RESET

Reset procedures may be notified in the Business Internet Banking Guide, via the Business Internet Banking Service or via the Direct Banking Service. The Customer agrees to comply with such reset procedures as are in force from time to time.

15. AUTHORITY AND INDEMNITY

- 15.1 The Customer requests and authorises the Bank from time to time to act upon written instructions or requests to the Bank concerning the administration of Business Internet Banking or the Business Internet Banking Service when signed, or purporting to be signed, as described in Clause 15.3 of this Section. Such instructions and requests may include, without limitation, the giving by the Customer to the Bank of requests (a) to remove or replace any Primary User; (b) to reset any Passwords; or (c) to take any action to promote the continued and orderly operation of Business Internet Banking or the Business Internet Banking Service.
- 15.2 The Bank shall be entitled to refuse to act on any written instruction or request which is sent by facsimile transmission or other electronic communication in accordance with Clause 15.1 of this Section. The Bank agrees however to use reasonable endeavours to inform the Customer if the Bank refuses to so act.

- 15.3 Where any written instruction or request referred to in Clause 15.1 of this Section is sent by facsimile transmission or other electronic communication, the customer hereby requests and authorises the Bank from time to time without further authority or notice from the Customer to act upon such instruction or request. In addition the Customer agrees that the Bank shall not be liable to the Customer or any third party for any loss or damage suffered by the Customer or any third party arising from the facsimile transmission or other electronic communication being unauthorised or fraudulent and the Customer agrees to keep the Bank fully indemnified against any claims or demands arising therefrom.
- 15.4 The Bank shall not be liable for any losses arising as a result of any delays when acting in accordance with written instructions howsoever given pursuant to Clause 14 and Clause 15 of this Section.

16. ELECTRONIC ADVERTISING

From time to time the bank may advertise the Bank's own products or services and those of other companies in the HSBC Group and also those of other parties on the Bank's Internet website(s) (including the hsb.com Site) through which the Customer accesses the Business Internet Banking Service. If, in relation to other agreements between the Customer and the Bank, the Bank has asked us not to send the Customer any marketing material (or if the Customer does so in the future), the Customer agrees that this restriction will not apply to these electronic advertisements and consent to receiving them when accessing the Bank's Internet website(s) and/or the Business Internet Banking Service.

17. ENCRYPTION AND VIRUSES

- 17.1 The Customer should be aware that the Bank uses a very high level of encryption. The use of such levels of encryption may be illegal in jurisdictions outside the Hong Kong SAR. It is the Customer's responsibility to ensure that, if outside the Hong Kong SAR, the Customer's ability to use Business Internet Banking is permitted by local law and the Bank shall not be liable for any loss or damage suffered by the Customer as a result of not being able to use Business Internet Banking in these jurisdictions.
- 17.2 Business Internet Banking is accessed through the Internet which is a public system over which the Bank has no control. It is therefore the Customer's duty to make sure that any computer or other device which the Customer uses to access Business Internet Banking is free from and adequately protected against acquiring computer viruses and other destructive or disruptive components. Neither we, any member of the HSBC Group nor the Information Provider warrants or represents that the Information and/or Reports are free from virus or other destructive features which may adversely affect your hardware, software or equipment.
- 17.3 Due to the nature of Business Internet Banking, the Bank will not be responsible for any loss of or damage to the Customer's data, software, computer, computer networks, telecommunications or other equipment caused by the Customer using Business Internet Banking unless such loss or damage is directly and solely caused by the Bank's negligence or deliberate default.

18. TERMINATION

- 18.1 Either party may terminate these Terms and Conditions on not less than 30 days' notice to the other party.
- 18.2 Either party may also terminate these Terms and Conditions with immediate effect by notice to the other, if the other party commits a material breach of these Terms and Conditions or becomes insolvent under the laws of any applicable jurisdiction.
- 18.3 Termination will not affect the rights and remedies of either party accrued to the date of termination nor will it affect any provision of these Terms and Conditions (including, without limitation, Clauses 12 and 20 of this Section) which is intended to apply after termination.
- 18.4 Upon termination of these Terms and Conditions for any reason, the Digital Certificate licence referred in Clause 10.1 of this Section terminates. Within seven days of termination the Customer or the Customer Delegates must remove all Digital Certificates held on the memory of the Customer's computers or otherwise held by the Customer. The Customer must ensure that neither the Customer nor any Customer Delegates, employees, agents or representatives do anything on or after termination of these Terms and Conditions which will result in the security of Business Internet Banking or the systems or security of any other Business Internet Banking customers, being compromised.
- 18.5 Upon termination of these Terms and Conditions under this Section, all provisions of this Section which in order to give effect to their meaning need to survive termination of these Terms and Conditions, shall remain in full force and effect. Notwithstanding termination, each party shall continue to be bound by these Terms and Conditions to the extent that they relate to any obligations or liabilities which remain to be performed or discharged.

19. FORCE MAJEURE

Neither party will be liable for delay in performing or failure to perform any of its obligations under these Terms and Conditions which is caused by circumstances beyond its reasonable control, including, but not limited to, the failure, malfunction or unavailability of telecommunications, data communications and computer systems and services, war, civil unrest, government action, strikes, lock-outs or other industrial action or trade disputes (whether involving either party's employees or those of a third party). Any delay or failure of this kind will not be deemed to be a breach of these Terms and Conditions and the time for performance of the affected obligation will be extended by a period which is reasonable in the circumstances.

20. MISCELLANEOUS

- 20.1 These Terms and Conditions are entire agreement between the parties concerning the use of Business Internet Banking and the Business Internet Banking Service. It supersedes all previous agreements, communications, representations and discussions between the Customer and the Bank relating to Business Internet Banking and/or the Business Internet Banking Service. Neither party will have a right of action against the other arising from any previous agreement, communication, representation and discussion in respect of Business Internet Banking and/or the Business Internet Banking Service, except in the case of fraud. Any other agreements between the Bank and the Customer and/or mandates relating to the conduct of the Customer's accounts shall remain unaffected.

- 20.2 Any notice to be given under these Terms and Conditions must be communicated by post, through Business Internet Banking or to the Customer's email address most recently notified to the Bank. If by post the notice will be taken to have been received five days after posting by one party to the postal address most recently notified by the receiving party and if through Business Internet Banking or via email five days after transmission of the email.
- 20.3 Where the Customer is a partnership, these Terms and Conditions will continue in force unless revoked by notice given by any one partner, notwithstanding any change of name of the partnership, admission of new partner(s) or any partner ceasing to be a member of the partnership by reason of death or otherwise.
- 20.4 The provision of the Business Internet Banking Service in certain countries or territories may be subject to special supplementary terms. Where applicable, the Customer confirms that the Customer has received and read these terms and agree to be bound by them.
- 20.5 The Bank and the Customer both agree to comply with all applicable data protection and other laws to the same or similar purpose in all relevant jurisdictions. The Customer confirms that all employees and other persons whose personal or other data is transmitted, processed or otherwise handled have consented to such transmission, processing or other handling under these Terms and Conditions in accordance with these laws, or will do so prior to any such transmission, processing or other handling. The Customer agrees that the Customer will obtain such consent by getting all such employees and other persons to sign an appropriate consent in writing and, upon request, to provide to the Bank's copies of all such consents. The Customer further agrees to indemnify and hold the HSBC Group harmless from all costs, penalties, damages and other losses incurred as the result of any breach of this provision.
- 20.6 Each of the terms of these Terms and Conditions is severable from the others and if one or more of them becomes void, illegal or unenforceable, the remainder will not be affected in any way.
- 20.7 Subject to the applicable laws of evidence, each party agrees not to object to the admission of the records (including computer records) of the other as evidence in legal proceedings.
- 20.8 Copyright in the pages, screens, information (other than information about the Customer's accounts and financial affairs) and all material in their arrangement included in the Business Internet Banking Service and in the hsbc.com Site (together the 'Material') is owned by or licensed to the Bank or the HSBC Group unless otherwise noted. Other than in respect of the Information and/or the Reports, the Customer may imprint, copy, download, or temporarily store extracts from the Material for the Customer's own information or when the Customer uses the Business Internet Banking Service. The Customer may not alter or otherwise make any changes to any Material that the Customer prints or downloads including, without limitation, removing any identifying marks or legends from such Material. Any other use is prohibited unless the Customer first requests and obtains the Bank's written permission.
- HSBC is a trademark of HSBC Holdings plc and all rights in and to HSBC vest in HSBC Holdings plc. Other than as provided above, the Customer may not use or reproduce the HSBC trademark, logo or brand name.

- 20.9 Where tools and other facilities ('Tools') are provided to Customer Delegates in connection with the hsbc.com Site, such Tools will not be provided as part of the Business Internet Banking Service but will be provided by the relevant member of the HSBC Group which is providing such Tools. The provision of the Tools will be subject to the terms and conditions, exclusions and disclaimers relevant to such Tools.
- 20.10 Nothing in these Terms and Conditions shall affect any right of set-off or combination which the Bank has in relation to any accounts which the Customer accesses Online.

ADDITIONAL TERMS AND CONDITIONS FOR BUSINESS INTERNET BANKING MPF SERVICE

1. The Customer remains at all times responsible for compliance with the MPF legislation and by its provision of the MPF Services, the Bank assumes no responsibility.
2. If the Mandatory Provident Fund Schemes Authority amends the MPF legislation, the Bank will use its best endeavours to revise the MPF Services in good time to enable the Customer to comply with its MPF obligations but the Bank will accept no responsibility or liability for the continued use by the Customer of the MPF Services meanwhile or for any loss or damage suffered by the Customer as a result of any delay in delivery of a revised MPF Service including any failure by the Customer to comply with its MPF obligations.
3. The Bank assumes no responsibility whatsoever in relation to any refusal by the MPF Administrator to accept for any reason the Remittance Statement.

ADDITIONAL TERMS AND CONDITIONS FOR MY HSBC SERVICE

1. Where the Customer and/or the Customer Delegate(s) make use of the My HSBC Services, the Customer and the Customer Delegate(s) agree to be bound by the My HSBC Terms and Conditions
2. Identifiers referred to in My HSBC Terms and Conditions shall for all purposes be a reference to the Password, Security Code, Security Device and Digital Certificate mentioned in these Terms and Conditions.
3. In the event of any inconsistency between My HSBC Terms and Conditions and these Terms and Conditions, the provisions set out in My HSBC Terms and Conditions shall prevail insofar as the subject matter relates My HSBC.

Section XII Auto-sweeping Service

1. The Auto-sweeping Service

- 1.1 The Bank shall determine the Debit Balance at the Cut-off Time on every Business Day. If the Debit Balance does not exceed the Ceiling Amount and at the Transfer Time the amount of available cleared funds in the Savings Account equals or exceeds the Debit Balance, then the Bank shall (at the Transfer Time) automatically transfer the Prescribed Sum from the Savings Account to the Current Account.
- 1.2 For the avoidance of doubt, if any one of the conditions set out in Clause 1.1 above is not fulfilled, the Bank shall not effect the transfer pursuant to Clause 1.1 above.
- 1.3 Notwithstanding an automatic transfer is effected by the Bank pursuant to Clause 1.1 above, interest shall accrue on the Debit Balance from the date the Current Account became overdrawn to the date of full repayment thereof at the same rate(s) as applicable to the OD Protection and/or any unauthorized overdraft (as the case may be).

2. Customer's Responsibility

- 2.1 The Customer acknowledges and agrees that it is his duty from time to time to monitor and maintain sufficient available cleared funds in the Savings Account to enable all applicable instructions, obligations and liabilities on the Savings Account owed to the Bank or any third party (including any autopay or direct debit instructions) to be met and/or discharged taking into account of any automatic transfers which may be effected by the Bank from time to time pursuant to the Auto-sweeping Service.

3. Exclusion of Liability

- 3.1 The Bank shall not assume any liability or responsibility to the Customer or any third party for checking or matching any applicable instructions, obligations and liabilities of the Customer owed to the Bank or any third party on the Savings Account, or for the consequences arising out of or in connection with the provision of the Auto-sweeping Service including any loss or damage suffered by the Customer or any third party resulting from the lack or insufficiency of funds in the Savings Account to meet and/or discharge any applicable instructions, obligations or liabilities on the Savings Account.
- 3.2 The Bank shall not be liable for losses of any kind which may be incurred by the Customer as a result of the provision of the Auto-sweeping Service by the Bank unless due to the negligence or wilful default of the Bank or its officers or employees.

Section XIII ForEx Switching Service

1. ForEx Switching Service

- 1.1 The Bank is hereby appointed and authorised to provide to the Customer the following ForEx Switching Service (the “ForEx Switching Service”) subject to the terms and conditions set out in this Section XIII of the Terms and Conditions (“ForEx Terms”) but reserves the right to refuse to do so if, in its opinion, there are grounds for such refusal:
- (a) to debit any and all available credit balance in the Savings Account and/or the Current Account maintained by the Customer under the Master Account (whether denominated in Hong Kong dollar or any other currency and whether denominated in one or more currencies) determined in accordance with Clause 2.5 (the “Available Balance”) at the intervals elected by the Customer and, at the Customer’s instruction, use any available pre-arranged overdraft facilities under the debit account (the “Available Credit Limit”) for the ForEx Switching Service;
 - (b) to apply the amount debited to the purchasing of the currencies elected by the Customer subject to the Exchange Rate Criteria elected by the Customer; and
 - (c) to credit any and all amount of each purchased currency to any account maintained by the Customer under the Master Account in the relevant currency denomination
- in each case without further notice to or consent from the Customer.
- 1.2 Notwithstanding any provisions to the contrary in these ForEx Terms, the Bank is entitled to prescribe and vary at its discretion from time to time:
- (a) the currencies and any minimum or maximum amount of each currency which may be exchanged by the Customer;
 - (b) any minimum or maximum amount which the Customer may elect to transfer pursuant to the ForEx Switching Service;
 - (c) the timing and frequencies at which transfers may be made pursuant to election by the Customer;
 - (d) the criteria determining the availability and amount of Available Balance and/or Available Credit Limit (the “Balance Criteria”) which the Customer may elect for the purpose of marking the transfer amount (the “Marked Transfer Amount”);
 - (e) the criteria determining whether actual transfers shall be made to effect purchases of currencies (the “Exchange Rate Criteria”) which the Customer may elect;
 - (f) the timing at which the Bank applies the Balance Criteria elected by the Customer to the relevant account to determine the Available Balance and/or Available Credit Limit, and in turn the Marked Transfer Amount;
 - (g) the timing and frequencies at which the Bank checks the Exchange Rate Criteria elected by the Customer against the prevailing buying rate or selling rate applicable to the relevant currencies quoted by the Bank to determine whether any actual transfer shall be made to effect a purchase; and
 - (h) any minimum or maximum number of transfer instructions which the Customer may set up under the ForEx Switching Service, whether by reference to an account, a currency or any other criteria.

- 1.3 The Bank reserves the right not to act on any transfer instruction of the Customer if:
 - (a) where the Customer has not instructed the Bank to use any Available Credit Limit, the Available Balance in the debit account is insufficient, at the time of actual transfer, to pay the Marked Transfer Amount determined in accordance with Clause 2.5, or where the Customer has instructed the Bank to use any Available Credit Limit, the Available Balance together with the Available Credit Limit in the debit account are insufficient, at the time of actual transfer, to pay the Marked Transfer Amount, whether or not due to any decrease in the Available Balance and/or Available Credit Limit in the account after determining the Marked Transfer Amount; or
 - (b) there are any irregularities concerning the relevant account or other technical or operational reasons not to act on the transfer instruction.

2. Balance Criteria and Exchange Rate Criteria

- 2.1 The Bank may prescribe Balance Criteria and Exchange Rate Criteria by reference to such factors and/or standards and/or a combination of factors and standards at its discretion.
- 2.2 The Customer shall elect his Balance Criteria and Exchange Rate Criteria and notify the Bank of his election in such manner as the Bank may require from time to time.
- 2.3 Subject to the agreement of the Bank, the Customer may instruct the Bank in such manner as the Bank may require from time to time to vary any Balance Criteria or Exchange Rate Criteria elected by the Customer and/or to cancel any transfer instruction or suspend it for a specified period. Any instruction received by the Bank pursuant to this Clause shall not be effective until after the Bank has been given reasonable time to process it. The Bank shall continue to act on any transfer instruction unless and until the Bank has received the Customer's instructions otherwise.
- 2.4 Subject to the agreement of the Bank, the Customer may elect a fixed transfer amount or a variable transfer amount, and the Marked Transfer Amount in each case shall be determined in accordance with Clause 2.5. The Bank shall debit the Marked Transfer Amount from the debit account if the Available Balance (or, if the Customer has instructed the Bank to use the Available Credit Limit, the Available Balance together with the Available Credit Limit) are sufficient, at the time of actual transfer, to pay the Marked Transfer Amount. In case of any insufficiency at the time of actual transfer, no transfer shall be made. The Bank shall not be under any obligation to ensure that any minimum credit balance remains in the debit account after debiting the Marked Transfer Amount.
- 2.5 The Bank shall determine the Available Balance and/or the Available Credit Limit, and in turn the Marked Transfer Amount in the debit account by applying the Balance Criteria elected by the Customer against the day-end balance in the account on the Business Day before the transfer date as reflected in the Bank's records. If the Customer elects a fixed transfer amount and the Available Balance (or, if the Customer has instructed the Bank to use the Available Credit Limit, the Available Balance together with the Available Credit Limit) in the debit account on the previous Business Day exceed the fixed transfer amount specified by the Customer, then the Customer specified amount shall be marked as the Marked Transfer Amount. If the Customer or elects a variable transfer amount, any and all of the Available Balance (or, if the Customer has instructed the Bank to use the Available Credit Limit, any and all Available Balance together with any and all Available Credit Limit) on the previous Business Day shall be marked as the Marked Transfer Amount.

- 2.6 If the day on which the Bank is:
- (a) to apply the Exchange Rate Criteria to determine whether any transfer and purchase shall be made; or
 - (b) to make any transfer or purchase
- is not a Business Day, the Bank shall perform the relevant action on the next Business Day except that the Bank shall perform the relevant action on the previous Business Day if the next Business Day falls into the next month.

3. Transactions

- 3.1 The Bank shall check the Exchange Rate Criteria elected by the Customer against the prevailing buying rate or selling rate applicable to the relevant currency quoted by the Bank at the time(s) of checking. Unless the Bank has made other arrangements with the Customer, the Bank shall be entitled to effect a currency transaction for the Customer at such prevailing rate quoted by the Bank if such rate falls within the Exchange Rate Criteria elected by the Customer. The Bank shall not be under any obligation to check the Exchange Rate Criteria elected by the Customer against the rates prevailing in the relevant foreign exchange market on a real time basis, nor to effect any currency transaction at such rates.
- 3.2 The Customer acknowledges that no warranty or guarantee is given by the Bank that the Bank will effect any transaction for the Customer pursuant to the ForEx Switching Service. The Bank may be unable to check whether the Exchange Rate Criteria elected by the Customer match the prevailing rates quoted by the Bank or to effect any transaction notwithstanding that the Customer's Exchange Rate Criteria have been matched due to the volume of instructions and transactions, market circumstances or other factors beyond the Bank's reasonable control which may be existing at the relevant time. The Bank shall not be liable for any loss or damage which the Customer may suffer or incur as a result of the Customer's Exchange Rate Criteria not being checked or matched or any transaction not being effected due to the above circumstances.

4. Fees

- 4.1 The Bank reserves the right to charge fees in relation to the use and/or termination of the ForEx Switching Service and to revise such fees. The Bank shall determine and notify the Customer of the rate of any fee from time to time which shall be binding on the Customer if the Customer continues to maintain or use the ForEx Switching Service after the effective date for imposing the fee or the revised fee. Fees may be collected from the Customer in such manner and at such intervals as the Bank may specify. Paid fees are not refundable except otherwise specified by the Bank.

5. Liability and Indemnity

- 5.1 The Bank shall not be liable for losses of any kind which may be incurred by the Customer as a result of the provision of the ForEx Switching Service by the Bank in accordance with the Customer's instructions nor in any other case unless due to the negligence or wilful default of the Bank or its officers or employees.

5.2 The Customer shall indemnify the Bank, its officers and employees against all claims, liabilities, damages and losses of any kind which may be incurred by any of them, all actions or proceedings which may be brought by or against any of them and all costs and expenses of any kind of reasonable amount and reasonably incurred by any of them in connection with the provision of the ForEx Switching Service and/or as a result of any default by the Customer unless due to the negligence or wilful default of the Bank or its officers or employees and this indemnity shall continue despite the termination of the ForEx Switching Service and/or these ForEx Terms.

6. Variation and Termination

6.1 The Bank has the right to determine and vary from time to time the scope and extent of the ForEx Switching Service.

6.2 The Bank may, at any time, without giving notice or reasons suspend or terminate the ForEx Switching Service or its use by the Customer.

7. ForEx Terms

7.1 These ForEx Terms are supplementary to and form part of these Terms and Conditions. Unless otherwise specified, terms defined in the Terms and Conditions shall have the same meanings when used in these ForEx Terms. Where there is any inconsistency between these ForEx Terms and the Terms and Conditions, these ForEx Terms shall prevail insofar as this ForEx Switching Service is concerned.

Section XIV Business Card

Where a Business Card is issued to the Customer/Cardholder, each of the Customer and the Cardholder shall be bound by the relevant "Business Card Programme Agreement" and the "Terms and Conditions for Using the Services of the 'Credit Cards Customer Service Hotline'" for the Customer and the Cardholder(s) and all such other terms relating to credit cards as the Bank shall introduce from time to time.



Section XV Business Revolving Credit

Where the Customer has successfully applied for a business revolving credit facility (the “**Facility**”), the Customer will be notified by a facility setup confirmation letter (the “**Confirmation Letter**”) upon approval and granting of the Facility. The use of the Facility will be subject to the following terms and conditions:

- 1.1 Subject to Clause 1.16 of this section, the Customer will be notified by the Bank of the approved limit of the Facility (the “**Credit Limit**”), and the Facility will be granted to a Business Integrated Current Account (the “**Facility Account**”).
- 1.2 Once the Facility is approved and made available, the overdraft protection feature of the Business Integrated Account will not be available to the Customer.
- 1.3 A monthly non-refundable facility fee on the Facility in an amount calculated by multiplying the Credit Limit by the rate stated in the relevant business revolving credit application, subject to any alteration as provided in Clause 1.14 of this section, will be debited immediately upon approval of the Facility and subsequently on the same day of each succeeding month to the Facility Account. The Bank is authorised to debit the Facility Account from time to time in paying such facility fee when due.
- 1.4 Interest on the Facility will be charged and calculated at the interest rate stated in business revolving credit application. Interest will accrue on a daily basis on the debit balance outstanding under the Facility Account and shall be payable monthly in arrears by debit to the Facility Account.
- 1.5 A statement will normally be sent to the Customer on a monthly basis (on the statement date as referred to in the Confirmation Letter) and will detail the total amount outstanding on the Facility Account on the statement date (the “**Outstanding Debit Balance**”) and the amount due (“**Minimum Amount Payable**”) from the Customer, which will be the sum of any payment in arrears, unauthorised debit amount and the minimum monthly repayment, and the date by which payment must be made to the Bank (the “**Payment Due Date**”). The minimum monthly repayment will be the amount calculated by multiplying the Outstanding Debit Balance (or, if lower, the credit limit) by 4% or HKD100 (whichever is higher), subject to any alteration as provided in Clause 1.14 of this section. The amount of Minimum Amount Payable will be rounded, either up or down, to the nearest dollar. Payment of any part of Outstanding Debit Balance effected by cheque or other means will be accepted subject to the Bank’s normal terms and conditions.
- 1.6 Without prejudice to the other provisions of these Terms and Conditions, if the Customer fails to pay in full the Minimum Amount Payable by the Payment Due Date, the unpaid portion will be included as payment in arrears and a late charge amount calculated at the rate of 5% of such unpaid portion or HKD100 (whichever is higher subject to the maximum of HKD500), subject to any alteration as provided in Clause 1.14 of this section, will be debited to the Facility Account after the Payment Due Date. The amount of late charge will be rounded, either up or down, to the nearest dollar.
- 1.7 In the event the Facility is cancelled, on the Customer’s instruction, within the first 12 months from the date on which the Facility was granted, a facility cancellation fee of HKD500, subject to any alteration as provided in Clause 1.14 of this section, will be levied and debited to the Facility Account with or without prior notice.

- 1.8 If the total Outstanding Debit Balance exceeds the Credit Limit, interest will be charged on the excess amount at the rate of (a) 10% per annum over the Bank's HKD best lending rate where the Facility is subject to floating interest rate or (b) 22% per annum over the Bank's HKD best lending rate where is subject to a fixed interest rate, in each case (both before and after judgment) from the date the excess arises until the date of actual settlement. Such interest will be payable at such intervals as the Bank may determine and at any time upon demand by the Bank. In addition, the Bank reserves the right to charge an unauthorised overdraft handling charge of HKD120 (subjected to any alteration as provided in Clause 1.14 of this section) and this will be debited to the Facility Account.
- 1.9 Without prejudice to Clause 1.16 of this section, the Bank reserves the right to suspend further drawing of the Facility if the Minimum Amount Payable is not paid in full by the Payment Due Date.
- 1.10 All costs and expenses (including legal fees) incurred by the Bank in connection with the extension of the Facility and any matters arising therefrom are to be reimbursed by the Customer on demand. The Customer authorises the Bank to debit the Facility Account from time to time in paying any such costs and expenses when due.
- 1.11 Where the Customer is a limited company, as security, the Bank requires a guarantee to be provided to the Bank in respect of the approved Facility amount. Where the Customer is a partnership, it is agreed between the partners and the Bank that the partnership shall not be dissolved in the event of any of the partners retiring or ceasing to be a partner of any of the partnership or there being any change to the constitution of the partnership.
- 1.12 To comply with Paragraph 21 of the Code of Banking Practice and guidance given by the Courts, the Bank needs to obtain the Customer's consent before it can provide a copy or summary of the Facility, or information on the Customer's outstanding liabilities to the Bank, to any guarantor or other third party providing security (the **"Surety"**) or to the Surety's advisors. In addition, if the Bank is obliged to make any formal demand for repayment because the Customer has failed to settle an amount due following a customary reminder, the Bank will also need to provide the Surety with a copy of its Demand Letter. Whether or not the Bank has made demand, the Bank will also need to provide the Surety with a copy of the latest statement of account and/or to give the Surety details of the Customer's outstanding liabilities to the Bank, whether actual or contingent. The Customer agrees to the Bank providing any of the aforesaid documents or information to the Surety, to the Surety's solicitors and other professional advisers. Where this consent is not given, the Bank will be unable to proceed with the transaction.
- 1.13 Section 83 of the Banking Ordinance has imposed on the Bank as a bank certain limitations on advances to persons related to its directors or employees. The Customer is required to advise the Bank whether the Customer, or any of its directors, partners, managers or agents, is in any way related to any of the Bank's directors or employees within the meaning of Section 83 and in the absence of such advice the Bank will assume that the Customer is not so related. Should the Customer, or any of its directors, partners, managers or agents, becomes so related subsequent to the date of this application, the Customer shall immediately advise the Bank in writing.
- 1.14 The amounts or percentage of fee, charges and interest rate applicable to the Facility will be as set out herein or stipulated in the Confirmation Letter or notified to the Customer by other means. The Bank reserves the right to alter such these Teams and Conditions and such amounts, percentage, fee, charges and interest rate, as well as impose new fee and charges, from time to time and may notify the Customer of such alteration or imposition in any manner it thinks fit. The Customer will be bound by such alteration or imposition in any manner it thinks fit. The Customer will be bound by such alteration or imposition unless the Facility is cancelled and repaid in full before the date upon which it is to have effect.

- 1.15 In case of any dispute in connection with the Facility, the Bank's decision shall be final.
- 1.16 Notwithstanding any other terms herein, the Facility which is granted on an uncommitted basis is subject to review by the Bank at any time and to the Bank's overriding right of suspension and withdrawal at any time. The Bank shall have an unrestricted discretion to determine whether or not to permit utilisation of the Facility or to increase or decrease the Facility Limit. The Bank further reserves the right at its absolute discretion to require immediate repayment of all amount outstanding on the Facility Account or with respect to the Loan, together with all accrued interest, at any time.
- 1.17 In the event of any inconsistency between the provisions of this section and the terms set out in the Confirmation Letter (as the case may be), the latter shall prevail.
- 1.18 In the event that the Customer maintains any other facilities with the Bank, unless otherwise specified by the Bank, such other facilities will not be affected by the granting of the Facility and all terms and conditions relating to such facilities shall remain unchanged.

XVI HSBC's Direct Advice, eStatement and eAdvice Service

1. Terms of Use

- 1.1 The use of the Service shall at all times be governed by these Terms and Conditions.
- 1.2 These Terms and Conditions are not intended to and will not supersede or replace the existing terms and conditions governing the Master Accounts and the Customer's use of other products and services offered by our Bank, including, without limitation, those concerning the Statements and the Advice (collectively "Other T&Cs"), which shall continue to apply unless otherwise provided.
- 1.3 In the event of inconsistency or conflict between these Terms and Conditions and Other T&Cs, these Terms and Conditions shall prevail where the Service is concerned.

2. Scope of the Service

- 2.1 The Bank will from time to time determine or specify the scope and features of the Service and are entitled to modify, expand or reduce the same at any time with or without notice.
- 2.2 If the Bank gives notice of a change to the Service, such notice may be made in such manner and by such means of communication as the Bank shall deem fit.
- 2.3 The Bank may from time to time include within the Service or send with the eCorrespondence marketing materials relating to the Bank's products and services or those offered by other HSBC members and selected third parties (collectively "Marketing Materials"). The Customer's subscription to the Service and the Customer's agreement to these Terms and Conditions will for all purposes constitute the Customer's agreement to receiving the Marketing Materials under the Service and this is notwithstanding whether the Customer has or shall, under the Service or other banking products or services or in other context, request the Bank not to forward to the Customer Marketing Materials.

3. Registering / Managing the Service

- 3.1 Once the Customer has registered for the Service, the Bank will send the eCorrespondence covered by the Service and/or selected by the Customer as the case may be, to the Customer's eAddress. The corresponding Statements and Advice (i.e., in their paper form) will no longer be sent to the Customer's mailing address or by any other means unless otherwise stipulated, including that set out in Clauses 3.2 and 3.8 under this Section XVI.
- 3.2 During such time when the Customer is registered with the Service, the Customer may request for the corresponding Statement/Advice of an eStatement/eAdvice to be sent to the Customer's mailing address last registered with the Bank or be otherwise provided by the Bank in addition to that eStatement/eAdvice, but such a request is at all times subject to the Bank's decision and will also be subject to any limitations that may be imposed by the Bank from time to time and to such charges as the Bank shall determine from time to time.

- 3.3 The Service is available to the Customer provided the Customer has an internet service provider, appropriate telecommunications equipment and/or computer software capable of receiving and reading the eCorrespondence, any or all of which may be determined by the Bank from time to time.
- 3.4 The Bank's ability to provide the Service is at all times subject to the Customer's having a valid and up-to-date eAddress that has sufficient capacity at all relevant times to receive the eCorrespondence that the Bank sends thereto.
- 3.5 In order to receive the eCorrespondence, the Customer must maintain such account(s) with the Bank and/or subscribe for such product(s) or service(s) as the Bank may stipulate from time to time.
- 3.6 The Customer shall bear any fees, charges or expenses which may be imposed by any telecommunications company (whether or not designated by the Bank) providing or servicing the Customer's telecommunications equipment in connection with the Service.
- 3.7 The Customer warrants that all particulars given to the Bank for the purposes of or in connection with the Service are complete, accurate and up-to-date at all relevant times and undertake to promptly notify the Bank (via such means and in such format and manner as shall be acceptable to the Bank) of any changes thereto including, without limitation, the Customer's eAddress.
- 3.8 The Bank may re-send to the eAddress any eCorrespondence which, in the Bank's opinion, has failed to reach the Customer the first time the Bank sent it. This will be done in accordance with the Bank's procedures for re-sending that eCorrespondence, if any, as designated by the Bank from time to time. If, in the Bank's opinion, the eCorrespondence sent or re-sent further to the Customer's eAddress has failed to reach the Customer, the Bank may, in the Bank's sole discretion, notify the Customer of the same using such means as the Bank deems appropriate and the Customer must comply with any instructions the Bank may specify in such notices. The Bank may, but shall not be obliged to, forward the corresponding Statement or Advice of that particular eCorrespondence to the mailing address the Customer has last registered with the Bank. The Bank may also, in the Bank's sole discretion, stop sending the said eCorrespondence or even all other eCorrespondence in the future and the Bank may dispose of the said eCorrespondence as the Bank shall decide including, without limitation, deleting or removing the same from the Bank's systems and record.
- 3.9 All eCorrespondence sent or re-sent (if applicable) under the Service to the eAddress shall be deemed to be delivered to the Customer at the time when the eCorrespondence was, according to the Bank's record, successfully sent or re-sent by the Bank.
- 3.10 The Customer agrees to open, read or access and carefully review and examine all eCorrespondence sent to the Customer's eAddress in a timely manner and advise the Bank as soon as possible, of any errors, discrepancies, unauthorised transactions or other irregularities arising from whatever cause, including, without limitation, forgery, fraud, lack of authority or the Customer's negligence or negligence of any other person(s) ("Errors").
- 3.11 Where the eCorrespondence sent to the Customer's eAddress is an eStatement, the Customer agrees that the eStatement shall, as between the Bank and the Customer, be conclusive evidence as to the balance shown therein and that the eStatement shall be binding upon the Customer and the Customer shall be deemed to have agreed to waive any rights to raise objections or pursue any remedies against the Bank in respect thereof unless the Customer notifies the Bank (via such means and in such format and manner as shall be acceptable to the Bank) of any such Errors within 60 days where the eStatement is a monthly credit card

eStatement and 90 days for all other eStatements after the Bank has sent the eStatement to your eAddress. Where the account concerned is a joint account, the reference to “the Customer” in this Clause 3.11 under this Section XVI shall mean all account holders of this joint account irrespective of the signing mandate.

- 3.12 Where the Service utilises proprietary software of the Bank, the Bank’s affiliates and/or other software suppliers, the Bank grants to the Customer a non-exclusive license to use this software solely for the purposes of the Service or such other purposes as the Bank shall permit. The Customer agrees not to disassemble, decompile, copy, modify or reverse engineer any such software or permit anyone else to do so.
- 3.13 Where the Customer has selected or that the Bank has designated, as the case may be, a certain type, category or group of eStatements and/or eAdvice to be sent to the Customer’s eAddress under the Service, the Bank may without further notice and unless the Bank specifies otherwise, include within the Service the eStatements and eAdvice all new Accounts that the Customer shall open with the Bank and the eStatements and eAdvice of all products and services that the Bank shall provide to or shall be used by the Customer in the future that shall, in the Bank’s view, fall within the said type, category or group.

4. eCorrespondence

- 4.1 Each eCorrespondence sent by email to the Customer’s eAddress will be secured by a Password of which the Customer will use to open, read or otherwise access the eCorrespondence sent to the Customer’s eAddress.
- 4.2 Whenever there is a change in the Password (“the Change”), all eCorrespondence sent by email to the Customer’s eAddress after the Change has been effected can only be opened, read or accessed by using the new password while those sent prior to the Change can still be opened, read or accessed with the old password.
- 4.3 Any eCorrespondence sent by the Bank is one-way only and the Customer should not reply to the same.
- 4.4 Once an eCorrespondence has, according to the Customer’s record, been sent successfully, the Bank will not re-send it again. If the Customer deletes such eCorrespondence, it cannot be sent again.
- 4.5 The Customer confirms that the customer has assessed and analysed and so the Customer understands, acknowledges and accepts all possible risks involved in using the Service including, without limitation, the eCorrespondence being intercepted, monitored, amended, tempered with or being sent or disclosed to other parties without the Customer’s authorisation.
- 4.6 Neither the Customer nor any other persons should regard any information or communication contained in an eCorrespondence, the covering email or facsimile or any hyperlink(s) attached as an offer or solicitation to subscribe to any products or services (including, without limitation, investments, deposits, insurance and loans) in any jurisdiction to any person to whom it is unlawful to make such an invitation or solicitation in such jurisdictions.
- 4.7 The Customer must notify the Bank immediately (via such means and in such format and manner as shall be acceptable to the Bank) should the Customer fails to receive, or that there is any delay in or other irregularities or problems in connection with any eCorrespondence or the Customer’s receiving any eCorrespondence from the Bank.

5. Security

- 5.1 The Customer must keep the Password and all other security details (if any) secure and confidential at all times and take all reasonable precautions to prevent unauthorised or fraudulent use thereof and ensure that unauthorised or fraudulent access to the Customer's eAddress is prevented.
- 5.2 The Customer should change the Customer's Password from time to time to guard against unauthorised or fraudulent access to the eCorrespondence sent by email to the Customer's eAddress.
- 5.3 The Customer should never respond to a request purportedly from the Bank via the Service to provide the Customer's account, Password, security details or the Customer's personal information as the Bank will never make such a request.
- 5.4 The Customer must inform the Bank as soon as possible if any email or facsimile, eCorrespondence or website hyperlink appears to be irregular.
- 5.5 The Customer is responsible for the security of the Customer's telecommunications equipment and must take all reasonable precautions to prevent any one else from accessing any confidential information including the eCorrespondence sent thereto.
- 5.6 The Customer should never provide the Customer's account or personal information on screen following a website hyperlink from an eCorrespondence. All website hyperlinks authorised by the Bank will be for information only and will not require the inputting of the Customer's account or personal information.
- 5.7 The Customer must inform the Bank as soon as possible of all matters which may have an impact on or otherwise affect the Bank's provision or the Customer's use of the Service including, without limitation, if the Customer knows or suspects that someone knows the Customer's Password or has unauthorised access to the Customer's eAddress or the eCorrespondence or any telecommunications equipments to which the Customer receives the eCorrespondence or if the Customer's eAddress or other contact details are or will be changed or the Customer's telecommunications equipment or internet service has or will be suspended, expired, disconnected or terminated.
- 5.8 The Customer should check, verify and authenticate the sender of the eCorrespondence including, without limitation, the facsimile number, email or website address of the sender of the eCorrespondence as the case may be to ensure that they are genuine and have been sent by the Bank.

6. Liability

- 6.1 The Customer agrees and undertakes not to hold the Bank liable or in any way responsible for any loss, damages or expenses that the Customer shall incur, including, without limitation, any loss or damage caused to the Customer's data, software, computer, telecommunications equipment or other equipment in connection with the Customer's use of the Service unless they are caused solely and directly by the Bank's gross negligence or willful default.
- 6.2 If the Bank can show that the Bank has sent, or attempted to send, to the Customer the eCorrespondence according to the service scope of the Service as shall be determined by the Bank from time to time (including, without limitation, any re-sending procedures if the eCorrespondence fails to be sent to the Customer), the Bank has no liability to the Customer if the Customer suffers loss due to the eCorrespondence not being received accurately or at all.

- 6.3 The Bank will not be liable for any disclosure of confidential information not herein authorised where the Customer has not complied with these Terms and Conditions or such other security guidelines or recommendation that the Bank may issue from time to time.
- 6.4 Neither the Bank, any of the Bank's affiliates, nor any of the telecommunications companies designated by the Bank (if any) for the purposes of providing the Service will assume any liability or responsibility for any failure or delay in providing the Service or any error or failure in the eCorrespondence unless this results from gross negligence or wilful default on the Bank's part, any of the Bank's affiliates, or such telecommunications companies. In particular, neither the Bank, any of the Bank's affiliates, nor any such telecommunications companies shall assume any liability or responsibility for the consequences arising from any cause beyond the Bank's reasonable control, that of the Bank's affiliates, or such telecommunications companies, including, without limitation, failure of the Customer's telecommunications equipment to receive the eCorrespondence for whatever reason, any telecommunications breakdown, mechanical failure, path failure, malfunction, technical breakdown, interruption or accuracy of equipment or installation.
- 6.5 The third parties supporting the Service (including telecommunications companies designated by the Bank) are neither agencies of the Bank nor representing the Bank. There is no co-operation, partnership, joint venture or other relationship with the Bank. The Bank is not responsible for any loss caused by such third parties including system operators.
- 6.6 The Customer hereby undertakes to ratify and confirm all things and matters done by the Bank, the Bank's nominees, their respective officers and employees pursuant to or in connection with the provision of the Service to the Customer and agree to indemnify the Bank, the Bank's nominees, their respective officers and employees against all or any losses, liabilities, charges, expenses and penalties of any kind which may be incurred or suffered by the Bank or any of them in connection with or as a result of the provision of the Service to the Customer unless directly and solely caused by or due to the gross negligence or wilful default of the Bank or any of them and then only to the extent of direct and reasonably foreseeable loss and damages (if any) arising directly and solely therefrom.

7. Pricing and Charges

- 7.1 The Bank reserves the right to at any time and from time to time impose fees and charges for the Service with reasonable notice.
- 7.2 The Customer shall bear, and the Customer hereby authorises the Bank to, without further notice to the Customer, debit from any one or more of the Customer's Account(s) any fees, charges or expenses which the Bank may impose under or in connection with this Service, including, without limitation, our charges for re-sending an eCorrespondence or for sending the corresponding Statement or Advice to the Customer's mailing address in accordance with these Terms and Conditions.

8. Suspension and Termination

- 8.1 The Customer may terminate the Service at any time in such manner as the Bank may prescribe from time to time.
- 8.2 The Bank can suspend or terminate all or any part of the Service at any time and in the Bank's absolute discretion with or without notice.

- 8.3 Without prejudice to the generality of Clause 8.2 in this Section XVI, in the event where the Bank has reason(s) to believe that the security of the Customer's eAddress or the eCorrespondence sent to the Customer has been compromised or that the eCorrespondence will no longer reach the Customer at the eAddress, the Bank may in the Bank's sole discretion and without notice suspend the Service in which case the Bank will forward all future corresponding Statements and Advices to the Customer's mailing address last registered with the Bank until the Service is resumed either by the Bank or by the Customer in accordance with the Bank's procedures applicable at the time.
- 8.4 The Bank will not assume any liabilities or responsibilities for any suspension or termination of the Service under any circumstances.
- 8.5 Any termination or suspension of the Service is without prejudice to and shall not affect the liabilities and rights which have accrued between the Customer and the Bank prior to the date of suspension or termination.

9. Amendments

- 9.1 The Bank reserves the right to add to, delete and/or vary any of these Terms and Conditions upon notice to the Customer using such means of notification as the Bank shall deem appropriate. Use of the Service after the date upon which any changes to these Terms and Conditions are to have effect (as specified in the Bank's notice) will constitute acceptance without reservation by the Customer of such changes. If the Customer does not accept any proposed changes the Customer must cancel or terminate, the Service prior to the date upon which such changes are to have effect.

10. Miscellaneous

- 10.1 No failure or delay by the Bank in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Any remedies provided to the Bank herein is not intended to be exclusive of any other remedy and each and every remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise.
- 10.2 If any provision hereof shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not affect any other provisions hereof which shall remain in full force, validity and effect.
- 10.3 Any notice or communication (excluding the eCorrespondence) delivered under these Terms and Conditions personally, sent by post, facsimile transmission, telex or email shall be deemed to have been received by the Customer (where delivered personally) at the time of personal delivery or on leaving it at the address last notified by the Customer to the Bank via such means and in such format and manner as shall be acceptable to the Bank, (where sent by post) 48 hours after posting if such address is in the Hong Kong Special Administrative Region ("HKSAR") and seven days after posting if such address is outside the HKSAR or (where sent by facsimile transmission, telex or email) immediately after transmitting to the facsimile or telex number or email address last notified by the Customer to the Bank via such means and in such format and manner as shall be acceptable to the Bank. Notice or communication sent by the Customer to the Bank shall be treated as delivered to the Bank on the day of actual receipt.

Appendix I

Definitions

“Account” means each of the Savings Account, Current Account, Time Deposits Account, Investment Services Account, Securities Account, Wayfoong Statement Gold Account and any other accounts opened or to be opened by the Customer under the Master Account and provided for in the above Terms and Conditions.

“Account” in Section XVI means any type of account offered by the Bank, including, without limitation, deposit account, loan account, card account, securities account and investment account.

“Account Package” means an Account Package designated by the Bank and allocated to a Customer which allows the Customer to enjoy certain Features under/or in connection with the Master Account.

“Advice” means any advice, report, message, record, confirmation, receipt, acknowledgement, notice or communication in respect of or in relation to one or more Account(s) or of the products and services offered by the Bank, as from time to time issued or provided by the Bank in paper form, excluding a Statement.

“Amended Fixing Date” has the meaning set out in Section VIII Clause 9.1.

“Appendix” in Section VIII means the Appendix referred to in Section VIII Clause 1.1.

“Appendix” in Section other than Section VIII has the meaning set out in Section I Clause 1.

“ATM Card” means any card in relation to the Master Account issued to the Customer by the Bank which may be used to effect banking transactions by electronic means, whether at automated teller machines, point of sale terminals or such other mediums as shall be made available by or are acceptable to the Bank from time to time.

“Authorised Phonebanking Service User” means the person who is authorised by the Customer and/or the Debit Accountholder to operate the Master Account and/or the Debit Account through telephone and shall include the Customer and/or the Debit Accountholder.

“Authority” means the authority given to the Bank by the Customer pursuant to Section X Clause 1.

“Auto-sweeping Service” means the automatic fund transfer provided by the Bank to the Customer in accordance with Terms and Conditions set out in Section XIII.

“Averaging Date” means, in respect of a Valuation Date, each date specified or otherwise determined as such, as provided in the relevant Appendix of SID Deposit.

“Bank” means The Hongkong and Shanghai Banking Corporation Limited, including its successors and assigns, of 1 Queen’s Road Central, Hong Kong, a registered institution under the Securities and Futures Ordinance. The Bank is registered with the Securities and Futures Commission, Hong Kong with central entity number AAA523.

“Branch of Account” means the branch of the Bank at which a related Account is opened.

“Business Card” means a credit card issued by the Bank under Section XIV of these terms and conditions.

“Business Day” in these Terms and Conditions (other than Sections VIII and IX) means a day (other than a Saturday, a Sunday or a public holiday) on which banks are open for general business in Hong Kong.

“Business Day” in Section VIII means a day (other than a Saturday, a Sunday or a public holiday) on which banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong (or where another location is stated or referenced, in that location).

“Business Day” in Section IX means a day (other than a Saturday, a Sunday or a public holiday) on which banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong and in the principal banking centres of the country of issuance of the Deposit Currency and the Linked Currency.

“Business Internet Banking” means the HSBC Groups’ business Internet banking available through the Internet.

“Business Internet Banking Customer Guide” means the welcome letter, the Business Internet Banking brochure, the welcome guide, the security guide and all customer guides, manuals, help text or similar documents (whether in hard copy or in electronic form) issued by the Bank to Customer at any time in any format for use with Business Internet Banking Services.

“Business Internet Banking ID/User ID” means the user short name for the Business Internet Banking Service designated (whether by the Bank, the Customer or the Customer Delegate as the Bank shall prescribe) for use and/or used by the Customer Delegate.

“Business Internet Banking Service” means any banking product or service provided the Bank to the Customer using Business Internet Banking.

“Business Integrated Account Opening Form” means the account opening form completed and executed by or on behalf of the Customer for the purpose of opening the Master Account.

“Card” means ATM Card.

“Cardholder” means any person designated or authorised by the Customer to use the Card and/or the Business Card (where applicable)

“Cash Account” means the account (for the purpose of this definition, including but not limited to the Account) maintained with the Bank by the Customer which has been designated for the purpose of debiting and crediting funds in connection with the Investment Services and which shall be subject to various restrictions as advised by the Bank to the Customer from time to time.

“CCASS” means the clearing system operated by the Hong Kong Securities Clearing Company Limited.

“Ceiling Amount” means the maximum fund transfer amount, which is prescribed by the Bank from time to time in its absolute discretion.

“Component Equity” means, in respect of an Equity Basket-linked Deposit, each component Equity in the relevant Equity Basket.

“Confirmation” means each separate Confirmation issued by the Bank to the Customer in respect of each Deposit Plus deposit pursuant to these Terms and Conditions, and **“relevant Confirmation”** means, in relation to each Deposit Plus deposit, the Confirmation issued by the Bank pursuant to Section IX Clause 2.3 in respect of such Deposit Plus deposit.

“Consolidated Statement” means a consolidated statement relating to the Services, the Accounts and/or such other information as may be determined by the Bank from time to time.

“Conversion Rate” means, in relation to each Deposit Plus deposit, the Relevant Rate specified as such in the relevant Confirmation.

“Corporate Action” means any entitlement attributable to a security and offered by the issuer thereof.

“CPI Deposit” means one of the types of investment which the Bank makes available, from time to time, as a Capital Protected Investment Deposit.

“Credit Account” means any account (for the purpose of this definition, including but not limited to the Account) maintained with the Bank for the time being designated for the purpose of receiving deposit of funds in relation to the Phonebanking Service.

“Customer” means the holder of a Master Account, and where there is more than one such person, references to the **“Customer”** shall be construed, as the context requires, to any, all or each of them.

“Customer Delegate” means any of the Primary User(s) or Secondary User(s) who are authorised from time to time to use the Business Internet Banking Service.

“Cut-off Time” in Section VIII, in relation to a SID Deposit Period, means the applicable time and date stated in the relevant confirmation or Appendix or, failing which, the Bank’s close of business on the second Business Day prior to the relevant scheduled SID Deposit Date.

“Cut-off Time” in Section XIII, in relation to the Auto-sweeping Service, means such time of the day designated by the Bank from time to time in order to determine the Debit Balance.

“Debit Account” means, subject to the related Debit Accountholder(s) having agreed to the terms of Section I Clause 9, any account (for the purpose of this definition, including but not limited to the Account) maintained with the Bank for the time being designated for the purpose of making withdrawal of funds in relation to the Phonebanking Service.

“Debit Accountholder” means each holder of a Debit Account, including for the avoidance of doubt the Customer.

“Debit Balance” means the total amount overdrawn on the Current Account arising from use of any OD Protection or any unauthorized overdraft as at the Cut-off Time of each Business Day.

“Deposit” means each Deposit Plus deposit lodged with the Bank pursuant to these Terms and Conditions the principal amount of which being set out in the relevant Confirmation.

“Deposit Currency” means, in relation to each Deposit Plus deposit, the currency in which such Deposit Plus deposit is denominated when received by the Bank, as set out in the relevant Confirmation.

“Deposit Date” means , in relation to each Deposit Plus deposit, the date on which such Deposit Plus deposit is made with the Bank in accordance with these Terms and Conditions, such date being a Business Day, as set out in the relevant Confirmation.

“Deposit Plus” means the deposits mentioned in Section IX.

“Digital Certificate” means a security certificate that is issued to each Customer Delegate by the Bank or a member of the HSBC Group, to be used in conjunction with a Password to enable the Customer to access the hsbc.com Site and/or Business Internet Banking and/or to effect Instructions.

“Direct Advice” means an Advice, relating to such types of transactions as may be specified by the Bank from time to time, issued or provided by the Bank in electronic form under the Service, including without limitation by facsimile.

“Direct Banking Service” means such support services as shall be made available to the Customer in connection with the Business Internet Banking Service from time to time.

“Disposal Account” means the account (for the purpose of this definition, including but not limited to the Account) maintained with the Bank nominated by the Customer for the purpose of holding funds which are not accepted as a SID Deposit or which are withdrawn from a SID Deposit.

“Disrupted Day” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“eAddress” means the email address or facsimile number that the Customer has last registered with the Bank at the time the Bank sends an eCorrespondence to the Customer, whether registered under the Service or in connection with other accounts, products or services offered by our Bank.

“eAdvice” means an Advice issued or provided by the Bank in electronic form under the Service, including without limitation a Direct Advice.

“Early Closure” means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

“Early Redemption” has the meaning set out in Section VIII Clause 3.2.

“eCorrespondence” means an eStatement and/or an eAdvice.

“Equity” in Section VIII Sub-Section (E) means Underlying Stock.

“Equity Basket” means the basket comprised of Component Equities of each Issuer as specified in the relevant Appendix of SID Deposit in the relative proportions or number of Component Equities of each Issuer as specified in the relevant Appendix of SID Deposit, subject to the provisions appearing in these Supplemental Terms and Conditions in relation to Component Equities.

“eStatement” means a Statement issued or provided by the Bank in electronic form under the Service.

“Exchange” in Section VIII Sub-Section (B), means, in respect of an Index relating to a SID Deposit, the principal stock exchange for the constituent stock of such Index determined conclusively by the Bank.

“Exchange” in Section VIII Sub-Section (E), means, in respect of an Equity or, as applicable, Component Equity, the principal stock exchange for such Equity or, as applicable, Component Equity, as determined conclusively by the Bank.

“Exchange Business Day” means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Bank) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Equity or, as applicable, Component Equity, on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Equity or, as applicable, Component Equity, on any relevant Related Exchange.

“Features” means the Services, rewards, benefits, privileges and the like that a Customer is able to enjoy under and/or in connection with an Account Package.

“Final Exchange Rate” means, in relation to each Deposit Plus deposit, the Relevant Rate as quoted by the Bank in good faith, as of approximately the Fixing Time on the Fixing Date.

“Final Price” means, in respect of an Equity or of an Equity Basket, the price per Unit as determined conclusively by the Bank as of the Valuation Time on the applicable Valuation Date, or as otherwise stated in the relevant Appendix of SID Deposit.

“Fixing Date” in Section VIII, in relation to a SID Deposit, means the date specified as such in the relevant Appendix of SID Deposit.

“Fixing Date” in Section IX, in relation of a Deposit Plus deposit, means the date specified as such in the relevant Confirmation.

“Fixing Time” means 2:00pm Hong Kong time.

“Futures and Options Exchange” in Section VIII Sub-Section (B), means, in respect of an Index relating to a SID Deposit, the principal exchange on which futures and options on the Index are traded determined conclusively by the Bank.

“Futures and Options Exchange” in Section VIII Sub-Section (E), means, in respect of an Equity or, as applicable, Component Equity, the principal exchange on which futures and/or options on that Equity or, as applicable, Component Equity, are traded, as determined by the Bank.

“FX Rate” means, in relation to each Deposit Plus deposit, the Relevant Rate prevailing at any particular time during the Observation Period as determined by the Bank, which rate shall be conclusive and binding for the purposes hereof save for manifest error.

“HKD” means Hong Kong dollars.

“Hexagon” means the HSBC Group’s computer-controlled global electronic banking system.

“Hexagon ABC” means the HSBC Group’s computer-controlled Automated Banking Connection system.

“Hong Kong” means the Hong Kong Special Administrative Region.

“HSBC Group” means HSBC Holdings plc and its subsidiary and associate undertaking, or any of their branches.

“Hsbc.com Site” means the HSBC portal through which the Customer access Business Internet Banking.

“Index” means a market index one or more levels of which are used for the purposes of the calculation of the Redemption Amount in respect of a SID Deposit as set out in the relevant Appendix and/or confirmation.

“Index Business Day” means, in respect of an Index relating to a SID Deposit, a Business Day which is, or but for the occurrence of a Market Disruption Event would have been, a trading day on each of the relevant Exchanges and the relevant Futures and Options Exchange or any successor exchange, other than a day on which trading on any such exchange is scheduled to close prior to its regular Business Day closing time.

“Initial Price” means, in respect of an Equity or of an Equity Basket, the price per Unit as stated in, or determined by the Bank in accordance with the relevant provisions in, the relevant Appendix of SID Deposit.

“Institution” means (i) any member of the HSBC Group (other than the Bank) and (ii) any third party financial institution which the Customer has notified to the Bank should be treated as an Institution for the purpose of these Terms and Conditions.

“Instruction(s)” means each and any Instruction given by any means or mediums as may be acceptable to the Bank from time to time and may include by fax, by telex, by telephone, via the automated teller machines, via point of sale terminals, via Business Internet Banking, by or via any other electronic means or mediums and/or by any other means or mediums as may be acceptable to the Bank from time to time.

“Interest Payment Date”, in relation to a SID Deposit, means the date or dates stated as such in the relevant Appendix of SID Deposit.

“Interest Period” means, in relation to each Deposit Plus deposit, the period from and including the Deposit Date to but excluding the Interest Period End Date relating to such Deposit Plus deposit.

“Interest Period End Date” means, in relation to each Deposit Plus deposit, the Maturity Date as specified in the relevant Confirmation (and for the purposes of this definition, no adjustment to the Maturity Date as contemplated in the definition of “Maturity Date” set out below shall be made).

“Interest Rate” in Section VIII Sub-Section (D), in relation to a SID Deposit and a SID Deposit Period, means the interest rate stated as such in the relevant Appendix of SID deposit (which can be zero).

“Interest Rate” in Section IX, in relation to a Deposit Plus deposit, means the interest rate specified in the relevant Confirmation.

“Interest Year” means the number of days in a year for the purpose of calculating the accrual of interest determined by the Bank by reference to the current market practice in Hong Kong in respect of the Deposit Currency.

“Interim Day Count” in Section VIII Sub-Section (B), means in relation to a fixing in respect of a SID Deposit, the number of days, Business Days (in the relevant location) or Index Business Days from (but excluding) the relevant scheduled fixing date to (and including) the relevant scheduled SID Deposit Date (or, as applicable, the relevant scheduled SID Maturity Date). Where the scheduled fixing date falls on the scheduled SID Deposit Date (or, as applicable, the scheduled SID Maturity Date), the Interim Day count shall be zero.

“Interim Day Count” in Section VIII Sub-Section (E), means in relation to a valuation in respect of a SID Deposit, the number of days, Business Days (in the relevant location) or Scheduled Trading Days or Exchange Business Days from (but excluding) the relevant Scheduled Valuation Date to (and including) the relevant scheduled SID Deposit Date (or, as applicable, the relevant scheduled SID Maturity Date). Where the Scheduled Valuation Date falls on the scheduled SID Deposit Date (or, as applicable, the scheduled SID Maturity Date), the Interim Day Count shall be zero.

“Investment Services” means the investment and custodian services to be provided under the Investment Services Account.

“Issuer” in Section VIII Sub-Section (E) means the issuer of the relevant Equity or, as applicable, Component Equity.

“Linked Currency” means, in relation to each Deposit Plus deposit, such currency other than the Deposit Currency selected by the Customer and agreed by the Bank in the relevant Confirmation.

“MPF Administrator” means HSBC Life (International) Limited or such other person as may be appointed to administer the MPF scheme concerned.

“Mace” means the unit weight of gold for transactions under these Terms and Conditions.

“Market Disruption Events” in Section VIII Sub-Section (B), means, in respect of an index relating to a SID Deposit, the occurrence or existence on any Index Business Day during the one-half hour period that ends at any relevant time for ascertaining the level of Index of any of the following events, in the good faith determination of the Bank; the suspension of or a material limitation in trading (by reason of movements in price exceeding limits permitted by the relevant exchange of otherwise) on (a) the relevant Exchange, or any successor exchange, in securities that comprise in the opinion of the Bank a material part of that Index, or (b) the relevant Futures and Options Exchange or any successor exchange, in options or futures contracts on such Index.

“Market Disruption Events” in Section VIII Sub-Section (E), means, in respect of an Equity or, as applicable, Component Equity, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Bank determines is material, at any time during the one hour period that ends at the Valuation Time on a Scheduled Trading Day, or (iii) an Early Closure.

“Master Account” means the Business Integrated Account maintained by the Customer with the Bank including, where the context requires, a reference to any and each of the Accounts opened under the Master Account.

“Maturity Date” means, in relation to each Deposit Plus deposit, the date of maturity of such Deposit as agreed by the Bank and the Customer and set out in the relevant Confirmation, or if such date is not a Business Day the next following date which is a Business Day; or otherwise as determined in accordance with these Terms and Conditions.

“Observation Period” in section IX, in relation to each Deposit Plus deposit, means the period from, and including, the start date to, and including, the end date specified for such period in the relevant Confirmation. Subject to anything contrary specified in the relevant Confirmation, an Observation Period shall commence at 2:00pm Hong Kong time on the start date, and end at 2:00pm Hong Kong time on the end date. *[N.B. No business day adjustment is being made to the end dates of an Observation Period]*

“OD Protection” has the meaning set out in Section III Clause 6.

“Online” means by way of Internet access to Business Internet Banking through the hsbc.com Site.

“Participation Rate” means the rate referred to in Section VIII Clause 6.

“Password” means any confidential password, phrase, code or number, or any other identification whether issued to the Customer or any Customer Delegate by the Bank or adopted by the Customer or any Customer Delegate (including any Business Internet Banking ID/User ID) which may be used to access the hsbc.com Site and/or Business Internet Banking and/or the Business Internet Banking Service and/or to effect Instructions.

“Password” in Section XVI means the password or personal identification number designated by either the Customer or the Bank (as the case may be) from time to time for accessing the eCorrespondence sent by email to the Customer’s eAddress.

“Person” includes, where the context requires, any public body and any body of persons, corporate or unincorporated.

“Phonebanking Service” means the services provided by the Bank to the Customer referred to in Section I Clause 9 which may be utilised by the Authorised Phonebanking Service User through the telephone.

“PIN” means the personal identification number for the time being established for the Customer(s) or Authorised Phonebanking Service User(s) for the purpose of identification of the Customer(s) or Authorised Phonebanking Service User(s) in giving instructions to the Bank by telephone or for use with the ATM Card, including any code number assigned to the Customer(s) or Authorised Phonebanking Service User(s) by the Bank and any number(s) subscribed by the Customer(s) or Authorised Phonebanking Service User(s) for that purpose.

“Prescribed Sum” means the fixed sum required for the purpose of repaying the Debit Balance in full and which must not exceed the Ceiling Amount.

“Primary User” means the Customer Delegate entrusted with responsibility for the initial Business Internet Banking portfolio registration and the Customer’s on-going use of Business Internet Banking as described in the Business Internet Banking Customer Guide.

“Redemption Amount” means the sum representing the original principal amount of a SID Deposit increased (or reduced, as applicable) in accordance with the relevant Supplemental Terms and Conditions and/or the relevant Appendix of SID Deposit.

“Related Exchange” means, in respect of an Equity or, as applicable, Component Equity, each exchange or quotation system where trading has a material effect (as determined conclusively by the Bank) on the overall market for futures or option contracts relating to such Equity or, as applicable, Component Equity.

“Relevant Price” means, in respect of an Averaging Date, unless otherwise specified in the relevant Appendix of SID Deposit the official closing price of the Unit or, as applicable, Component Equity, on the relevant Exchange on that Averaging Date.

“Relevant Rate” means:

- (i) in respect of a Table 1 Currency Pair, the amount of the relevant Linked Currency for one unit of the relevant Deposit Currency; and
- (ii) in respect of a Table 2 Currency Pair, the amount of the relevant Deposit Currency for one unit of the relevant Linked Currency;

“Table 1 Currency Pairs” means the following
Deposit Currency for Linked Currency pairs
(and a “Table 1 Currency Pair” means such a pair)

Deposit Currency	Linked Currency
AUD	USD
NZD	USD
EUR	USD
GBP	USD
USD	CHF
USD	JPY
USD	CAD
AUD	HKD
NZD	HKD
CAD	HKD
GBP	HKD
EUR	HKD
JPY	HKD
CHF	HKD

“Table 2 Currency Pairs” means the following
Deposit Currency for Linked Currency pairs
(and a “Table 2 Currency Pair” means such a pair)

Deposit Currency	Linked Currency
USD	AUD
USD	NZD
USD	EUR
USD	GBP
CHF	USD
JPY	USD
CAD	USD
HKD	AUD
HKD	NZD
HKD	CAD
HKD	GBP
HKD	EUR
HKD	JPY
HKD	CHF

Currency Code

AUD – Australian Dollar
NZD – New Zealand Dollar
JPY – Japanese Yen

EUR – Euro
CAD – Canadian Dollar
USD – US Dollar

HKD – Hong Kong Dollar
GBP – Pound Sterling
CHF – Swiss Franc

“Remittance Statement” means a statement showing the relevant income and amount of MPF contribution per employee (other than a casual employee in an industry scheme whose contribution is made on the next Business Day immediately after the relevant income is paid.)

“Reserved Amount” means the principal amount of the funds placed by the Customer with the Bank which subject to the terms hereof are intended to be placed as a SID Deposit on the relevant SID Deposit Date.

“Return” means the sum representing the return on a SID Deposit calculated and payable in accordance with the relevant Supplemental Terms and Conditions and/or the relevant Appendix.

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled Business Day closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Scheduled Trading Day” means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“Scheduled Valuation Date” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

“Secondary User” means a Customer Delegate appointed by the Primary User.

“Secured Assets” has the meaning set out in Section VI Clause 2.2.

“Secured Credit” has the meaning set out in Section VI Clause 1.1.

“Secured Indebtedness” has the meaning set out in Section VI Clause 2.2.

“Securities” means such stocks, shares, warrants, bonds, notes, derivative instruments, certificates of deposit, collective investment schemes and other interest commonly known as securities held or to be held in the nominee name of the Bank, or the Bank’s nominee which the Bank shall from time to time allow to be sold, purchased, transferred or deposited pursuant to these Terms and Conditions provided that the Securities must be beneficially owned by the Customer or jointly by each of the persons making up the Customer *where there is more than one.

“Securities Account” means any account maintained by the Customer under the Master Account for the safe-keeping and/or deposit of Securities.

“Security Code” means a one-time password generated by the Security Device for use by a Customer Delegate to access the hsbc.com Site and/or Business Internet Banking and/or certain Business Internet Banking Service.

“Security Device” means an electronic device designated by the Bank for use by each Customer Delegate to generate the Security Code.

“Services” means any one or more of the services made available to the Customer under the Master Account at any time and from time to time including without limitation credit facilities, and Account services.

“Service” in Section XVI means the eCorrespondence service provided by the Bank under which eStatements and eAdvice are provided.

“SID Deposit” means one of the types of investment which the Bank makes available from time to time as a Structured Investment Deposit in accordance with the relevant terms hereof (including without limitation a CPI Deposit).

“SID Deposit Date”, in relation to a SID Deposit and a SID Deposit Period, means the Business Day which is the first day of such SID Deposit Period as set out in the relevant confirmation, subject to the provisions hereof.

“SID Deposit Period” means the period of a SID Deposit being the period from, and including, its SID Deposit Date to, but excluding, its SID Maturity Date.

“SID Maturity Date”, in relation to a SID Deposit and a SID Deposit Period, means the date set out as such in the relevant confirmation (subject to the provisions hereof) or, if such date is not a Business Day, the next following date which is a Business Day, and on which, subject to the terms applicable thereto, the SID Deposit is repayable together with any Return or any Redemption Amount in respect of the SID Deposit is payable.

“SID Terms and Conditions” means the Structured Investment Deposit Terms and Conditions of the Bank from time to time.

“Sponsor” means the person calculating and announcing the relevant Index.

“Statement” means any statement, report, message, record, confirmation, receipt, acknowledgement, notice or communication in respect of or in relation to one or more Account(s) or of the products and services offered by the Bank, as from time to time issued or provided by the Bank in paper form.

“Supplemental Terms and Conditions” means the supplemental terms and conditions for Index-Linked CPI Deposits or Currency-Linked CPI Deposits (as the case may be) as set out in Section VIII.

“Telecommunications equipment” shall include references to facsimile machines, mobile telephones, laptop computers, desktop PCs, pocket PCs, personal digital assistants and any other electronic media and/or equipment used to receive the Service as the case may be.

“Telephone Instructions” means instructions of the Customer and/or the Debit Accountholder given by the Authorised Phonebanking Service User by telephone.

“Terms and Conditions” means these terms and conditions as amended from time to time.

“Third Account” means a HKD Current or Savings account of the Customer other than the Business Integrated Savings and Current Account that can be accessed and operated by the ATM Card.

“Trading Disruption” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Equity or, as applicable, Component Equity, on the Exchange, or (ii) in futures or options contracts relating to the Equity or, as applicable, Component Equity, on any relevant Related Exchange.

“Transfer Time” means such time of the day designated by the Bank from time to time to effect the transfer of the Prescribed Sum from the Savings Account to the Current Account.

“Trigger Rate” means, in relation to each Deposit Plus deposit, the Relevant Rate specified in the relevant confirmation.

“Underlying Stock” means shares or securities, as specified in the relevant Appendix of SID Deposit.

“Unit” in Section VIII Sub-Section (E) means (i) one share or other security which is the relevant Equity in respect of an Equity-linked Deposit and (ii) one Equity Basket which is the subject-matter of an Equity Basket-linked Deposit.

“Valid Date” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur.

“Valuation Date” means, subject to the provisions relating to Disrupted Days, each date specified as such in the relevant Appendix of SID Deposit or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).

“Valuation Time” means the time on the relevant Valuation Date or Averaging Date, as the case may be, as specified in the relevant Appendix of SID Deposit or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the case may be, in relation to the Equity or, as applicable, Component Equity, to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

Appendix II

Notice to Customers relating to the Personal Data (Privacy) Ordinance (the "Ordinance")

- (a) From time to time, it is necessary for customers to supply the Bank with data in connection with the opening or continuation of accounts and the establishment or continuation of banking facilities or provision of banking services or compliance with any laws or guidelines issued by regulatory or other authorities.
- (b) Failure to supply such data may result in the Bank being unable to open or continue accounts or establish or continue banking facilities or provide banking services or comply with any laws or guidelines issued by regulatory or other authorities.
- (c) It is also the case that data are collected from customers in the ordinary course of the continuation of the banking relationship, for example, when customers write cheques, deposit money or apply for credit. This includes information obtained from Credit Reference Agencies.
- (d) The purposes for which data relating to a customer may be used are as follows:
 - (i) the daily operation of the services and credit facilities provided to customers;
 - (ii) conducting credit checks (including without limitation upon an application for consumer credit and upon periodic review of the credit);
 - (iii) creating and maintaining the Bank's credit and risk related models;
 - (iv) assisting other financial institutions to conduct credit checks and collect debts;
 - (v) ensuring ongoing credit worthiness of customers;
 - (vi) designing financial services or related products for customers' use;
 - (vii) marketing services or products of the Bank and/or selected companies;
 - (viii) determining the amount of indebtedness owed to or by customers;
 - (ix) collection of amounts outstanding from customers and those providing security for customers' obligations;
 - (x) meeting the requirements to make disclosure under the requirements of any law binding on the Bank or any of its branches or under and for the purposes of any guidelines issued by regulatory or other authorities with which the Bank or any of its branches are expected to comply;
 - (xi) enabling an actual or proposed assignee of the Bank, or participant or sub-participant of the Bank's rights in respect of the customer to evaluate the transaction intended to be the subject of the assignment, participation or sub-participation; and
 - (xii) purposes relating thereto.
- (e) Data held by the Bank relating to a customer will be kept confidential but the Bank may provide such information to the following parties (whether within or outside the Hong Kong Special Administrative Region) for the purposes set out in paragraph (d):
 - (i) any agent, contractor or third party service provider who provides administrative telecommunications, computer, payment or securities clearing or other services to the Bank in connection with the operation of its business;
 - (ii) any other person under a duty of confidentiality to the Bank including a group company of the Bank which has undertaken to keep such information confidential;

- (iii) the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;
 - (iv) a person making any payment into the customer's account (by providing a copy of a deposit confirmation slip which may contain the name of the customer);
 - (v) credit reference agencies, and, in the event of default, to debt collection agencies;
 - (vi) any person to whom the Bank is under an obligation to make disclosure under the requirements of any law binding on the Bank or any of its branches or under and for the purposes of any guidelines issued by regulatory or other authorities with which the Bank or any of its branches are expected to comply;
 - (vii) any actual or proposed assignee of the Bank or participant or sub-participant or transferee of the Bank's rights in respect of the customer.
 - (viii) to selected companies for the purpose of informing customers of services which the Bank believes will be of interest to customers. In connection with (v) above, in the event of any default in payment where the amount in default is not fully repaid before the expiry of 60 days as measured by the Bank from the date such default occurred, the customer is liable to have his account data retained by the credit reference agency at least until the expiry of 5 years from the date of final settlement of the amount in default before the right referred to in (f)(v) below may be exercised.
- (f) Under and in accordance with the terms of the Ordinance and the Code of Practice on Consumer Credit Data approved and issued under the Ordinance, any individual has the right:
- (i) to check whether the Bank holds data about him and of access to such data;
 - (ii) to require the Bank to correct any data relating to him which is inaccurate;
 - (iii) to ascertain the Bank's policies and practices in relation to data and to be informed of the kind of personal data held by the Bank;
 - (iv) in relation to consumer credit, to request to be informed which items of data are routinely disclosed to credit reference agencies or debt collection agencies, and be provided with further information to enable the making of an access and correction request to the relevant credit reference agency or debt collection agency; and
 - (v) (except where the consumer credit applied for involves a residential mortgage loan) upon satisfactory termination of the credit by full repayment and on condition that there has been, within 5 years immediately before such termination, no material default under the credit as determined by the Bank, to instruct the Bank to make a request to the relevant credit reference agency to delete from its database any account data relating to the terminated credit.
- (g) In accordance with the terms of the Ordinance, the Bank has the right to charge a reasonable fee for the processing of any data access request.

- (h) The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed as follows:

The Data Protection Officer
The Hongkong and Shanghai Banking Corporation Limited
P O Box 72677
Kowloon Central Post Office
Hong Kong
Facsimile: 2288 5922
E-mail: dfv.enquiry@hsbc.com.hk

- (i) Nothing in this Notice shall limit the rights of customers under the Personal Data (Privacy) Ordinance

Note: In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.