

“MAXIINTEREST” INVESTMENT DEPOSIT Terms and Conditions

1 General

Hang Seng "MaxiInterest" Investment Deposits ("the Deposit") are accepted on the basis that the Customer has read, understood and agreed to these Terms and Conditions and understood that earnings on the Deposit are limited to the nominal interest payable. As the Deposit and its earnings will be paid in the Deposit Currency or the Linked Currency, whichever has depreciated against the other, the Customer will bear the potential losses due to depreciation. If the Deposit is withdrawn before maturity, the Customer will also have to bear the costs involved. Such losses and costs may reduce the earnings and the principal amount of the Deposit. The Customer should seek professional advice where necessary. These Terms and Conditions, the latest version of which is displayed in the Bank's branches or is available on request, are subject to alteration.

2 Applicability of Terms and Conditions

- 2.1 The placing and operation of the Deposit shall, in addition to these Terms and Conditions, be subject to the Bank's "Account Rules – General" and "Account Rules – Term (Time and Call) and Swap Deposits" (collectively, the "General Account Rules") and (if the Deposit Currency of the Deposit is Renminbi) the terms and conditions (which shall include any information relating to the Renminbi Account issued by the Bank from time to time) governing the Renminbi Account ("Renminbi Account Terms and Conditions"). Where there is any inconsistency between these Terms and Conditions, the General Account Rules and (if applicable) the Renminbi Account Terms and Conditions, these Terms and Conditions shall prevail. Where there is any inconsistency between the General Account Rules and (if applicable) the Renminbi Account Terms and Conditions, the Renminbi Account Terms and Conditions shall prevail.
- 2.2 If the Customer is a holder of an Integrated Account and the Deposit is booked under the Customer's Integrated Account, the Deposit shall constitute a Sub-account of the Customer's Integrated Account and shall be subject to these Terms and Conditions and the Terms and Conditions applicable to the Integrated Account ("Integrated Account Terms and Conditions"). If the Deposit Currency of a Deposit is Renminbi, such Deposit shall also be subject to the terms and conditions (which shall include any information relating to the Renminbi Account issued by the Bank from time to time) governing the Renminbi Account ("Renminbi Account Terms and Conditions") in force from time to time. Expressions defined in the Terms and Conditions applicable to the Integrated Account shall have the same meanings when used in these Terms and Conditions unless otherwise defined in these Terms and Conditions. Where there is any inconsistency between these Terms and Conditions, the Integrated Account Terms and Conditions and (if applicable) the Renminbi Account Terms and Conditions, these Terms and Conditions shall prevail. Where there is any inconsistency between the Integrated Account Terms and Conditions and (if applicable) the Renminbi Account Terms and Conditions, the Renminbi Account Terms and Conditions shall prevail.

3 The Deposit

- 3.1 The Customer agrees to place the Deposit with the Bank in the Deposit Currency and at the Principal Amount for the Deposit Period.
- 3.2 Funds in respect of the Deposit must be received before the Cut-off Time. Once funds have been received for the purposes of making the Deposit, they may not be withdrawn prior to the Maturity Date except in accordance with Clause 4 below.
- 3.3 The Bank reserves the right, in its sole discretion, on or before the Deposit Date not to accept any funds received (or to accept only part of such funds) as the Deposit in respect of the Deposit Period. In such event, the Bank will notify the Customer as soon as practicable and any funds received but not accepted as the Deposit will be paid to such account as notified by the Customer or, if the Bank has not been notified of such account or such account notified by the Customer has ceased to be operative, to any account for the Customer as the Bank shall in its absolute discretion determine.
- 3.4 Persons intending to place the Deposit may be required to complete an application form from time to time provided by the Bank for such purpose and return such application form, duly completed, to the Bank within such time and by such means as the Bank may require for such Deposit. The Bank has an absolute discretion to accept or reject in whole or in part any application for placing the Deposit before the Deposit Date. The Bank shall have the right, at its discretion and at any time, to change any procedure or otherwise prescribe alternative or new procedures for receiving application from any potential depositor in respect of any Deposit or accept any application which has been made in any manner or by any means other than that prescribed by the Bank.

4 Early Withdrawal

- 4.1 The Deposit may not be withdrawn before the Maturity Date without the approval in writing of the Bank, which may be granted or withheld in the Bank's sole and absolute discretion and on such terms and conditions as the Bank may then determine.
- 4.2 The Customer acknowledges that the Bank and its affiliates may enter into one or more hedging transactions or other arrangements relating to the Deposit. If the Bank allows the Deposit to be withdrawn prior to the Maturity Date, the Bank shall be entitled to deduct any costs, losses and damages which are incurred by the Bank and its affiliates, using its reasonable efforts, in discharging any such related hedge or other arrangement from the Principal Amount or other amounts (if any) in relation to the Deposit which are otherwise payable to the Customer. In the event that such Principal Amount or other amounts (if any) are insufficient to indemnify or reimburse the Bank in respect of such costs, losses and damages, the Bank shall be entitled to claim from the Customer the amount of the remaining costs, losses and damages and to exercise its rights of set-off under these Terms and Conditions or otherwise in respect of any other sums due from the Bank or its affiliates to the Customer in respect of the Deposit or otherwise.
- 4.3 Any payments of Principal Amount or other amounts (if any) to the Customer by the Bank upon the withdrawal of the Deposit prior to the Maturity Date will be determined solely by the Bank, and payment by the Bank will be dependent upon the Bank's ability to successfully discharge any related hedge or arrangement.
- 4.4 No partial early withdrawal will be permitted at any time.

4a Early Termination

If the Bank in its sole and absolute discretion determines that:

- (i) the Linked Currency has depreciated substantially against the Deposit Currency; and/or
- (ii) adverse and/or abnormal market conditions exist in the relevant foreign exchange market(s) of either or both of the Deposit Currency and the Linked Currency; and/or

(iii) the Customer has breached or is not in compliance with any of these terms and conditions and/or any other applicable terms and conditions,

the Bank may (but is not obliged to) at any time thereafter designate a date as the new Maturity Date for the Deposit whereupon such date shall be the Maturity Date for the Deposit for all purposes and all other terms in these Terms and Conditions shall be construed accordingly. Such determination and designation of the new Maturity Date by the Bank shall be conclusive and binding on the Customer and, unless otherwise agreed in writing, the Bank does not, and shall not, have any obligation or responsibility whatsoever to notify or provide any warning to the Customer in advance of any determination, designation or other action or potential action by the Bank under this Clause. For the avoidance of doubt, the Bank's right to accelerate the Deposit under this Clause shall be continuing and shall not be prejudiced or limited or otherwise lost even where, before the exercise of that right, one or more of the events specified in (i), (ii) or (iii) above has ceased to be operating.

5 Interest

5.1 Interest shall accrue on the Principal Amount of the Deposit at the Interest Rate during the Deposit Period and shall be calculated on the basis of the actual number of days elapsed in the Deposit Period divided by the applicable day count convention for the Deposit Currency.

5.2 The Interest Amount shall be subject to all applicable withholding taxes and shall be payable in arrear in accordance with Clause 6.

6 Payment to Customer on Maturity Date

6.1 On the Maturity Date or, if such day is not a Business Day, the Business Day immediately following the Maturity Date, the Redemption Amount (as defined below) will be paid to such account as notified by the Customer to the Bank (such notification to be given at least two Business Days prior to the Maturity Date) or, if the Bank has not been notified of such account or such account notified by the Customer has ceased to be operative, to any account for the Customer as the Bank shall in its absolute discretion determine. The Bank shall not be responsible for any loss or damage suffered by the Customer for any delay in effecting the said payment if the notice is not received within the time period stipulated herein.

6.2 For the purposes of this Clause:

(a) where the Initial Exchange Rate and the Final Exchange Rate are expressed as a rate representing the amount of Deposit Currency for which a given amount of Linked Currency can be exchanged, the "Redemption Amount" means

(i) if the Final Exchange Rate is less than the Initial Exchange Rate, an amount in Linked Currency representing the aggregate of the Principal Amount and the Interest Amount as converted into the Linked Currency at the Initial Exchange Rate; or

(ii) if the Final Exchange Rate is greater than or equal to the Initial Exchange Rate, the aggregate of the Principal Amount and the Interest Amount in the Deposit Currency; and

(b) where the Initial Exchange Rate and the Final Exchange Rate are expressed as a rate representing the amount of Linked Currency for which a given amount of Deposit Currency can be exchanged, the "Redemption Amount" means

(i) if the Final Exchange Rate is greater than the Initial Exchange Rate, an amount in Linked Currency representing the aggregate of the Principal Amount and the Interest Amount as converted into the Linked Currency at the Initial Exchange Rate; or

(ii) if the Final Exchange Rate is less than or equal to the Initial Exchange Rate, the aggregate of the Principal Amount and the Interest Amount in the Deposit Currency.

(c) (Only applicable for "MaxiInterest" Investment Deposit - European Airbag)

where the Initial Exchange Rate, Safety Line Exchange Rate and the Final Exchange Rate are expressed as a rate representing the amount of Deposit Currency for which a given amount of Linked Currency can be exchanged, the "Redemption Amount" means

(i) if the Final Exchange Rate is less than Safety Line Exchange Rate, an amount in Linked Currency representing the aggregate of the Principal Amount and the Interest Amount as converted into the Linked Currency at the Initial Exchange Rate; or

(ii) if the Final Exchange Rate is greater than or equal to Safety Line Exchange Rate, the aggregate of the Principal Amount and the Interest Amount in the Deposit Currency; and

(d) (Only applicable for "MaxiInterest" Investment Deposit - European Airbag)

where the Initial Exchange Rate, Safety Line Exchange Rate and the Final Exchange Rate are expressed as a rate representing the amount of Linked Currency for which a given amount of Deposit Currency can be exchanged, the "Redemption Amount" means

(i) if the Final Exchange Rate is greater than Safety Line Exchange Rate, an amount in Linked Currency representing the aggregate of the Principal Amount and the Interest Amount as converted into the Linked Currency at the Initial Exchange Rate; or

(ii) if the Final Exchange Rate is less than or equal to Safety Line Exchange Rate, the aggregate of the Principal Amount and the Interest Amount in the Deposit Currency.

6.3 In the event that the Maturity Date is not a Business Day, interest shall accrue on the Redemption Amount for the period commencing on, and including, the Maturity Date and ending on, but excluding, the Business Day immediately following the Maturity Date at the then prevailing rate of interest applicable to the account to which the Customer has notified the Bank for payment of the Redemption Amount or, if the Customer has not notified the Bank of such account or that such account notified by the Customer has ceased to be operative, the account to which the Bank has, in its absolute discretion, decided to pay the Redemption Amount. Such interest shall be paid by the Bank to the Customer in accordance with the terms and conditions applicable to the account to which the Redemption Amount has been paid.

7 Fees

The Bank reserves the right to impose service fees, facility fees and/or other fees or 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) which may be applicable from time to time.

8 Indemnification and Limitation on Liabilities

8.1 The Customer undertakes to indemnify and hold harmless the Bank against any losses, liabilities or costs which the Bank may incur and against any claims, actions or demands which may be asserted against the Bank arising out of any misrepresentation in or breach of, or failure to perform, the representations, warranties and agreements by the Customer contained in these Terms and Conditions. This indemnity will be in addition to any liability which the Customer may otherwise have.

8.2 The Bank shall not be responsible for liability, loss or damage which may be caused by the Bank acting in accordance with applicable laws, regulations or rules (including, without limitation, rules and regulations of the various payment systems), or with the terms of the Bank's agreements with other banks or financial institutions regarding the transaction of business with those banks or institutions notwithstanding that the Customer may have given instructions to the contrary.

8.3 The Bank shall not be liable to the Customer for any action taken or not taken by the Bank under these Terms and Conditions unless directly caused by the Bank's gross negligence or willful misconduct.

8.4 No person other than the Customer and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these Terms and Conditions.

9 Representations

The Customer represents and warrants that:

- (a) it has such knowledge and experience in financial, business and tax matters that renders it capable of evaluating the merits and risks of the transaction contemplated herein;
- (b) after appropriate independent investigations, the transaction contemplated herein is suitable for it;
- (c) the Bank does not act as an investment adviser or as any other adviser to the Customer;
- (d) the Bank has not made, and shall not be deemed to have made, any representations or recommendations whatsoever and howsoever to the Customer;
- (e) it has the power to execute the transaction contemplated herein and to perform its obligations under the transaction contemplated herein and has taken all necessary action to authorise such execution delivery and performance;
- (f) neither its execution and delivery of any document, nor its performance of its obligations under the transaction contemplated herein will violate (i) any law, regulation, decree or legal restriction applicable to it or any order or judgment of any court or other agency of government applicable to it or any of its assets (ii) any provision of its constitutional documents or (iii) the terms of any material agreement to which it or any of its assets is subject;
- (g) it has obtained all applicable governmental or other regulatory consents that are required to be obtained by it in respect of its entry into, and performance of, the transaction contemplated herein, all such consents are in full force and effect and any conditions of such consents have been satisfied; and
- (h) it is entering into the transaction contemplated herein as principal and not as agent of any person.
- (i) notwithstanding any information and explanation given in respect of any transaction contemplated herein and the Terms and Conditions herein, Customer is not relying on any communication (written or oral) of the Bank as investment advice, as recommendation to enter into any transaction contemplated herein, or otherwise as any assurance of the earnings on any transaction contemplated herein. Customer shall consider the suitability of his/her entering to a transaction contemplated herein in the light of the risks involved. The Bank is not acting as a fiduciary for or an adviser to the Customer in respect of any transaction contemplated herein.

10 Set-off

- 10.1 In addition to any rights of set-off the Bank may have as a matter of law or otherwise, the Bank will have the right (but will not be obliged) without prior notice to the Customer or any other person to set off or apply any obligation of the Customer owed to the Bank (whether or not matured or contingent and whether or not arising under these Terms and Conditions, and regardless of the currency, place of payment or booking office of the obligation) against any obligation of the Bank owed to the Customer (whether or not matured or contingent and whether or not arising under these Terms and Conditions, and regardless of the currency, place of payment or booking office of the obligation).
- 10.2 For the purpose of cross-currency set-off, the Bank may convert either obligation at the applicable market exchange rate selected by the Bank on the relevant date. If an obligation is unascertained, the Bank may in good faith estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

11 Tax

The amount of tax, if any, deducted from the Redemption Amount or any other amounts (if any) payable hereunder will be advised to the Customer each time the Redemption Amount or any other amount (if any) is paid. The Customer shall be solely liable for any taxes or duties (if any) payable on or in respect of the Deposit.

12 Transferability

The Deposit and the benefits of the Customer hereunder are not transferable without the written consent of the Bank, which may be granted or withheld in its sole discretion.

13 Waiver

No act or omission by the Bank shall affect its rights, powers or remedies under these Terms and Conditions or any further or other exercise of such rights, powers or remedies.

14 Law and Jurisdiction

- 14.1 The liabilities of the Bank in respect of the Deposit are limited exclusively to an office of the Bank in Hong Kong and instructions in respect of the Deposit may only be made to, and acted upon by, such office. Any amount relating to the Deposit is payable exclusively by an office of the Bank in Hong Kong and in its stated currency.
- 14.2 These Terms and Conditions are governed by, and shall be construed in accordance with, the laws of Hong Kong.
- 14.3 The Customer hereby agrees for the benefit of the Bank, and without prejudice to the right of the Bank to take proceedings before any other court of competent jurisdiction, that the courts of Hong Kong shall have jurisdiction to hear and determine any suit, action or proceeding that may arise under these Terms and Conditions or in connection with these Terms and Conditions and for such purposes irrevocably submits to the jurisdiction of such courts.

15 Interpretation

15.1 Unless the context otherwise requires, the terms and expressions used herein shall bear the following meanings:

"**American**" means the observation of the performance of the relevant exchange rate from Deposit Date to Final Exchange Rate Fixing Date (both dates inclusive);

"**Bank**" means Hang Seng Bank Limited and extends to the Bank's successors and assigns;

"**Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong and, in the case of payment by the Bank under these Terms and Conditions, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre for the relevant currency in which payment is to be made;

"**Customer**" means the person or persons making the Deposit and extends to the Customer's successors and assigns. Where the Customer comprises two or more persons (persons to include individuals, associations, companies and the partners of a named partnership) (i) any reference to the Customer shall be deemed to refer to each such person individually, (ii) any act or omission of one shall be deemed the act or omission of them all, (iii) they shall be jointly and severally liable to the Bank for the obligations of the Customer under these Terms and Conditions, (iv) any communication required to be made to the Customer may be sent to the address last known to the Bank of any one or more of such persons, and (v) any notice to be served on the Customer under these Terms and Conditions shall be validly served if served on any one of them. Where the Customer comprises a partnership, the expression shall include the person or persons from time to time carrying on the business of that partnership;

"**Cut-off Time**" means such time determined by the Bank and notified to the Customer to be the latest time on the Deposit Date by which the Bank must receive the funds for the Deposit;

"**Deposit**" means the Hang Seng "MaxiInterest" Investment Deposit agreed to be placed by the Customer on these Terms and Conditions;

"Deposit Currency" means the currency in which the Deposit is placed with the Bank which shall be an Eligible Currency other than the Linked Currency;

"Deposit Date" means a date agreed between the Bank and the Customer being the first Business Day on which the Deposit shall commence;

"Deposit Period" means the period for the Deposit agreed between the Customer and the Bank commencing on, and including, the Deposit Date and ending on, but excluding, the Maturity Date;

"Deposit Rate" means the fixed time deposit rate of the Deposit Currency when Customer subscribe the Deposit, and such rate is provided to Customer as reference that the Interest Rate of the Deposit is based on such Deposit Rate plus Premium Rate;

"Eligible Currency" means such currency as may be determined by the Bank from time to time;

"European" means the observation of the performance of the relevant exchange rate on the Final Exchange Rate Fixing Date;

"Final Exchange Rate" means the rate of conversion between the Deposit Currency and the Linked Currency on the Final Exchange Rate Fixing Date as determined by the Bank and notified to the Customer. For the avoidance of doubt, for Deposit involving Renminbi, the Final Exchange Rate refers to the exchange rate between offshore Renminbi and the other currency;

"Final Exchange Rate Fixing Date" means the Maturity Date of the Deposit, or such other Business Day as may be determined by the Bank (as the case may be);

"Fixing Rate" means the relevant exchange rate determined by the Bank on Deposit Date based on the relevant Reuters page and time specified in the documents issued to the Customer, otherwise determined by the Bank at the time as agreed between the Bank and the Customer;

"Initial Exchange Rate" means the rate of conversion between the Deposit Currency and the Linked Currency on the Deposit Date as determined by the Bank and agreed by the Customer. For the avoidance of doubt, for Deposit involving Renminbi, the Initial Exchange Rate refers to the exchange rate between offshore Renminbi and the other currency;

"Integrated Account" means any account maintained by the Customer with the Bank and designated by the Bank from time to time as an Integrated Account;

"Interest Amount" means the amount of interest determined by the Bank and agreed by the Customer to be payable on the Deposit in respect of the Deposit Period;

"Interest Rate" means the interest rate determined by the Bank and agreed by the Customer to be the interest rate applicable to the Deposit;

"Knock-out Level" means the level determined by the Bank that if the relevant exchange rate (for the avoidance of doubt, for Deposit involving Renminbi, the relevant exchange rate refers to the exchange rate between offshore Renminbi and the other currency) on a specified date has triggered such level, subject to the terms and details in the relevant document issued to Customer, the Deposit shall be early matured;

"Linked Currency" means the currency agreed between the Customer and the Bank to be the alternative currency linked to the Deposit which shall be an Eligible Currency other than the Deposit Currency;

"Maturity Date" means the date agreed between the Customer and the Bank to be the maturity date for the Deposit, subject to the Bank's determination in accordance with Clause 4a;

"Minimum Deposit Amount" means such amount as determined by the Bank from time to time to be the minimum amount for a deposit to be made under these Terms and Conditions;

"Premium Rate" means the rate that Customer will receive in addition to the Deposit Rate upon maturity of the Deposit, and such rate is provided to Customer as reference that the Interest Rate of the Deposit is based on the Deposit Rate plus such Premium Rate;

"Principal Amount" means the principal amount of the Deposit which must not be less than the Minimum Deposit Amount;

"Renminbi Account" means, the Renminbi Account maintained by the Customer with the Bank;

"Safety Line Exchange Rate" means the level (expressed as the rate of conversion between the Deposit Currency and the Linked Currency) determined by the Bank that if the relevant exchange rate on a specified date has triggered such level, subject to the terms and details in the relevant document issued to Customer, the currency for settlement of the Deposit may be different. For the avoidance of doubt, for Deposit involving Renminbi, the relevant level and exchange rate refer to the rate of conversion and exchange rate between offshore Renminbi and the other currency respectively; and

15.2 In the event of any discrepancy between the English and the Chinese versions of these Terms and Conditions, the English version shall prevail.

16 Use of data

To enable the Bank to consider whether to provide the Customer with any services under these Terms and Conditions, the Customer is required to supply to the Bank from time to time personal data and/or other information of the Customer and, where applicable, any director, authorized signatory and/or other office or representative of the Customer (the "Data") and failure to do so may result in the Bank's inability to provide such service. 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 details and all information relating to transactions or dealings with the Bank will be used in connection with the provision of such service to the Customer.

The Customer acknowledges and agrees (for and on behalf of the Customer and, where applicable, each director, authorized signatory and/or other officer or representative to the Customer) that

- (i) all Data and information relating to the Customer and an individual which are provided by the Customer and/or such individual at the request of the Bank or collected in the course of dealings between the Customer or such individual and the Bank may be held, used, processed and disclosed by the Bank for such purposes and to such persons in accordance with the Bank's policies on use and disclosure of personal data as set out in statements, circulars, notices or terms and conditions made available by the Bank to Customers and other individuals from time to time;
- (ii) the Data may be disclosed to, or held, used and processed by any debt collection agency, credit reference agency or similar service provider for purpose of verifying such Data or enabling them to provide such Data to other institutions: (a) in order that they may carry out credit and other status checks; and (b) to assist them to collect debts;
- (iii) the Bank may transfer the Data outside the Hong Kong Special Administrative Region, conduct matching procedures (as defined in the Personal Data (Privacy) Ordinance) using the Data and such other personal data and information relating to the Customer and/or relevant individual, and provide banker's or credit reference in respect of the Customer and/or such individual.

The Customer has the right to request access to and correction of any of the Data or to request the Data not to be used for direct marketing purpose. Any request may be made in writing and addressed to the Data Protection Officer of Hang Seng Bank Limited, 83 Des Voeux Road Central, Hong Kong or by facsimile at such facsimile number as the Bank may from time to time prescribe. The Bank will comply with such request unless the Bank may or is required to refuse to do so under the applicable law and regulations.