

This Currency Switching Service is offered by the Bank subject to these Terms and Conditions and the Integrated Accounts General Terms and Conditions. These Terms and Conditions are supplemental to and form part of the Integrated Accounts General Terms and Conditions. Unless otherwise specified, terms defined in the Integrated Accounts General Terms and Conditions shall have the same meanings when used in these Terms and Conditions. Where there is any inconsistency between these Terms and Conditions and the Integrated Accounts General Terms and Conditions, these Terms and Conditions shall prevail insofar as this Currency Switching Service is concerned.

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.

1. Currency Switching Service

1.1 The Bank is hereby appointed and authorised to provide to the Customer the following Currency Switching Service subject to these Terms and Conditions (the "Currency Switching Service") 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 Hong Kong Dollars Savings Account, the Foreign Currency Savings Account and/or the Hong Kong Dollar Current Account maintained by the Customer under the Integrated 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;

(b) to apply any and all Available Balance 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 Integrated 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 Terms and Conditions, 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 purchased by the Customer;

(b) any minimum or maximum amount which the Customer may elect to debit pursuant to the Currency Switching Service;

(c) the timing and frequencies at which debits may be made pursuant to election by the Customer;

(d) the criteria determining the availability and amount of Available Balance (the "Amount Criteria") which the Customer may elect;

(e) the criteria determining whether actual debits 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 Amount Criteria elected by the Customer to the relevant account to determine the Available Balance;

(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 debit shall be made to effect a purchase; and

(h) any minimum or maximum number of debit instructions which the Customer may set up under the Currency 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 debit instruction of the Customer if:

(a) an overdraft will arise in the relevant account after debiting the amount of Available Balance determined in accordance with Clause 2.5 due to any decrease in the credit balance in the account after determining the amount of Available Balance; or

(b) there are any irregularities concerning the relevant account, any contradictory or unclear Instructions being given or other technical or operational reasons not to act on the debit instruction.

2. Amount Criteria and Exchange Rate Criteria

2.1 The Bank may prescribe Amount 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 Amount 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 Amount Criteria or Exchange Rate Criteria elected by the Customer and/or to cancel any debit 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.

2.4 Subject to the agreement of the Bank, the Customer may elect a fixed debit amount or a variable debit amount. By electing a fixed debit amount, no debit shall be made by the Bank for the Customer unless the Available Balance elected by the Customer to be debited is available in full after the Amount Criteria are satisfied at the time the Bank applies the Amount Criteria to the relevant account. By electing a variable debit amount, the Bank shall debit any and all of the Available Balance after the Amount Criteria are satisfied at the time the Bank applies the Amount Criteria to the relevant account.

2.5 Whether there is any Available Balance in the relevant account and the amount of each Available Balance to be debited shall be determined by the Bank at the time the Bank applies the Amount Criteria elected by the Customer to the account against the day-end balance in the account on the previous Business Day as reflected in the Bank's records. Subject to Clause 1.3(a), the availability and amount of each Available Balance shall not be affected by any variation in the credit balance in the account which may occur before or after such application. The Bank shall not be under any obligation to ensure that the credit balance in the relevant account after making the debit exceeds any amount.

2.6 If the day on which the Bank is:

(a) to apply the Exchange Rate Criteria to determine whether any debit and purchase shall be made; or

(b) to make any debit 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 Currency 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 Currency Switching Service and to revise such fees which shall become effective subject to the Bank's notice to the Customer (for a period of 30 days for any revision affecting fees and charges unless such revision is not within the control of the Bank whereupon the Bank will give such reasonable period of notice as the Bank may prescribe). 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 Currency 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 Currency 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 and only to the extent of direct and reasonable foreseeable loss.

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 Currency 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 only to the extent of direct and reasonably foreseeable loss and damage and this indemnity shall continue despite the termination of the Currency Switching Service and/or these Terms and Conditions.

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 Currency Switching Service which shall become effective subject to the Bank's notice to the Customer (and the Bank shall give 30 days notice of any variation affecting liabilities or obligations of the Customer and reasonable period of notice as the Bank prescribe for any other variation).

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

7. Joint Accounts

7.1 Where the Integrated Account is in the name of more than one person, the Bank is authorized to act on Instructions of any one of them in respect of Telephone Instructions and/or Internet Instructions which are delivered or transmitted to the Bank in accordance with the applicable authorization arrangements for that mode of communication or form of Instructions and such Instruction shall be binding on all the account holders in all respects notwithstanding that any of the account holders does not use such mode of communication or form of Instructions.