



Account Rules

I. General (applicable to all accounts)

1. In connection with the opening, operation and closing of an account, the customer shall complete, sign and be bound by the terms of such documents as the Bank may require and shall provide the Bank with such other documents as the Bank may require.
2. The Bank shall be entitled to prescribe:
 - i. minimum and maximum amounts or balances in respect of the opening, operation and closing of accounts;
 - ii. any kind of interest payment whether positive or negative interest, the amount or balance threshold for any account or deposit that renders interest payable by the Bank or the customer, and the interest payment terms;
 - iii. charges and commissions payable in respect of the operation of accounts (including, without limitation, any account carrying an unclaimed balance which has been transferred to the Bank's unclaimed balance account pursuant to Rule 14); and
 - iv. the available periods in the case of term deposit accounts.The interest, charges, commissions and fee payable from time to time will be set out at the Bank's website at www.hangseng.com.
3. All inward remittances, cheques and other monetary instruments accepted for deposit into an account are credited 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 account with items which are subsequently returned unpaid and remittance amounts which are not eventually received.
4. The Bank shall be entitled to pay or reject a cheque which would cause a current account to be overdrawn and, if the Bank permits an overdraft, the amount overdrawn shall be payable on demand with interest.
5.
 - a. Withdrawals from any account other than a HKD or USD Current Account may not be made by cheque or other financial instrument but only by instructions given in such form as the Bank may prescribe.
 - b. In connection with any banking transactions denominated in United States dollars cleared or settled through the US Dollar Clearing System established in Hong Kong Special Administrative Region, the customer:
 - I. acknowledges that the operation of the US Dollar Clearing System will be subject to the US Dollar Clearing House Rules (including without limitation the USD Operating Procedures referred to therein);
 - II. 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 (including without limitation the US Dollar Operating Procedures referred to therein).
 - c. The customer agrees that:
 - I. cheques drawn by the customer which have been paid may, after having been recorded in electronic form, 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 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).
6. Alterations to financial instruments presented to the Bank will not be accepted unless they are authenticated by the signature of the drawer.
7.
 - a. Cheques presented (whether by the customer or by someone other than the customer) shall be paid at any branch unless otherwise specified by the Bank.
 - b. Withdrawals of cash from United States Dollar Current Account are subject to seven days' prior notice and availability of the currency in question.
8.
 - a. 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 specified by the Bank from time to time. No interest will accrue on any inward remittance before the funds are actually credited into the account.
 - b. Unless the Bank specifies otherwise, interest (whether positive or negative interest) shall accrue from day to day at such rates as the Bank may from time to time determine. Interest accrued (rounded upward or downward to the nearest 5 cents as the Bank may decide) shall be credited or debited to the account at such intervals as the Bank may decide or as may be agreed with the customer. The last day shall be excluded in calculating interest accrued on closing an account.
 - c. Where negative interest becomes payable by the customer to the Bank, irrespective of whether there are sufficient available funds, overdraft or other facilities in the account, the Bank has the right to debit such accrued negative interest from such account. If any such debit causes the relevant account to be overdrawn, the customer is responsible for repaying the amount overdrawn to the Bank on demand together with any fees, expenses and interest accruing on the amount overdrawn at such rate as the Bank may specify. Where an account is closed during an interest period whether by customer or by the Bank for any reason, the interest accrued shall be settled from such account before closure.

9. The Bank shall be entitled to prescribe the foreign currencies in which an account may be denominated and the method of payment in respect of a foreign currency account. The Bank shall be entitled to effect payment in a currency other than that in which the account is denominated and, if it does so, the exchange rate shall be the rate determined by the Bank to be prevailing at the relevant time.
10. Any request for cancellation or reversal of payment instructions shall be at the entire discretion of the Bank and subject to such conditions as the Bank may prescribe.
11. Where a passbook is issued for an account, the passbook must, except where the Bank agrees otherwise, be presented for all withdrawals from the account. The passbook is for the customer's reference and does not necessarily indicate the most up-to-date balance of the account as deposits may have been made or items charged without entry in the passbook. The customer should from time to time present the passbook to the Bank or use the self-service Passbook Update Machine provided by the Bank to update the interest and unposted items onto the passbook. When the number of the unposted items reaches a certain volume as determined by the Bank from time to time, all the unposted items will be consolidated as one entry and the individual items will not be updated on the passbook. A copy of the consolidation statement listing each individual item within a certain period can be produced and provided to the customer upon request in writing and will be subject to the Bank's handling charge.
12. Any payments made by the Bank to a person producing a withdrawal form purporting to be signed, sealed and/or chopped as authorised by the customer shall have the same effect as if made to the customer personally and will absolve the Bank from all liabilities to the customer or to any other party.
13.
 - a. The Bank reserves the right to suspend or terminate any of the services or the operation of any account at any time without giving any notice and reason where the Bank is required by any Applicable Regulations or otherwise has reasonable grounds for doing so. Without restricting the effect of the provision aforesaid, the Bank may suspend or terminate any of the services at any time without notice having regard to the circumstances or matters specified in Clause 22(g).
 - b. Without prejudice to the generality of the above provision, the Bank shall be entitled to close any account immediately without notice to the customer if:-
 - i. there is any change of Applicable Regulations which prohibits or renders illegal the maintenance or operation of the account;
 - ii. the customer shall commit any breach of or omit to observe any obligations under these Rules which, in the reasonable opinion of the Bank, amounts to a material default on the part of the customer; or
 - iii. the Bank's books and records show a zero balance on any account for a period of six continuous months or for such shorter period as the Bank may reasonably prescribe.
 - c. The suspension or termination of the operation of any account, and any withdrawal of cash or property, whether or not following such suspension or 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 Rules or by the Bank on behalf of the customer, prior to such suspension or termination. Further, upon such suspension or termination, the Bank may cancel all or any unexecuted instructions at its discretion.
 - d. Notwithstanding any provision herein to the contrary, the Bank reserves the right to terminate any account with prior notice (save under exceptional circumstance when termination may be made without notice) and with or without cause.
 - e. For the purpose of this Clause, "Applicable Regulation" means any law, regulation or order, or any rule, direction, guideline, code, notice or restriction (whether or not having the force of law) issued by any regulatory authority, government agency, exchange or professional body applicable from time to time.
 - f. (Applicable to non-personal customers only) The non-personal customer may terminate any of the services made available by the Bank or request to close any account by giving the Bank not less than 30 days' prior written notice.
14. Any unclaimed balance on a closed account may be transferred to the Bank's unclaimed balance account.
15. The Bank may specify from time to time any additional means or medium (including the telephone, the Internet or other electronic means or medium) through which instructions may be delivered or transmitted to the Bank subject to such terms and conditions (including any risk disclosure statements) as the Bank may reasonably prescribe. All such instructions given, as understood and acted on by the Bank, shall be irrevocable and binding on the customer whether given by the customer or by any other person purporting to be the customer. The Bank shall be under no duty to verify the identity or authority of the person giving any such instruction or its authenticity. Where the account is in the name of more than one person, the Bank is authorised to act on the instructions of any of them delivered or transmitted to the Bank through any means or medium specified by the Bank from time to time. Such instructions and any terms and conditions reasonably prescribed by the Bank with respect to the relevant means or medium of delivery or transmission shall be binding on all the account holders in all respects notwithstanding that any of the account holders does not use such means or medium or any other account operating or signing arrangement specified by the customer to the Bank.
16. The Bank shall be entitled to act in accordance with its regular business practice and procedure and will only accept the customer's instructions in so far as it is (in the Bank's opinion) practicable and reasonable to do so. For the avoidance of doubt, the Bank is authorised to participate in and comply with the rules and regulations of any organization which regulates the conduct of banking business and any system which provides central clearing, settlement and similar facilities for banks.
17. Account statements shall be provided at monthly intervals unless:-
 - i. a passbook or other record of transaction is provided;
 - ii. there are no entries covering the period which is the subject of the statement; or
 - iii. otherwise agreed with the customer.
18.
 - a. If the Customer or a shareholder (whether direct or indirect, legal or beneficial) of the Customer is a company incorporated in a country that permits issuance of bearer shares, the Customer confirms and warrants that neither it nor such shareholder has issued any bearer shares and further undertakes that neither it nor such shareholder will issue or convert any of its shares or such shareholder's shares (as the case may be) to bearer form without the prior written consent of the Bank.
 - b. The customer agrees to examine each advice, contract note, receipt, account statement including the consolidation statement, or securities account portfolio statement (the "statement of account") provided by the Bank to see if there are any errors, discrepancies, unauthorized 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").
The customer also agrees that the statement of account shall, as between the Bank and the customer, be conclusive evidence as to the balance shown therein and that the statement of account 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:-

- i. personal delivery of such statement of account to the customer if it is personally delivered; or
 - ii. the Bank has posted such statement of account if it is sent by post; or
 - iii. the Bank has emailed such statement of account if it is sent by email; or
 - iv. the Bank has placed such statement of account in the Hang Seng Personal e-Banking of the customer available through the Internet if it is made available therein; or
 - v. the Bank has placed such statement of account in the Hang Seng Business e-Banking of the customer available through the Internet if it is made available therein; or
 - vi. the Bank has placed such statement of account in the Hang Seng HSBCnet of the customer available through the Internet if it is made available therein.
19. The customer shall not create any encumbrance over a credit balance in any account unless with the prior written consent of the Bank.
20. The Bank may, at any time and without prior notice, apply any credit balance in any currency on a customer's account, whether in the name of the customer or in the names of the customer and any other person(s), in or towards satisfaction of any indebtedness owed by the customer to the Bank in whatever capacity and whether actual or contingent or whether owed solely by the customer or owed by the customer and any other person(s). In the case of a joint account, the Bank may exercise the rights in this clause and apply any credit balance on such joint account in or towards satisfaction of any indebtedness owed to the Bank by one or more of the holders of such joint account.
21. The Bank is authorised to exercise a lien over all property of the customer which is in the possession or control of the Bank, for custody or any other reason and whether or not in the ordinary course of banking business, with power for the Bank to sell such property to satisfy any indebtedness of the customer to the Bank.
22. Unless due to the negligence or wilful default of the Bank, its officers or employees and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom, the Bank does not assume any liability or responsibility to the customer or any third party for the consequences arising out of or in connection with:-
- (a) a transaction carried out by the Bank in accordance with the instructions of the customer, or access to the services or accounts by the customer or any other person whether or not authorised;
 - (b) any interruption, suspension, delay, loss, mutilation or other failure or inaccuracy in transmission of instructions or other information howsoever caused;
 - (c) disclosure of instruction or information relating to the customer from any telecommunication company, equipment, device or intermediary through which the instruction or information passes or by the Bank or the Bank's agents or any other third party;
 - (d) its inability to execute an instruction due to prevailing market conditions and the manner and timing of execution of an instruction;
 - (e) imposition or change of any Applicable Regulations, market disruption or fluctuation, or procedures, restrictions or suspension of trading imposed by any government, exchange, clearing house or market, or bankruptcy, insolvency or liquidation of any relevant bank, financial institution, broker, exchange, clearing house or government;
 - (f) any mechanical failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation in connection with the services; and/or
 - (g) any interruption, suspension, unavailability or delay of the services caused by or attributable to acts, omissions, conditions, events or accidents beyond the reasonable control of the Bank including, without limitation, Acts of God (including, without limitation, flood and tsunami), government act, fire, civil commotion, strike, lock-out or other industrial dispute (whether involving the workforce of the Bank or of any other person), war, military action, unrest, political insurrection, riot, public demonstration, malicious damage, terrorist activity of any kind (whether actual or threatened), pandemic or epidemic or the widespread of disease of any nature (including but not limited to any scheduled infectious disease as defined in the Prevention and Control of Disease Ordinance (Cap. 599, Laws of Hong Kong) or other infectious disease with similar or comparable inhibiting effect of any such scheduled infectious disease).
23. The customer shall indemnify the Bank, its officers and employees against all liabilities and claims (including any expenses of reasonable amount and reasonably incurred) which they may incur as a result of a transaction carried out by the Bank on behalf of the customer unless due to the negligence or wilful default of the Bank, its officers or employees.
24. The Bank may revise these Rules and/or introduce additional Rules at any time and from time to time. Any revision and/or addition to these Rules, any items prescribed under these Rules and any other information shall become effective subject to the Bank giving notice according to regulatory requirements, and shall be binding on the customer if the customer continues to have an account with the Bank after the effective date thereof. The notice may be given by display, advertisement or other means as the Bank thinks fit.
25. The Bank may appoint any other person as its agent to collect any or all indebtedness owed by the customer to the Bank and the customer shall be responsible for all costs and expenses of reasonable amount and reasonably incurred by the Bank for that purpose on each occasion.
26. The Bank may (but shall not be obliged to), and the customer expressly authorises the Bank to, record by tape or other means all instructions and requests given by the customer verbally to the Bank and all other verbal communications between the customer and the Bank in connection with any account and/or any services made available by the Bank from time to time including, without limitation, those given or communicated by telephone (collectively, "Verbal Communications"). The customer expressly agrees that if a dispute arises at any time in relation to the contents of any Verbal Communications, then the tape recording or such other records of such Verbal Communications, or a transcript of the same certified as a true transcript by an officer of the Bank, shall be conclusive evidence between the Bank and the customer as to the contents and nature of such Verbal Communications unless and until the contrary is established and may be used as evidence in such dispute. The Bank reserves the right to refuse to act upon any Verbal Communications if, in its opinion, there are reasonable grounds for doing so. Furthermore, the Bank reserves the right to defer acting on any Verbal Communications and to require further information with respect to such Verbal Communications as the Bank may consider appropriate.
27. All communications sent by post to the last address of the customer registered by the Bank will be deemed to have been delivered to the customer 48 hours after posting if the address is in Hong Kong and 7 days after posting if the address is outside Hong Kong. Items sent to the customer or delivered to an authorised representative are supplied at the customer's risk.
28. Any specific terms agreed between the Bank and the customer in respect of any transaction shall prevail if they are inconsistent with these Rules.

29. Collection and Disclosure of Customer Information

a. Definitions

Terms used in this Clause 29 shall have the meanings set out in these Rules or the meanings set out below. Where there is any conflict between the meaning of a term set out in these Rules and the meaning set out below, the meaning set out below shall apply in this Clause 29.

“Authorities” includes any local or foreign judicial, administrative, public or regulatory body, any government, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, self-regulatory or industry bodies or associations of financial service providers or any of their agents with jurisdiction over any part of the HSBC Group.

“Compliance Obligations” means obligations of the HSBC Group to comply with (a) any Laws or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, disclosure or other obligations under Laws, and (c) Laws requiring the HSBC Group to verify the identity of its customers.

“Connected Person” means a person or entity (other than the customer) whose information (including Personal Data or Tax Information) is provided by the customer, or on the customer’s behalf, to any member of the HSBC Group or which is otherwise received by any member of the HSBC Group in connection with the provision of the Services. A **Connected Person** may include, but is not limited to, any guarantor or third party security provider, a member, a director or officer of a company, partners or members of a partnership, any “substantial owner”, “controlling person”, or investor of a fund, beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, a representative of the customer, agent or nominee, or any other persons or entities with whom the customer has a relationship that is relevant to the customer’s relationship with the HSBC Group.

“controlling persons” means individuals who exercise control over an entity. For a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and anybody else who exercises ultimate effective control over the trust, and for entities other than a trust, these are persons in equivalent or similar positions of control.

“Customer Information” means all or any of the following items relating to the customer or a Connected Person, where applicable:

(i) Personal Data, (ii) information about the customer, the customer’s accounts, transactions, use of the Bank’s products and services and the customer’s relationship with the HSBC Group and (iii) Tax Information.

“Financial Crime” means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, or violations, or any acts or attempts to circumvent or violate any Laws relating to these matters.

“Financial Crime Risk Management Activity” means any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime that the Bank or members of the HSBC Group may take.

“HSBC Group” means HSBC Holdings plc, its affiliates, subsidiaries, associated entities and any of their branches and offices (together or individually), and **“member of the HSBC Group”** has the same meaning.

“Laws” include any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to the Bank or a member of the HSBC Group.

“Personal Data” means any information relating to an individual from which such individual can be identified.

“Services” includes (a) the opening, maintaining and closing of the customer’s accounts, (b) the provision of credit facilities and other banking, financial and insurance products and services, processing applications, credit and eligibility assessment, and (c) maintaining the Bank’s overall relationship with the customer, including marketing services or products to the customer, market research, insurance, audit and administrative purposes.

“substantial owners” means any individuals entitled to more than 10% of the profits of or with an interest of more than 10% in an entity, directly or indirectly.

“Tax Authorities” means Hong Kong or foreign tax, revenue or monetary authorities.

“Tax Certification Forms” means any forms or other documentation as may be issued or required by a Tax Authority or by the Bank from time to time to confirm the customer’s tax status or the tax status of a Connected Person.

“Tax Information” means documentation or information about the customer’s tax status or the tax status of any owner, “controlling person”, “substantial owner” or beneficial owner or Connected Person. “Tax Information” includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).

Reference to the singular includes the plural (and vice versa).

b. Collection, Use and Sharing of Customer Information

This Clause 29(b) explains how the Bank will use information about the customer and Connected Persons. The Notice to Customers and Other Individuals relating to the Personal Data (Privacy) Ordinance that applies to the customer and other individuals (the **“PICS”**) also contains important information about how the Bank and the HSBC Group will use such information and the customer should read this Clause in conjunction with the PICS. The Bank and members of the HSBC Group may use Customer Information in accordance with this Clause 29 and the PICS.

Customer Information will not be disclosed to anyone (including other members of the HSBC Group), other than where:

- the Bank is legally required to disclose;
- the Bank has a public duty to disclose;
- the Bank’s legitimate business purposes require disclosure;
- the disclosure is made with the data subject’s consent;
- it is disclosed as set out in this Clause 29 or the PICS.

Collection

- i. The Bank and other members of the HSBC Group may collect, use and share Customer Information. Customer Information may be requested by the Bank or on behalf of the Bank or the HSBC Group, and may be collected from the customer or Connected Person directly, from a person acting on behalf of the customer or Connected Person, from other sources (including from publicly available information), and it may be generated or combined with other information available to the Bank or any member of the HSBC Group.

Use

- ii. The Bank and members of the HSBC Group may use, transfer and disclose Customer Information in connection with (1) the purposes set out in Appendix 1 (applicable to Customer Information other than Personal Data) (2) the purposes set out in the PICS (applicable to Personal Data) and (3) matching against any data held by the Bank or the HSBC Group for whatever purpose (whether or not with a view to taking any adverse action against the customer) ((1) to (3) are collectively referred to as the **“Purposes”**).

Sharing

- iii. The Bank may (as necessary and appropriate for the Purposes) transfer and disclose any Customer Information to the recipients set out in the PICS (who may also use, transfer and disclose such information for the Purposes) and Appendix 1 (applicable to Customer Information other than Personal Data).

The Customer's Obligations

- iv. The customer agrees to supply Customer Information, and to inform the Bank promptly and in any event, within 30 days in writing if there are any changes to Customer Information supplied to the Bank or a member of the HSBC Group from time to time, and to respond promptly to any request for Customer Information from the Bank or a member of the HSBC Group. In respect of a non-personal customer, the customer further 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 directors, shareholders, partners, controllers, legal status or constitutional documents.
- v. The customer confirms that every Connected Person whose information (including Personal Data or Tax Information) has been (or will be) provided to the Bank or a member of the HSBC Group has (or will at the relevant time have) been notified of and agreed to the processing, disclosure and transfer of their information as set out in this Clause 29, Appendix 1 and the PICS (as may be amended or supplemented by the Bank from time to time). The customer shall advise any such Connected Persons that they have rights of access to, and correction of, their Personal Data.
- vi. The customer consents and shall take such steps as are required from time to time for the purposes of any applicable data protection law or secrecy law to permit the Bank to use, store, disclose, process and transfer all of Customer Information in the manner described in these Rules. The customer agrees to inform the Bank promptly in writing if the customer is not able or has failed to comply with the obligations set out in Clauses 29(b)(v) and 29(b)(vi) in any respect.
- vii. Where
 - the customer or any Connected Person fails to provide promptly Customer Information reasonably requested by the Bank, or
 - the customer or any Connected Person withholds or withdraws any consents that the Bank may need to process, transfer or disclose Customer Information for the Purposes (except for purposes connected with marketing or promoting products and services to the customer), or
 - the Bank has, or a member of the HSBC Group has, suspicions regarding Financial Crime or an associated risk,the Bank may:
 - A. be unable to provide new, or continue to provide all or part of the Services to the customer and reserve the right to terminate the Bank's relationship with the customer;
 - B. take actions necessary for the Bank or a member of the HSBC Group to meet the Compliance Obligations; and
 - C. block, transfer or close the customer's account(s) where permitted under local Laws.

In addition, if the customer fails to supply promptly the customer's, or a Connected Person's, Tax Information and accompanying statements, waivers and consents, as may be requested, then the Bank may make its own judgment with respect to the status of the customer or the Connected Person, including whether the customer or a Connected Person is reportable to a Tax Authority, and may require the Bank or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to the appropriate Tax Authority.

c. Financial Crime Risk Management Activity

- i. Financial Crime Risk Management Activity may include, but is not limited to: (A) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by the customer, or on the customer's behalf; (B) investigating the source of or intended recipient of funds; (C) combining Customer Information with other related information in the possession of the HSBC Group; and (D) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming the identity and the status of the customer or a Connected Person.
- ii. The Bank and HSBC Group's Financial Crime Risk Management Activity may lead to the delay, blocking or refusing the making or clearing of any payment, the processing of the customer's instructions or application for Services or the provision of all or part of the Services. To the extent permissible by law, neither the Bank nor any member of the HSBC Group shall be liable to the customer or any third party in respect of any loss (howsoever it arose) that was suffered or incurred by the customer or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

d. Tax Compliance

The customer, and each Connected Person acting in their capacity as a Connected Person (and not in their personal capacity), acknowledge that the customer is solely responsible for understanding and complying with the customer's tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) or Services provided by the Bank or members of the HSBC Group. Each Connected Person acting in his/its capacity as a Connected Person (and not in his/its personal capacity) also makes the same acknowledgement in his/its own regard. Certain countries may have tax legislation with extra-territorial effect regardless of the customer's or a Connected Person's place of domicile, residence, citizenship or incorporation. Neither the Bank nor any member of the HSBC Group provides tax advice. The customer is advised to seek independent legal and tax advice. Neither the Bank nor any member of the HSBC Group has responsibility in respect of the customer's tax obligations in any jurisdiction which they may arise including any that may relate specifically to the opening and use of account(s) and Services provided by the Bank or members of the HSBC Group.

e. Miscellaneous

- i. In the event of any conflict or inconsistency between any of this Clause 29 and the provisions in or governing any other service, product, business relationship, account or agreement between the customer and the Bank, this Clause 29 shall prevail.
- ii. If all or any part of the provisions of this Clause 29 become illegal, invalid or unenforceable in any respect under the law of any

jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of this Clause 29 in that jurisdiction.

f. Survival Upon Termination

This Clause 29 shall continue to apply notwithstanding any termination by the customer or the Bank or a member of the HSBC Group of the provision of any Services to the customer, or the closure of any of the customer's account.

30. Unless otherwise specified, "customer" in these Rules means the person or each person (whether an individual, a corporation, sole proprietorship, partnership, statutory body or authority, other body of persons or form of association) and in whose name an account is opened, and in the case of a sole proprietorship, means the sole proprietor and, in the case of a partnership, means each of the present and future partners of the partnership; and includes, in the case of a corporation, its lawful successor and, in the case of an individual, a sole proprietorship or partnership, any personal representative and lawful successor of such individual, the proprietor or each partner; and, in all cases where the context permits, includes any authorised person or signatory or representative of the customer. The obligations under these Rules bind the customer and the customer's respective successors, permitted assigns and personal representatives as applicable. The customer may not assign or transfer any of the customer's rights or obligations under these Rules without the Bank's prior written consent.
31. The Bank shall be entitled, without having to make prior disclosure to the customer, to accept and retain for its own account and benefit absolutely any profit, rebate, brokerage, commission, fee, benefit, discount and/or other advantage arising out of or in connection with the provision of services to the customer.
32. These Rules, the account relationship between the Bank and the customer and the Bank's obligations to pay any amount standing to the credit of an account shall be governed by the laws of the Hong Kong Special Administrative Region. The operation of an account in a location outside the Hong Kong Special Administrative Region and payment in such a location shall be conditional on such operation and payment being lawful in that location. The Bank shall not be responsible for, or liable for any losses, taxes, costs and expenses as a result of complying with, any laws, regulations, governmental measures or restrictions which may be applicable in any location outside the Hong Kong Special Administrative Region to the operation of an account and/or payment thereunder and/or to the Bank's assets relating thereto.
33. 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 Rules.

II. Phonebanking Service (applicable to customer who has registered or otherwise utilise the Bank's Phonebanking Service)

1. Definitions

In this Clause, unless the context otherwise requires:

"Authorised Phonebanking Service User" means the person who is authorised by the customer to operate the Primary Account and the Debit Accounts through telephone and shall include the customer.

"Personal Identification Number" or "PIN" means any number, code, mark or credential (including personal identification number, password, or voice print or other biometric credential) that is used by the Bank for verifying the identity of an Authorised Phonebanking Service User for the purpose of providing the Phonebanking Service and handling related matters.

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

"Debit Account" means any account (for the purpose of this definition, including but not limited to the Primary 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 customer of a Debit Account, including for the avoidance of doubt the customer.

"Primary Account" shall mean the account under which the customer has registered the Phonebanking Service.

2. Service Scope

The Bank shall 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, at 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 but without limitation to the use of direct mailing material, advertisement or branch display.

3. Limitations on Liability and Indemnity

The Bank is authorised to act on the instructions of the customer and the Debit Accountholder given by the Authorised Phonebanking Service User by telephone ("telephone instructions"). Each Authorised Phonebanking Service User and Debit Accountholder agrees that:

- a. the Bank is authorised to act on any telephone instructions which the Bank at its sole discretion believes emanated from the Authorised Phonebanking Service User by the use of the Personal Identification Number ("the PIN") assigned to or designated by the Authorised Phonebanking Service User 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 emanated from unauthorized individuals and the Bank shall not be under any duty to verify the identity 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 Authorised Phonebanking Service User and each related Debit Accountholder shall ensure that there are sufficient funds or prearranged credit facilities in the Debit Account(s) for the purpose of the telephone or other instructions and the Bank shall not be liable for any consequence arising out of the Bank's failure to carry out such instructions due to inadequacy of funds and/or credit facilities provided always that if the Bank shall at its sole discretion decide to carry out the 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 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 transaction. Such confirmed exchange rate or interest rate, if accepted by the Authorised Phonebanking Service User through Phonebanking Service, shall be absolutely binding on 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 Authorised Phonebanking Service User or any Debit Accountholder for any failure to carry out any telephone instructions which are 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 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 the Authorised Phonebanking Service User's telephone instructions;
 - f. the Authorised Phonebanking Service User and each Debit Account holder shall keep the Bank indemnified at all times against, and to save the Bank harmless from all actions, proceedings and claims which may be brought by or against the Bank, and from all losses and damages which may be suffered or incurred by the Bank, and from all cost and expenses of reasonable amounts and reasonably incurred by the Bank, and which shall have arisen either directly or indirectly out of or in connection with the Bank accepting telephone instructions and acting or failing to act thereon unless due to the willful default of the Bank and such indemnity shall continue notwithstanding the termination of the Primary Account or any other relevant account(s);
 - g. The Authorised Phonebanking Service User's right to give telephone instructions pursuant to the Terms and Conditions herein 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 Primary Account, the Debit Account(s) and the Credit Account(s);
 - i. the customer shall notify the holder of the Credit Account(s) and the 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 given by the Authorised Phonebanking Service User. The Bank shall not be responsible to 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. the Authorised Phonebanking Service User understands and acknowledges that telephone instructions may not necessarily be processed by the Bank immediately or on the same day of giving of such telephone instructions due to system constraint or the banking procedures of the Bank. The Authorised Phonebanking Service User agrees that the Bank shall not be held responsible to the Authorised Phonebanking Service User 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 the Authorised Phonebanking Service User.
4. a. The Bank may use the PIN to verify the identity of an Authorised Phonebanking Service User when he uses the Phonebanking Service, gives instructions for any transactions or matters relating to the Phonebanking Service, operates any accounts under the same customer name through the Phonebanking Service, or obtains information. A PIN may be designated by an Authorised Phonebanking Service User or the Bank, or generated from the voice or other biometric data registered by the Authorised Phonebanking Service User with the Bank from time to time.
- b. The customer shall complete and observe, and shall ensure that each of the other Authorised Phonebanking Service Users completes and observes, the steps and conditions specified by the Bank in order to generate or register his voice print or other biometric credential with the Bank and to use it as a PIN.

III. Term (Time And Call) Deposits

1. Deposits are non-transferable and non-negotiable.
2. Interest is calculated up to but excluding the maturity date. Interest is payable only on the maturity date but, in the case of deposits of 15 months or more, may be paid at agreed intervals.
3. Interest on time deposits is fixed for the entire deposit period. Interest on call deposits will be simple interest accruing from day to day at the call rate specified by the Bank on a daily basis.
4. Where instructions for automatic renewals of a deposit are given, the interest rate applicable to the relevant type of deposit prevailing on the maturity date will be the rate for the renewal. In the absence of renewal instructions, the Bank may specify the rate at which interest on the deposit will be payable by the Bank or the customer after maturity of the deposit.
5. At the request of the depositor, the Bank may at its discretion allow a pre-mature withdrawal of a deposit before the due date. In such an instance, the Bank reserves the right not to pay interest on the deposit. The Bank furthermore reserves the right to recover a handling charge and additional cost (if any) of obtaining funds in the market for the remaining period of deposit, and to recover the loss of the Bank if there is a lack of funds in the market. The latest pre-mature withdrawal handling charges will be set out in the Bank's fee and charges table published at the Bank's website at www.hangseng.com.
6. If a HKD deposit matures on a day on which the Bank is not open to the general public in Hong Kong for business, the deposit shall be payable on the next succeeding day on which the Bank is so open and interest shall be paid up to but excluding that day.
7. If a foreign currency deposit matures on a day on which banks in either the country of the relevant foreign currency or in Hong Kong are not open to the general public for business, the deposit shall be payable on the next succeeding day on which all such banks are so open and interest shall be paid up to but excluding that day.

IV. Remittance Services (applicable to customer who has requested or otherwise utilized the Bank's remittance services)

1. The Bank shall not be liable for any loss or damage due to omission or delay in sending any message relating to this transfer or in payment or in giving advice of payment; loss of items or any message or signals in transit or transmission or otherwise, mutilation, error, omission, interruption or delay in transmission or delivery of any item, message, signals, letter, telegram or cable, or the actions of omission of our

correspondents, sub-agent, other agency or any other party involved in The Clearing House Automated Transfer System (if applicable), or declared or undeclared war; censor-ship; blockade; insurrection; civil commotion; or any law, decree, regulation, control, restriction or other act of a domestic or of foreign government or other group or groups exercising governmental powers, whether de jure or de facto, or breakdown or mal-function in or of any computer, mechanical or electronic instruments, apparatus or device, or any act or event beyond the Bank's control.

2. The customer shall be solely responsible for the accuracy and completeness of all information (including any beneficiary account information) provided and that the Bank shall not be responsible for checking or verifying the same and the Bank shall not be liable for any losses or damages caused by any inaccuracies, omissions or incompleteness of any information provided by the customer.
3. The Bank is at liberty to send any message in relation to this application in explicit language, code, cipher or any form of electronic transmission signals and the Bank is not to be liable for any losses caused by or any errors, neglects, or defaults of any correspondents, sub-agent, or other agency.
4. The customer shall have no right to cancel, amend or revoke this application or any terms thereof without the written consent of the Bank.
5. The Bank is entitled to reimbursement from the customer for the expenses incurred by the Bank, its correspondents and agents. Additional overseas charges (including charges levied by the beneficiary bank and/or correspondent banks) may be imposed by some overseas banks. These charges may be deducted from the remit amount depending on the practice of such banks and the beneficiary may as a result not be able to receive the remit amount in full, regardless of the payment instructions provided.
6. The Bank is entitled to receive and retain any benefit in whatever form from a party or parties through whom transaction(s) is/are effected in connection with this application.
- 7(a) Without prejudicing any of the rights of the Bank under this Part or these Rules, the customer (and, where applicable, for and on behalf of each of the directors, authorized persons, officers, representatives and members (or partners in the case of a partnership) of the customer (collectively "the relevant individuals")) agrees and acknowledges that the customer's data, the personal data of the relevant individuals and all other details and information relating to this application, this transfer and any transactions or dealings between the customer or the relevant individuals with the Bank may be used, held or processed by the Bank or, where the Bank considers necessary or appropriate, disclosed, transferred (whether within or outside Hong Kong) or exchanged by the Bank to or with any members of the HSBC group, any third party service providers, any correspondent or agent banks or third party financial institutions, any payees or authorities for the purpose of or in connection with this application, this transfer or the provision of remittance services to the customer; or 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.
- 7(b) Without prejudice to Clause 7(a) above, in processing a remittance or payment instruction, the Bank may be required by Applicable Regulations concerning anti-money laundering and anti-terrorist financing activities to disclose personal data or other information about the customer or the relevant individuals (as defined in Clause 7(a) above). This may include the originating account number, the name, address or date of birth of the customer or the relevant individuals, personal or corporate identity document number and other unique references. The customer expressly authorises (i) the Bank to make the required disclosure to any correspondent or beneficiary bank, the payee or any authority as the Bank may consider appropriate, and (ii) each correspondent or beneficiary bank to make the required disclosure to any other correspondent or beneficiary bank, the payee or any authority as that correspondent or beneficiary bank considers appropriate.
- 7(c) The customer shall ensure that the relevant individuals have consented to the Bank processing their information as set out in this Clause 7.
- 7(d) In this Clause 7, "Applicable Regulation" means any law, regulation or court order, or any rule, direction, guideline, code, notice or restriction (whether or not having the force of law) issued by any authority or industry or self-regulatory body, whether in or outside the Hong Kong Special Administrative Region, to which the Bank or the customer or the relevant individuals are subject or with which the Bank or the customer or the relevant individuals are expected to comply from time to time.
8. The Bank reserves the right to determine effecting the transfer either by Clearing House Automated Transfer System (CHATS) (if the Beneficiary Bank is a registered Direct Participant of the local clearing in HKSAR) or by telegraphic transfer.
9. For all remittances of euro to European Union (EU) and European Economic Area (EEA), the customer must provide the beneficiary bank's SWIFT code (BIC) AND the beneficiary's account number in International Bank Account Number (IBAN) format. If this information is not given or is invalid or incorrect, the telegraphic transfer is liable to be rejected, returned and/or delayed, usually with charges imposed. The Bank accepts no responsibility for any loss or damage suffered by any person arising out of such rejection, return and/or delay.
10. If the remittance is in Renminbi or within the ambit of any of the Bank's agreement with the clearing bank or domestic agent bank in relation to any Renminbi services, the customer represents, warrants, undertakes and/or agrees that:
 - a) the remittance fully complies with any law, regulation or order, or any rule, direction, guideline, code, notice, restriction or the likes (whether or not having the force of law) issued by any regulatory authority, government agency, clearing or settlement bank or body exchange or professional body in whatever part of the world (including, without limitation, HKSAR and the People's Republic of China) applicable from time to time (collectively the "Applicable Regulations") (including without limitation any requirements relating to the purposes and eligibility of such remittance);
 - b) notwithstanding any other clauses stated in these terms and conditions for remittance services or otherwise, (i) the Bank reserves the right to introduce additional terms and conditions applicable to remittance services in order to comply with any Applicable Regulations without prior notice (except as may be otherwise required in the Applicable Regulations) and without giving any reasons; and (ii) the Bank shall have the right to refuse or at any time decline any remittance or revert any remittance of any sum that has been effected from the account stated in this application from which the remit amount is debited without prior notice (except as may be otherwise required in the Applicable Regulations) and without giving any reasons;
 - c) it shall provide the Bank with any documents as the Bank may require; and
 - d) Renminbi is subject to exchange rate risk. Fluctuation in the exchange rate of Renminbi may result in losses in the event that Renminbi is subsequently converted into another currency (including Hong Kong Dollars). Exchange controls imposed by the relevant authorities may also adversely affect the applicable exchange rate. Renminbi is currently not freely convertible and conversion of Renminbi through banks in Hong Kong, like other Renminbi services provided by banks in Hong Kong, are subject to certain policy, regulatory requirements and/or restrictions (which are subject to changes from time to time without notice).
11. Applications received by the Bank by the relevant cutoff times as stipulated by the Bank from time to time (the "Cut-off Times") 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 the clearing system of the currency and country of the correspondent and/or destination banks. The remit amount will normally (provided that it is processed by the Bank on the same day) reach the correspondent bank on the debit date as provided in this application (the "Value Date") if this application is received by the Bank before the Cut-off Times. If this application is received by the Bank after the Cut-off Times, the Value Date of the remit amount will normally be the next business day. The Cut-off Times will vary depending on a number of factors including the currency for the remitted sum to be denominated as requested by the customer, the geographical location of the destination of the remittance and/or the funding arrangement requirements of the settlement banks. The Bank reserves the right to vary the Cut-off Times at any time without prior notice. In case of any disputes, the decision of the Bank shall be final. The Cut-off Times of different remit currencies can be found at the Bank's website at www.hangseng.com

12. The Bank will debit the remit amount from the account designated by the customer and agreed by the Bank ("Debit Account") on the debit date provided in this application, provided that all relevant information for this application has been received by the Bank before the Cut-off Times of the relevant business date. If all relevant information for this application has only been received by the Bank after the Cut-off Times of the relevant business date, the Bank will debit the remit amount from the Debit Account on the next business day of the Bank. Due to any limitation that the debit account has to be debited before the value date, the Bank will not be responsible for any interest expense or loss as a result.
13. If the debit currency is different from the remit currency, the Bank shall effect a currency exchange transaction at the Bank's prevailing exchange rate at or about the time the remittance application is processed by the Bank on the debit date, unless a currency exchange rate has been pre-arranged and agreed between you and the Bank for a remittance application, in which case the currency exchange transaction will be effected at such rate.
14. Without prejudice to any provisions in these terms and conditions for remittance services, the Bank reserves the right not to accept or otherwise reject any remittance application with or without giving any reason. The Bank further reserves the right to delay or not to process any remittance application with or without notice for any reason, including but not limited to:
 - a) if the Bank is of the opinion that:
 - (i) the relevant information is not complete or has not been accurately or properly provided or is not sufficiently clear;
 - (ii) there are not sufficient available funds in the Debit Account; or
 - (iii) the processing of the remittance application may breach any applicable laws or regulations; or
 - b) for security reasons (including but not limited to where the fraud prevention or risk control measures or procedures of the Bank which the Bank deems appropriate to adopt cannot be completed, fulfilled or satisfied).

The Bank shall not be liable for any loss or damage incurred or suffered by any person caused by any non-acceptance, rejection, delay or non-processing of any remittance application for any reason.
15. This application is subject to the charges and at the rates published by the Bank from time to time. For the latest service charges of the Bank, please refer to the Bank's fee and charges table, which can be found at the Bank's website at www.hangseng.com.

V. Demand Draft and Cashier's Order

1. Any draft ("Draft") is issued subject to the condition that the Bank shall not be liable for any loss or damage due to any law, decree, regulation, control, restriction or other act of government or governmental agents of the country in which or in the currency of which the draft is drawn.
2. The Bank reserves the absolute discretion not to allow any amendment, stop payment, cancellation or refund of the Draft unless such application is made by the applicant for the issuance of the Draft in person upon production of his/ her proper identification satisfactory to the Bank together with the original of this Receipt and the original of the Draft.
3. In the event of loss of the Draft claimed, the Bank reserves the absolute discretion not to accept any request for stop payment and/or cancellation of the Draft unless subject to such terms and conditions as the Bank may in its absolute discretion determine including but not limited to the making of the application by the applicant for the issuance of the Draft in person and his/her production of his/her proper identification together with such evidence and/or documents (including reporting of loss to the proper authority) reasonably requested by the Bank and the giving of such indemnity and security as the Bank may in its absolute discretion determine.
4. The Bank reserves the right to levy service charges on the issuance or reported loss of the draft.
5. The Bank shall not be under any obligation to notify any person upon receipt of stop-payment request or notice of loss in respect of the Draft.

VI. e-Cheque Services

1. Definitions

- a. The provisions in this Part apply to the Bank's services relating to e-Cheques. This Part supplements and forms part of the Account Rules. The provisions of the Account Rules which apply to paper cheques or generally to the Bank's services continue to apply to e-Cheques and the Bank's e-Cheque Services to the extent that they are relevant and not inconsistent with the provisions in this Part. The provisions of this Part prevail if there is any inconsistency between them and the other provisions of the Account Rules with respect to the e-Cheque Services.
- b. For the purpose of this Part, unless the context otherwise requires:-

"Bills of Exchange Ordinance" means the Bills of Exchange Ordinance (Cap. 19, Laws of Hong Kong), as may be amended from time to time.

"Clearing House" means Hong Kong Interbank Clearing Limited and its successors and assigns.

"Customer" means each customer to whom the Bank provides e-Cheque Services and, where the context permits, includes any person authorized by the Customer to sign e-Cheques on behalf of the Customer from time to time.

"Deposit Channel" means any channel offered by the Bank from time to time for presentment of e-Cheques for deposit.

"e-certificate" means a certificate recognized by the Clearing House from time to time for the purpose of issuing e-Cheques that is issued by a certification authority acceptable to the Bank.

"e-Cheque" means a cheque (including a cashier's order), issued in the form of an electronic record (as such term is defined in the Electronic Transactions Ordinance (Cap. 553, Laws of Hong Kong)) with an image of the front and back of the e-Cheque or e-cashier's order (as the case may be), and this term may be amended from time to time in accordance with the e-Cheque Drop Box Terms. e-Cheques may be issued in Hong Kong dollars, US dollars and Renminbi.

"e-Cheque Drop Box" or "e-Cheque Drop Box Service" means an electronic drop box provided by the Clearing House that accepts presentation of e-Cheques in respect of which an e-Cheque Drop Box user must register an e-Cheque Drop Box Account with the Clearing House before presenting e-Cheques to a Payee Bank Account, as this term may be amended from time to time in accordance with the e-Cheque Drop Box Terms.

"e-Cheque Drop Box Account" means a user account for the e-Cheque Drop Box Service, and for which each user must register with the Clearing House before using the e-Cheque Drop Box for presenting e-Cheques for deposit into a Payee Bank Account, as this term may be amended from time to time in accordance with the e-Cheque Drop Box Terms.

"e-Cheque Drop Box Terms" means all the terms and conditions prescribed by the Clearing House from time to time for governing the e-Cheque Drop Box Service provided by the Clearing House and the use of the e-Cheque Drop Box Service.

"e-Cheque Issuance Services" and **"e-Cheque Deposit Services"** mean the services offered by the Bank to customers from time to time for issuing e-Cheques (including any services relating to e-certificates) and depositing e-Cheques respectively, and "e-Cheque Services" means collectively the e-Cheque Issuance Services and the e-Cheque Deposit Services.

"Industry Rules and Procedures" means the rules and operating procedures governing the handling of e-Cheques developed and/or adopted by the Clearing House and the banking industry from time to time.

"Payee Bank" means the bank at which a Payee Bank Account is held.

"Payee Bank Account" means, in respect of each e-Cheque presented for deposit using the e-Cheque Deposit Services, the bank account of the payee of the e-Cheque maintained with the Bank into which the e-Cheque is to be deposited which may be a sole name or a joint name account of the payee.

"Payer Bank" means the bank which digitally signed an e-Cheque created by its customer, as this term may be amended from time to time in accordance with the e-Cheque Drop Box Terms.

2. Nature and scope of e-Cheque Services

- a. The Bank may provide e-Cheque Services at its discretion. If the Bank provides e-Cheque Services to the Customer, the Customer may issue e-Cheques and deposit e-Cheques. In order to use the e-Cheque Services, the Customer has to provide such information and documents and accept such terms and conditions which may be required or prescribed by the Bank and the Clearing House respectively from time to time. The Customer may also be required to sign forms and documents prescribed by the Bank from time to time.
- b. e-Cheque Issuance Services allow the Customer to issue e-Cheques drawn on the Bank, in accordance with Clause 3 below.
- c. e-Cheque Deposit Services allow the Customer and other persons to present e-Cheques (whether payable to the Customer and/or any other holder of the Payee Bank Account) for deposit with the Bank (as Payee Bank), using the e-Cheque Drop Box Service offered by the Clearing House or using the Bank's Deposit Channels, in accordance with Clause 4 below.
- d. The Bank may provide e-Cheque Services relating to e-Cheques that are issued in any currency specified by the Bank from time to time, including Hong Kong dollars, US dollars or Renminbi.
- e. The Bank has the right to set or vary from time to time the conditions for using the e-Cheque Services. These conditions may include the following (or any of them):
 - i. the service hours of the e-Cheque Services (including cut-off times for issuing, countermanding or presenting e-Cheques);
 - ii. any maximum total amount or total number of e-Cheques which the Customer may issue in any specified period; and
 - iii. any fees and charges payable by the Customer for the e-Cheque Services.

3. e-Cheque Issuance Services

- a. Format of and steps for issuing an e-Cheque
 - i. The Customer is required to issue an e-Cheque in the format with such layout specifications and following the steps and inputting the details prescribed by the Bank from time to time. The Customer is not allowed to add to, remove from or modify the contents, format, layout or image of an e-Cheque.
 - ii. Each e-Cheque must be signed by the Customer (as payer) and by the Bank (as Payer Bank) with the Bank's respective digital signatures in the sequence set by us, except that the payer's digital signature may not be required for an e-Cheque that is a cashier's order.
 - iii. Where the Customer draws an e-Cheque on a joint account, the Customer is solely responsible for ensuring that the e-Cheque is signed by such person(s) following such signing arrangement as authorized by the joint account holders for signing e-Cheques from time to time.
 - iv. Where the Customer is a corporation or any other entity, the Customer is solely responsible for ensuring that each e-Cheque is signed on the Customer's behalf by such person(s) following such signing arrangement as authorized by the Customer for signing e-Cheques from time to time.
- b. e-certificate
 - i. The Customer's digital signature on an e-Cheque must be produced by an e-certificate that is valid (and not expired or revoked) at the time of producing that digital signature.
 - ii. The Customer's digital signature on an e-Cheque may be produced by either a general purpose e-certificate or a specific usage e-certificate.
 - iii. If the Customer chooses to produce the Customer's digital signatures by a general purpose e-certificate, the Customer is required to maintain a valid general purpose e-certificate on an on-going basis in compliance with Clause 3b.i. above.
 - iv. The Bank may provide services relating to the specific usage e-certificate at the Bank's discretion. The Bank's services may include applying for, holding, maintaining, renewing, revoking and managing (or any of the above) a specific usage e-certificate on the Customer's behalf. If the Bank provides such services and the Customer chooses to produce the Customer's digital signatures by a specific usage e-certificate, the Customer directs and authorizes the Bank to:

- (I) provide such services in the scope and manner set by the Bank from time to time, which may include holding the specific usage e-certificate and the corresponding key and/or password for the Customer, and effect and produce the Customer's digital signatures on e-Cheques on the Customer's behalf as instructed by the Customer from time to time; and
- (II) take all necessary steps (including providing all necessary information and personal data to the certification authority issuing the specific usage e-certificate) for the purposes relating to the specific usage e-certificate.
- v. In applying for a specific usage e-certificate for the Customer, the Bank is entitled to rely on the information provided by the Customer. The Customer is solely responsible for providing the Bank with correct and up-to-date information. If the Bank obtains a specific usage e-certificate based on incorrect or outdated information provided by the Customer, the Customer is still bound by any e-Cheque signed by digital signatures produced by that e-certificate.
- vi. An e-certificate is issued by the relevant certification authority. The Customer is bound by the terms and conditions specified by that certification authority in relation to the Customer's e-certificate. The Customer is solely responsible for performing the Customer's obligations under those terms and conditions.
- c. Sending e-Cheques to payees
 - i. Once the Customer confirms to issue an e-Cheque, the Bank will generate the e-Cheque file. The Customer may download the e-Cheque file for delivery to the payee itself.
 - ii. The Customer should not issue an e-Cheque (or instruct the Bank to issue an e-Cheque on the Customer's behalf) to a payee unless the payee agrees to accept e-Cheques. The Customer is solely responsible for:
 - (I) before issuing an e-Cheque (or instructing the Bank to issue an e-Cheque on the Customer's behalf) to a payee, informing the payee that he may agree or decline to accept the e-Cheque; and
 - (II) using secured electronic means and taking appropriate email encryption and other security measures in sending the e-Cheque file.
 - iii. The Bank does not have any duty to verify whether the payee has actually received the e-Cheque file. The Bank advises the Customer to check with the payee whether he has actually received the e-Cheque file.
- d. Waiver of presentment requirements

Each e-Cheque is only required to be presented by sending it in the form of an electronic record in accordance with the Industry Rules and Procedures. The Bank is entitled to pay each e-Cheque against presentation of its electronic record in that manner without requesting any other form of presentation. Without reducing the effect of Clause 3a.i. above and Clauses 5a. and 5b. below, the Customer expressly accepts the waiver of presentment requirements set out on an e-Cheque from time to time.

4. e-Cheque Deposit Services

- a. The e-Cheques Deposit Services may allow presentment of e-Cheques for deposit with the Bank (as Payee Bank) using the e-Cheque Drop Box Service provided by the Clearing House or using the Bank's Deposit Channels.
- b. e-Cheque Drop Box Service
 - i. The e-Cheque Drop Box Service is provided by the Clearing House. The Customer is bound by the e-Cheque Drop Box Terms in relation to the Customer's use of the e-Cheque Drop Box Service. The Customer is solely responsible for performing the Customer's obligations under the e-Cheque Drop Box Terms.
 - ii. In order to use the e-Cheque Drop Box Service, the Customer is required by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with one or more Payee Bank Account for presenting e-Cheques. The Customer is allowed by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with a Payee Bank Account that is the Customer's same-name account or an account other than the Customer's same-name account. The Customer is responsible for the presentment of all e-Cheques by the Customer or any other person using the Customer's e-Cheque Drop Box Account (including presentment of any e-Cheques to a Payee Bank Account other than the Customer's same-name account).
 - iii. Any issue relating to the use of the e-Cheque Drop Box Service should be handled in accordance with the e-Cheque Drop Box Terms. The Bank may (but have no obligation to) provide reasonable assistance to the Customer. In particular, the Bank does not have the electronic record or image of any e-Cheque deposited using the e-Cheque Drop Box Service. On the Customer's request, the Bank may (but have no obligation to) provide the date, e-Cheque amount, e-Cheque number, payee name and any other information agreed by the Bank relating to an e-Cheque deposited using the Customer's e-Cheque Drop Box Account.
 - iv. The Bank gives no representation or guarantee, whether express or implied, relating to the availability, quality, timeliness or any other aspect of the e-Cheque Drop Box Service provided by the Clearing House. Unless otherwise stated in the e-Cheque Drop Box Terms, the Customer bears the responsibilities and risks relating to the use of the e-Cheque Drop Box Service. The Bank is not liable for loss, damage or expense of any kind which the Customer or any other person may incur or suffer arising from or in connection with the use of the e-Cheque Drop Box Service.
- c. The Bank's Deposit Channels

The Bank may specify or vary from time to time (i) the available Deposit Channels without notice; and (ii) the terms governing the use of any Deposit Channel.

5. Handling of e-Cheques, associated risks and the Bank's liabilities

- a. Handling of e-Cheques

The Customer understands that the Bank and other banks have to follow the Industry Rules and Procedures in the handling, processing, presentment, payment, collection, clearance and settlement of e-Cheques drawn by the Customer or payable to the Customer. Accordingly, the Bank is entitled to pay and collect e-Cheques for the Customer in the following manner even if the Bills of Exchange Ordinance may not expressly provide for presentment of e-Cheques or may specify other manner for presentment of cheques:

 - i. pays any e-Cheque drawn by the Customer on the Bank upon presentment of that e-Cheque to the Bank in accordance with the Industry Rules and Procedures; and
 - ii. collects any e-Cheque payable to the Customer by presenting that e-Cheque to the Payer Bank in accordance with the Industry Rules and Procedures.
- b. Restriction of the Bank's liability

Without reducing the effect of the provisions of the Existing Terms:

- i. the Bank is not liable for loss, damage or expense of any kind which the Customer or any other person may incur or suffer arising from or in connection with the use of the e-Cheque Services or the handling, processing, presentment, payment, collection, clearance or settlement of e-Cheques issued by the Customer or presented by the Customer or any other person using the Deposit Channels provided by the Bank to the Customer, except to the extent that any loss, damage or expense incurred or suffered is direct and reasonably foreseeable arising directly and solely from the Bank's negligence or wilful default or that of the Bank's officers, employees or agents;
 - ii. in particular and for clarity, the Bank is not liable for loss, damage or expense of any kind which the Customer or any other person may incur or suffer arising from or in connection with the following (or any of them):
 - (I) use of the e-Cheque Drop Box Service by the Customer or any other person, or the e-Cheque Drop Box Terms;
 - (II) the Customer's failure to comply with the Customer's obligations relating to the e-Cheque Services, including the Customer's obligation to safeguard against issuance of e-Cheques by unauthorized persons;
 - (III) presentment of any e-Cheque issued by the Customer or payable to the Customer in accordance with the Industry Rules and Procedures despite the provisions of the Bills of Exchange Ordinance; and
 - (IV) any failure or delay in providing the e-Cheque Services, or any error or disruption relating to the e-Cheque Services, caused by or attributed to any circumstance beyond the Bank's reasonable control; and
 - iii. in no event will the Bank be liable to the Customer or any other person for any loss of profit or any special, indirect, consequential or punitive loss or damages.
- c. The Customer's confirmation and indemnity
- i. The Customer accepts the restriction of liabilities and disclaimers imposed by the Bank and the Clearing House in relation to the e-Cheque Services and the services provided by the Clearing House respectively. The Customer accepts and agrees to bear the risks and the liabilities for issuing and depositing e-Cheques.
 - ii. Without reducing the effect of any indemnity given by the Customer under the Existing Terms or any other rights or remedies that the Bank may have, the Customer will indemnify the Bank and the Bank's officers, employees and agents and hold each of them harmless against all liabilities, claims, demands, losses, damages, costs, charges and expenses of any kind (including legal fees on a full indemnity basis and other expenses reasonably incurred) which may be incurred or suffered by the Bank or any of them and all actions or proceedings which may be brought by or against the Bank or any of them as a result of or in connection with the Bank's provision of the e-Cheque Services or the Customer's use of the e-Cheque Services.
 - iii. The above indemnity does not apply to the extent that it is proved that any liabilities, claims, demands, losses, damages, costs, charges, expenses, actions or proceedings are direct and reasonably foreseeable arising directly and solely from the Bank's negligence or wilful default or that of the Bank's officers, employees or agents.
 - iv. The above indemnity shall continue to have effect after the termination of the e-Cheque Services.
 - v. The Customer further confirms that by amending its mandate (including but not limited to the Customer's portfolio daily limit, authorisation settings, user profile), these new limit(s) or setting(s) (collectively "Amendments") will only apply to transaction instructions placed subsequent to the Amendments, unless otherwise specified by the Bank in the terms governing the use of any Deposit Channel or in any other terms. In other words, the Bank shall be entitled to treat any forward-dated transaction instruction (such as a post-dated e-cheque) issued prior to the Amendments as having been placed by the Customer pursuant to the mandate effective on the date of placing of the instruction and NOT pursuant to the amended mandate. It means that the Customer's mandate for such forward-dated transaction instructions shall be unaffected by the Amendments. The Customer shall therefore review all the forward-dated instruction(s) and ensure that it still intends to place such instructions, notwithstanding any amendment to its mandate. If the Customer does not intend any forward-dated instructions to be implemented because of any Amendments, the Customer shall review, amend or cancel (as the case may be) such instructions before the date fixed for their implementation. Notwithstanding the above, the Bank reserves the right to pay or cancel any payment instruction at its sole discretion. If the Bank chooses to cancel the payment, a service fee may be levied.

VII. Treat Customer Fairly Charter

The sales staff of the Bank, its subsidiaries, affiliates or authorized sales agent may receive commission and/or performance incentives for selling the products or services offered / distributed by the Bank. The current sales staff and authorized sales agent remuneration policy (including basic salary and performance incentive) of the Bank would take into account various aspects of the staff/authorized sales agent's performance but not solely on the sales amount. This remuneration policy is applicable to the Bank selling any products or services.

VIII. Hang Seng Card *(applicable to customer who is issued with a Hang Seng Card)*

The customer should read and understand this Part prior to using the Card. In the event of any inconsistency between the provisions in this Part VIII and any other provisions in these Rules, the provisions in this Part VIII will prevail insofar as the Card is concerned.

1. The Card is and shall at all times remain the property of the Bank and subject to the Bank's cancellation or withdrawal at any time without giving the customer any prior notice and reason. The customer shall surrender the Card to the Bank immediately upon the Bank's demand.
2. The facilities made available by the Bank with the use of the Card include, without limitation, automated teller machines ("ATMs") installed and operated by the Bank ("Bank ATMs"), such other ATMs installed and operated by such other banks or entities inside and outside Hong Kong and such point of sale terminals as the Bank may in its sole and absolute discretion from time to time announce. The Bank reserves the right at any time hereafter to add or withdraw in its sole and absolute discretion any of the facilities available to the Card without giving any prior notice and reasons.
3. The holder(s) of any relevant account ("Account Holders") request and authorise the Bank to use the personal identification number of the Card ("Card PIN") to verify the identity of the customer when the customer uses the facilities made available by the Bank with the use of the Card. The Card PIN may be designated by the customer or the Bank from time to time.
4. The Card is not transferable and shall only be used exclusively by the customer.
5. The customer shall act in good faith, exercise reasonable care and diligence in keeping the Card PIN of the Card in secrecy. At no time and under no circumstances shall the customer disclose the secret Card PIN or transfer the Card to any person or permit their use by any person.

6. The customer shall be responsible for any accidental or unauthorised disclosure of the Card PIN to any person and shall bear the risks of the Card PIN being used by unauthorised persons or for unauthorised purposes.
- 7(a) Upon notice or suspicion of the Card PIN being disclosed to any unauthorised person, or any unauthorised transaction being effected, or any loss or theft of the Card and/or the Card PIN, the customer shall notify the Bank as soon as reasonably practicable at the Bank's registered office as the Bank may from time to time notify or by telephone at such telephone numbers as the Bank may from time to time prescribe (which the Bank may ask the customer to confirm in writing any details given) and the customer shall change the Card PIN as soon as possible. Notwithstanding the foregoing, all withdrawals, transfers and/or transactions involving the use of the Card and/or the Card PIN by any person whether or not authorised by the Account Holders or any of them prior to the Bank's actual receipt of any notice referred to in this Clause 7(a) shall be conclusively binding on Account Holders. If any replacement card is issued, the Bank is entitled to charge a fee therefor and debit it from the account.
- 7(b) If the customer notifies the Bank of loss, theft, disclosure or unauthorised use of the Card or the Card PIN in accordance with Clause 7(a), the maximum liability of the Account Holders for unauthorised transactions shall be confined to HKD500 per Card before the Bank's actual receipt of such notice, except that the maximum liability shall not apply (and the Account Holders will be liable for the full amount) in the cases below:
- (i) if the customer has knowingly (whether or not voluntarily) permitted any other person to use the Card and/or the Card PIN;
 - (ii) if the customer has acted fraudulently or with gross negligence in using or safeguarding the Card and/or the Card PIN. Failure of the customer to follow any of the security measures recommended by the Bank from time to time regarding the use or safekeeping of the Card and/or the Card PIN may be treated as gross negligence; or
 - (iii) any cash advance drawn by using the Card and/or the Card PIN.
8. The Card shall only be used for withdrawal or transfer if there are sufficient funds or available overdraft facility in the account. If the withdrawal or transfer is made without sufficient fund, the Account Holders shall repay to the Bank on demand the sum representing the amount of such withdrawal or transfer together with interest thereon at the rate chargeable by the Bank on overdraft accounts with the Bank with monthly rests.
- 9(a) The Bank shall not be responsible for any failure, breakdown or malfunction of all or any of the facilities available to the Card and for any failure to perform any of the obligations hereunder for any reasons whatsoever that is beyond the Bank's reasonable control.
- 9(b) Without prejudice to the generality of the foregoing, the Bank's liability in respect of any loss or damage incurred or suffered by the Account Holders or any of them as a result of negligence or wilful default of the Bank shall be limited to twice the value of the relevant withdrawal, transfer or transaction involving the use of the Card and/or the Card PIN.
10. The Bank's records in relation to any withdrawal, transfer and/or transaction involving the use of the Card and/or the Card PIN shall in all respects be conclusive against and binding on the Account Holders unless and until the contrary is established.
11. The Account Holders hereby irrevocably authorise the Bank to debit the account the amount of any withdrawal, transfer and/or transaction involving the use of the Card and/or the Card PIN as revealed from the record of the Bank. For any withdrawal, transfer or transaction carried out in any currency other than Hong Kong currency, the Bank shall have complete discretion to convert such foreign currency by any lawful means at the Bank's disposal and at the Bank's rate of exchange (as conclusively determined by the Bank) prevailing on the day of the withdrawal, transfer or transaction without reference to or consent from the Account Holders.
12. Unless otherwise announced by the Bank, cash and/or cheques may be deposited with the Bank by the use of the Card at the Bank ATMs only and in connection with such deposit(s), where the following shall apply:-
- (a) any cash and/or cheque so deposited shall not be treated as having been received by the Bank until after the Bank's verification thereof which may not take place on the same day of deposit. Until such verification, the Bank is entitled not to credit the amount to the account and before the amount is credited into the account the amount is not available for the use of the Account Holders;
 - (b) the advice issued by the Bank ATMs in respect of the acceptance of any such deposit(s) represents only what the customer has purported to have deposited with the Bank by the use of the Card and shall in no way bind the Bank as to its correctness;
 - (c) (i) such cash deposit(s) shall only be treated as having been received by the Bank upon the Bank's duly crediting the same into the account; and
(ii) such cheque deposit(s) shall only be treated as having been received by the Bank upon the Bank's duly crediting the same into the account subject to the said cheque(s) being duly honoured and paid; and
 - (d) the Account Holders hereby further agree to indemnify the Bank and keep the Bank fully indemnified from any suits, actions, losses, claims, damages and demands which may be suffered or incurred by the Bank arising from or relating to the customer's making such deposit(s) with the Bank by using the Card, except where such suit, action, loss, claim, damages or demand is direct and reasonably foreseeable arising directly and solely from the negligence or wilful default of the Bank.
13. The Bank shall have the right to disclose, in strict confidence, to the other banks and/or entities such information concerning the account, as may be necessary or required for the processing of any withdrawal, transfer and/or transaction from or to the account by the use of the Card.
14. The Bank shall not be liable for the refusal of any merchant to accept or honour the Card for goods and/or services supplied to the customer nor shall the Bank be responsible in any way for the goods and/or services supplied by any merchant. Any complaints by the customer relating to any merchant must be resolved by him with such merchant and no such claim may be the subject to a set-off or counter-claim by the customer against the Bank.
15. The Bank may at any time and without prior notice to or consent from the Account Holders or any one or more of them set -off or transfer any monies standing to the credit of the bank accounts of the Account Holders or any one or more of them of whatsoever description (including but not limited to current, savings, fixed or call deposit accounts) towards discharge of all sums due to the Bank under this Part or arising out of the use of the Card. In the case of a joint account, the Bank may exercise the rights in this Clause 15 and apply any credit balance on such joint account in or towards satisfaction of any indebtedness owed to the Bank by one or more of the holders of such joint account.
16. The Bank shall be entitled to revise the provisions under this Part and/or introduce additional provisions at any time and from time to time. Any revision and/or addition shall become effective subject to the Bank giving notice according to regulatory requirements, and shall be binding on the Account Holders if any of the Account Holders continues to use the Card after the effective date thereof. The notice may be given by display, advertisement or other means as the Bank thinks fit.

17. If the Account Holders shall consist of more than one person, this Part VIII shall be binding on them jointly and severally and unless the context otherwise requires or permits, words herein denoting the singular shall include the plural and any notice served pursuant to these terms and conditions shall be deemed to have been sufficient service on the Account Holders if served on any one of them.
18. The Bank may appoint any person as third party agency (including any debt collection agency or solicitor) to collect any or all indebtedness owed by the Account Holders to the Bank and the Account Holders shall be responsible for all costs and expenses of reasonable amounts and reasonably incurred by the Bank for that purpose on each occasion.

IX. Bank Services relating to Faster Payment System

This Part governs the Bank's provision to the customers and the customers' use of the FPS Bank Services. The FPS Bank Services form part of the Bank's banking services. This Part supplements each of the e-banking terms and conditions, end user license agreement for the Bank's mobile applications, and any other applicable agreements or terms and conditions governing the Bank's banking services, as may be amended from time to time.

The provisions of these Rules continue to apply to the FPS Bank Services to the extent that they are relevant and not inconsistent with the provisions in this Part. Unless otherwise specified, the provisions of this Part prevail if there is any inconsistency between them and the provisions of these Rules with respect to the FPS Bank Services.

1. Bank Services relating to Faster Payment System

1a. The Bank may provide the FPS Bank Services to customers to facilitate payments and funds transfers using the Faster Payment System. The Faster Payment System is provided and operated by HKICL. The FPS Bank Services are therefore subject to the rules, guidelines and procedures imposed by HKICL in relation to the Faster Payment System from time to time.

1b. By requesting the Bank to register any Proxy ID for the customer in the HKICL FPS or to set up any eDDA for the customer using the HKICL FPS, or by initiating any payment or funds transfer using the HKICL FPS, the customer will be regarded as having accepted and will be bound by the provisions of this Part. The customer should not request the Bank to register any Proxy ID or set up any eDDA for the customer and should not initiate any payment or funds transfer using the HKICL FPS unless the customer accepts the provisions of this Part.

1c. The Bank may provide the FPS Bank Services at its own discretion to customers who initiate any payment or fund transfer instructions. For the avoidance of doubt, the Bank reserves the right to determine effecting any payment or fund transfer instructions by Clearing House Automated Transfer System (CHATS) or by telegraphic transfer. The customer will be informed that the payment or fund transfer will be made using the HKICL FPS before the customer confirms the instruction. By confirming the instruction, the customer will be regarded as having accepted and will be bound by the provisions of this Part. If the customer does not accept the provisions of this Part, the customer should cancel the instruction.

1d. In this Part, the following terms have the following meanings:

"Addressing Service" means a service provided by HKICL as part of HKICL FPS to facilitate customers of Participants to use predefined Proxy ID instead of account number to identify the destination of a payment or funds transfer instruction and other communications for the purpose of HKICL FPS.

"customer" means each customer to whom the Bank provides FPS Bank Services and, where the context permits, includes any person authorised by the customer to give instructions or requests to the Bank in connection with the use of the FPS Bank Services. "Default Account" means the account maintained by the customer with the Bank or any other Participant and set as the default account for receiving payment or funds using HKICL FPS or (if and to the extent specified or permitted by the rules, guidelines and procedures of HKICL) for debiting payment or funds using HKICL FPS.

"eDDA" means a direct debit authorisation set up by electronic means using HKICL FPS.

"eDDA Service" means a service provided by HKICL as part of HKICL FPS to facilitate customers of Participants to set up direct debit authorisation.

"FPS Bank Services" means the services (including the QR Code Services) provided by the Bank to customers from time to time to facilitate payments and funds transfers using HKICL FPS and the Addressing Service, eDDA Service and any other services and facilities provided by HKICL in connection with the Faster Payment System from time to time.

"FPS Identifier" means a unique random number generated by HKICL FPS to be associated with the account of a customer of a Participant.

"HKICL" means Hong Kong Interbank Clearing Limited and its successors and assigns.

"HKICL FPS" or "Faster Payment System" means the Faster Payment System and related facilities and services provided, managed and operated by HKICL from time to time for (i) processing direct debits and credits, funds transfers and other payment transactions and (ii) exchanging and processing instructions relating to the eDDA Service and the Addressing Service.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"Participant" means a participant of HKICL FPS which may be a bank or other financial institution, a retail payment system operator, a licensed stored value facility, or any other person accepted by HKICL as a participant of HKICL FPS from time to time.

"Proxy ID" means the identifiers which may be accepted by HKICL for registration in the Addressing Service to identify the account of a customer of a Participant, including without limitation the mobile phone number or email address of the customer, or the FPS Identifier.

"QR Code Services" means the QR code and the associated payment and funds transfer services provided by the Bank to customers from time to time.

"Regulatory Requirement" means any law, regulation or court order, or any rule, direction, guideline, code, notice or restriction (whether or not having the force of law) issued by any regulatory authority, governmental agency (including tax authority), clearing or settlement bank or exchange, or industry or self-regulatory body, whether in or outside Hong Kong, to which HKICL, the Bank or any other Participant or the respective affiliates or group companies, or the customer is subject or is expected to comply with from time to time.

2. Scope of FPS Bank Services and conditions for use

2a. The Bank may provide the FPS Bank Services to customers to facilitate payment and funds transfer using the Faster Payment System and the Addressing Service, the eDDA Service and any other services and facilities provided by HKICL in connection with the Faster Payment System from time to time. The Bank has the right to set or vary from time to time the scope of the FPS Bank Services and the conditions and procedures for using the FPS Bank Services. In order to use the FPS Bank Services, the customer has to accept and follow these conditions and procedures.

2b. The Bank may provide the FPS Bank Services to facilitate payment and funds transfer in any currency specified by the Bank from time to time, including Hong Kong dollars and Renminbi.

2c. In order to enable the Bank to handle an instruction for the customer in relation to payment or funds transfer using HKICL FPS, the customer has to provide or input the necessary information and complete the process by such means or in such manner prescribed by the Bank from time to time.

2d. All payment or funds transfer transactions using HKICL FPS will be processed, cleared and settled under the interbank clearing and settlement arrangements including without limitation the arrangements in relation to the Faster Payment System agreed by the Participants and HKICL from time to time.

2e. The Bank reserves the right to suspend or terminate the FPS Bank Services in whole or in part at any time without giving notice or reason.

3. Addressing Service - registration and amendment of Proxy ID and related records

3a. In order to use the Addressing Service to receive payment or funds transfer using HKICL FPS, the customer has to register the customer's Proxy ID in the HKICL FPS. The Bank has discretion as to whether to offer the FPS Identifier as Proxy ID to the customer.

3b. Registration and amendment of Proxy ID and related records in the HKICL FPS must be done in accordance with the applicable rules, guidelines and procedures imposed by HKICL from time to time. In order to enable the Bank to register or amend Proxy ID or any related records for the customer, the customer has to provide or input the necessary information and complete the registration process by such means or in such manner prescribed by the Bank from time to time.

3c. At any time where the same Proxy ID is registered by the customer for more than one account (whether maintained with the Bank or with any other Participant), the customer must set one account as the Default Account. By instructing the Bank to set or change the Default Account for the customer, the customer consents and authorises the Bank to submit the request on the customer's behalf to HKICL FPS to override the existing Default Account registered in HKICL FPS.

4. eDDA Service

4a. In order to enable the Bank to handle a request for the customer in relation to eDDA setup, the customer has to provide or input the necessary information and complete the process by such means or in such manner prescribed by the Bank from time to time. The prescribed process may include requiring the relevant parties to set up the eDDA using their respective account numbers or customer identification numbers or codes. For the avoidance of doubt, a Proxy ID is not intended for verifying eDDA setup. Any amendment of a Proxy ID and the related records or termination of a Proxy ID after an eDDA setup will not affect that eDDA.

5. The customer's responsibility

5a. Present genuine owner or authorised user of Proxy ID and accounts

The customer can only register its/his/her own Proxy ID for its/his/her own accounts or set up eDDA for its/his/her own accounts. The customer must be the present genuine owner or authorised user of each Proxy ID and each account provided to the Bank for registration in the Addressing Service and the eDDA Service. By instructing the Bank to register any Proxy ID or any account for the customer in relation to the Faster Payment System, the customer confirms that it/he/she is the present genuine owner or authorised user of the relevant Proxy ID or account. This is particularly important for mobile phone numbers as they may be recycled in Hong Kong.

5b. Proxy ID

Any Proxy ID to be registered by the customer for the Addressing Service must satisfy any applicable requirements imposed by HKICL from time to time. For example, HKICL may require the mobile phone number or email address to be registered as Proxy ID to be the same number or address registered by the customer as contact information on the Bank's records at the relevant time. The customer understands and agrees that the Bank, other Participants and HKICL have the right and discretion without giving notice to deregister any Proxy ID that is not correct or up-to-date in accordance with available information without the customer's consent.

5c. Correct information

(i) **The customer shall be solely responsible for the accuracy and completeness of all information (including any beneficiary account information) provided and that the Bank shall not be responsible for checking or verifying the same and the Bank shall not be liable for any losses or damages caused by any inaccuracies, omissions or incompleteness of any information provided by the customer.**

(ii) **Without prejudice to the generality of sub-paragraph (i), the customer has to ensure that all the information provided by the customer for registration or amendment of Proxy ID (or any related records) or for any eDDA setup is correct, complete, up-to-date and not misleading. The customer has to notify the Bank as soon as reasonably practicable of any changes or updates to such information by such means or in such manner specified by the Bank from time to time.**

(iii) **The customer is fully responsible for using the correct and up-to-date Proxy ID and related records in giving each payment or funds transfer instruction. The customer is solely liable for and will hold the Bank harmless from any incorrect payment or transfer effected by the Bank and HKICL FPS due to incorrect or outdated Proxy ID or related records.**

5d. Timely updates

The customer is fully responsible for giving instructions and information changes or updates to the Bank on a timely basis for amending its/his/her Proxy ID (or related records) or any eDDA setup, including without limitation changing its/his/her Default Account, or terminating any Proxy ID or eDDA. The customer acknowledges that keeping its/his/her Proxy ID, eDDA and all related records up-to-date is critical for ensuring effective execution of payment and funds transfer instructions and for avoiding incorrect payment or transfer due to incorrect or outdated Proxy ID, eDDA or related records.

5e. Change of Default Account

If an account is terminated as the Default Account by the customer or by the relevant Participant for any reason (including suspension or termination of the account), the system of HKICL will automatically assign the most recently registered record in the Addressing Service that is associated with the same Proxy ID to be the Default Account. If the customer wishes to set another account as the Default Account, the customer has to change the registration through the Participant where the customer maintains that other account.

5f. Transactions binding on the customer

- (i) For any payment or funds transfer, once the customer confirms the details of a transaction and submit instruction to the Bank, such instruction and any resulting transaction is final, irrevocable and binding on the customer.
- (ii) For any Proxy ID registration or eDDA setup, once the customer submits an instruction to the Bank, such instruction is irrevocable and binding on the customer. The customer may amend or cancel any Proxy ID or eDDA setup in accordance with the procedures and requirements prescribed by the Bank from time to time.

5g. Use FPS Bank Services responsibly

The customer must use the FPS Bank Services in a responsible manner. In particular, the customer has to comply with the following obligations:

- (i) The customer must comply with all Regulatory Requirements that govern the customer's use of the FPS Bank Services, including collecting, using and handling the personal data and other information relating to any other person in compliance with the Regulatory Requirements protecting data privacy. The customer must not use the FPS Bank Services for any unlawful purposes or any purposes other than those authorised or contemplated in the rules, guidelines and procedures of HKICL.
- (ii) In sending remarks or messages to be displayed to recipients or counterparties of the customer's payment or funds transfer instructions or eDDA setup using HKICL FPS, the customer should mask the name or other data of such recipients or counterparties to prevent unauthorised display or disclosure of any personal data or confidential data.
- (iii) If the Bank offers the FPS Identifier as Proxy ID to the customer, the customer should not repeatedly cancel the registration and request for generation of another FPS Identifier in an attempt to generate a number or value that the customer desires.

5h. Other obligations regarding payments and funds transfers

Any instruction given by the customer in relation to the FPS Bank Services will be handled by the Bank in accordance with this Part and the applicable provisions in these Rules. The customer has to comply with the other obligations with respect to payments, funds transfers and direct debit authorisations, including without limitation maintaining sufficient funds in the relevant accounts for settling payment and funds transfer instructions from time to time.

5i. The customer is responsible for its/his/her authorised persons

Where the customer authorises any other person to give instructions or requests to the Bank in connection with the use of the FPS Bank Services (whether the customer is an individual, a company, a corporation, or a sole proprietorship or partnership firm or any other unincorporated body):

- (i) the customer is responsible for all the acts and omissions of each person authorised by the customer;
- (ii) any instruction or request received by the Bank, believed by the Bank in good faith to be given by the customer or any person authorised by the customer, will be irrevocable and binding on the customer; and
- (iii) the customer is also responsible for ensuring that each person authorised by the customer will comply with the provisions of this Part that are applicable to him/her when acting on behalf of the customer.

5j. The customer is responsible for all charges

The FPS Bank Services are subject to the charges and at the rates as prescribed by the Bank or any other Participants from time to time and the customer is fully responsible for the same.

6. The Bank's responsibility and restriction of liability

6a. The Bank will process and submit the customer's instructions and requests to HKICL FPS in accordance with the applicable rules, guidelines and procedures imposed by HKICL from time to time. HKICL FPS has the right to process and execute the customer's instructions and requests in such sequence or manner as HKICL considers appropriate. The Bank has no control over the operation of HKICL FPS nor the timing on which the customer's instructions or requests are executed by HKICL FPS. Where the Bank receives status update notifications involving any of the customer's Proxy ID (or related records) or eDDA setup or any other matter relating to HKICL FPS from or through HKICL FPS from time to time, the Bank will notify the customer accordingly by such means and at such time as the Bank considers appropriate.

6b. Without reducing the effect of Clause 6a. above or the provisions of these Rules:

- (i) the Bank is not liable for loss, damage or expense of any kind which the customer or any other person may incur or suffer arising from or in connection with the use of the FPS Bank Services or the processing or execution of instructions or requests given by the customer in relation to the FPS Bank Services or HKICL FPS, except to the extent that any loss, damage or expense incurred or suffered is direct and reasonably foreseeable arising directly and solely from the Bank's negligence or wilful default or that of the Bank's officers, employees or agents;
- (ii) for clarity, the Bank is not liable for loss, damage or expense of any kind which the customer or any other person may incur or suffer arising from or in connection with one or more of the following:
 - (I) the customer's failure to comply with its/his/her obligations relating to the FPS Bank Services; and
 - (II) any delay, unavailability, disruption, failure, error of or caused by HKICL FPS, or arising from any circumstances beyond the Bank's reasonable control; and
- (iii) in no event will the Bank, its affiliates or group companies, its licensors, and its and their respective officers, employees and agents be liable to the customer or any other person for any loss of profit or any special, indirect, incidental, consequential or punitive loss or damages (whether or not they were foreseeable or likely to occur).

6c. Without prejudice to any provisions of this Part or these Rules, the Bank reserves the right not to accept or otherwise reject any instruction given by the customer in relation to the FPS Bank Services with or without giving any reason. The Bank further reserves the right to delay or not to process any instruction given by the customer in relation to the FPS Bank Services with or without notice for any reason, including but not limited to:

- (i) if the Bank is of the opinion that:
 - (I) the relevant information is not complete or has not been accurately or properly provided or is not sufficiently clear; or

- (II) there are not sufficient available funds in the relevant account for settling the relevant payment or funds transfer instructions from time to time; or
- (III) the processing of the relevant payment or funds transfer instructions may breach any applicable laws or regulations; or
- (ii) for security reasons (including but not limited to where the fraud prevention or risk control measures or procedures of the Bank which the Bank deems appropriate to adopt cannot be completed, fulfilled or satisfied).

The Bank shall not be liable for any loss or damage incurred or suffered by any person caused by any non-acceptance, rejection, delay or non-processing of any instruction given by the customer in relation to the FPS Bank Services for any reason.

6d. The customer's confirmation and indemnity

- (i) Without reducing the effect of any indemnity given by the customer under these Rules or any other rights or remedies that the Bank may have, the customer will indemnify the Bank and its officers, employees and agents and hold each of them harmless against all liabilities, claims, demands, losses, damages, costs, charges and expenses of any kind (including legal fees on a full indemnity basis and other expenses reasonably incurred) which may be incurred or suffered by the Bank or any of them and all actions or proceedings which may be brought by or against the Bank or any of them as a result of or in connection with the Bank's provision of the FPS Bank Services or the customer's use of the FPS Bank Services.
- (ii) The above indemnity does not apply to the extent that it is proved that any liabilities, claims, demands, losses, damages, costs, charges, expenses, actions or proceedings are direct and reasonably foreseeable arising directly and solely from the Bank's negligence or wilful default or that of its officers, employees or agents. The above indemnity shall continue to have effect after the termination of the FPS Bank Services.

7. Collection and use of Customer Information

7a. This Clause 7 supplements Clause 29 of Part I of these Rules and the following shall be without prejudice to Clause 29 of Part I of these Rules.

7b. For the purposes of using the FPS Bank Services, the customer may be required to provide the Bank with the personal data and other information relating to one or more of the following persons from time to time:

- (i) the customer;
- (ii) the recipient of any payment or funds transfer to be made by the customer, or the counterparty of any eDDA to be set up by the customer; and
- (iii) where the customer is a company, a corporation, or a sole proprietorship or partnership firm or any other unincorporated body, any of its directors, officers, employees, authorised persons and representatives, all personal data and information provided to the Bank or compiled by the Bank from time to time in connection with the FPS Bank Services are collectively referred to as "Customer Information".

7c. The customer agrees (and, where applicable, for and on behalf of each of its directors, officers, employees, authorised persons and representatives) that the Bank may collect, use, process, retain or transfer any of the Customer Information for the purposes of the FPS Bank Services and for such other purposes as set out in Clause 29 of Part I of these Rules. These purposes include without limitation one or more of the following:

- (i) providing the FPS Bank Services to the customer, maintaining and operating the FPS Bank Services;
- (ii) processing and executing the customer's instructions and requests in relation to the FPS Bank Services from time to time;
- (iii) disclosing or transferring the Customer Information to HKICL and other Participants for their use for the purpose of the operation of HKICL FPS;
- (iv) meeting the requirements to make disclosure under any Regulatory Requirements; and
- (v) purposes relating to any of the above.

7d. The customer understands and agrees that the Customer Information may be further disclosed or transferred by HKICL, the Bank or any other Participants to their customers and any other third parties who are users of HKICL FPS for the purposes of providing and operating the Addressing Service and the eDDA Service.

7e. If the Customer Information includes personal data or other information of any person other than the customer (including any persons specified in Clauses 7b.ii. or 7b.iii. above), the customer confirms that it/he/she will obtain and has obtained the consent from such person regarding the use (including disclosure and transfer) of his/her personal data and other information by HKICL, the Bank and the other Participants as specified in this Clause.

8. QR Code Services

8a. This Clause 8 applies to the use of the QR Code Services, together with these Rules and any other terms and conditions that apply to the mobile application ("App") through which the customer access the QR Code Services.

8b. Using the QR Code Services and the customer's responsibility

- (i) The QR Code Services allow the customer to scan a QR code provided by the Bank or by another person to automatically capture the payment or funds transfer data without the need for manually entering the data. Any QR code provided by another person must meet the specifications and standards prescribed by HKICL in order to be accepted. **The customer is fully responsible for ensuring that the captured data is accurate and complete before confirming any payment or funds transfer instruction. The Bank is not responsible for any error contained in such payment or funds transfer data.**
- (ii) The QR Code Services can be used on a mobile device running an operating system supported and specified by the Bank from time to time.
- (iii) Updates to the QR Code Services may be issued periodically through the supplying app store for the App. For some devices, updates will be downloaded automatically. For other devices, the customer will need to download the updates. Depending on the update, the customer may not be able to use the QR Code Services until the latest version has been downloaded. **The customer is fully responsible for ensuring the latest version has been downloaded to the customer's mobile device for the purpose of using the QR Code Services.**
- (iv) The QR Code Services are intended for use by the Bank's customers only. The Bank has the right to cancel the customer's account for the App and/or block the customer from accessing the QR Code Services if the Bank discover that the customer is not eligible to use the QR Code Services.

(v) The QR Code Services are not intended for use in any jurisdiction where their use would be contrary to any law or regulation of that jurisdiction or where the Bank is not licensed or authorised to provide the QR Code Services.

(vi) The customer must comply with all applicable laws and regulations that govern the download of the App, or access or use of the App or the QR Code Services.

8c. Security

(i) The customer must not use the QR Code Services on any device or operating system that has been modified outside the mobile device or operating system vendor supported or warranted configurations. This includes devices that have been "jail-broken" or "rooted". A jail broken or rooted device means one that has been freed from the limitations imposed on it by the customer's mobile service provider and the phone manufacturer without their approval. The use of the QR Code Services on a jail broken or rooted device may compromise security and lead to fraudulent transactions. Use of the QR Code Services in a jail broken or rooted device is entirely at the customer's own risk and the Bank will not be liable for any losses or any other consequences suffered or incurred by the customer as a result.

(ii) The customer is fully responsible for all instructions or requests given by the customer or any other person authorised by the customer during the use of the QR Code Services.

(iii) The customer is fully responsible for ensuring that the information shown or stored on the customer's mobile device is kept secure.

(iv) If the customer knows or suspects that any other person knows the customer's security details, or has used or tried to use them, or if the customer's mobile device is lost or stolen, the customer must notify the Bank as soon as reasonably practicable.

8d. The Bank's responsibility and restriction of liability

(i) While the Bank makes commercially reasonable efforts to provide the QR Code Services, the Bank is not liable for any failure to provide the QR Code Services.

(ii) The QR Code Services are provided on an "as is" basis with no representation, guarantee or agreement of any kind as to their functionality. The Bank cannot guarantee that no viruses or other contaminating or destructive properties will be transmitted or that no damage will occur to the customer's mobile device in the use of the QR Code Services. The Bank is not responsible for any loss the customer may incur as a result of the customer's use of the QR Code Services.

(iii) The customer understands and agrees that:

(I) The customer uses the QR Code Services at the customer's sole risk. To the maximum extent permitted by law, the Bank expressly disclaims all warranties and conditions of any kind, whether express or implied.

(II) The customer downloads or obtains any material or information through the use of the QR Code Services at the customer's sole risk and discretion. The customer is solely responsible for any damage to the customer's computer or other device or loss of data resulting from downloading, obtaining or using such material or information.

(iv) For the avoidance of doubt, nothing above is intended to exclude or restrict any condition, warranty, right or liability which may not be lawfully excluded or restricted.

Hang Seng Bank Limited

(The English version of this Account Rules — General shall prevail where there is a discrepancy between the English and the Chinese version.)

APPENDIX 1

The following terms supplement Clause 29 and relate to the use, store, process, transfer and disclosure of Customer Information other than Personal Data. Terms used in this Appendix 1 shall have the meanings set out in Clause 29 of these Rules.

Use of Customer Information Other Than Personal Data

The purposes for which Customer Information (other than Personal Data) may be used are as follows:

- (1) considering applications for Services;
- (2) approving, managing, administering or effecting Services or any transaction that the customer requests or authorises;
- (3) meeting Compliance Obligations;
- (4) conducting Financial Crime Risk Management Activity;
- (5) collecting any amounts due from the customer and from those providing guarantee or security for the customer's obligations;
- (6) conducting credit checks and obtaining or providing credit references;
- (7) enforcing or defending the Bank's or a member of the HSBC Group's rights;
- (8) meeting the internal operational requirements of the Bank or the HSBC Group (including without limitation, credit and risk management, system or product development and planning, insurance, audit and administrative purposes);
- (9) creating and maintaining the Bank's credit and risk related models;
- (10) ensuring the ongoing credit worthiness of the customer and of those providing guarantee or security for the customer's obligations;
- (11) marketing, designing, improving or promoting Services or related products to the customer (and to Connected Persons to the extent permissible by Laws) and conducting market research;
- (12) determining the amount of indebtedness owed to or by the customer and by those providing guarantee or security for the customer's obligations;
- (13) complying with any obligations, requirements or arrangements that the Bank or any branch of the Bank or any member of the HSBC Group is expected to comply according to:
 - (i) any Laws or Compliance Obligations;
 - (ii) any codes, internal guidelines, guidelines or guidance given or issued by any Authorities;
 - (iii) any present or future contractual or other commitment with any Authorities with jurisdiction over all or any part of the HSBC Group;
or
 - (iv) any agreement or treaty between Authorities;
- (14) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the HSBC Group or any other use of data and information in accordance with any programmes for compliance with sanctions or prevention or detection of Financial Crime;
- (15) meeting any obligations, demand or request from Authorities;
- (16) 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;
- (17) maintaining the Bank's or HSBC Group's overall relationship with the customer; and
- (18) any purposes relating or incidental to any of the above.

Sharing and Transfer of Customer Information Other Than Personal Data

The Bank may (as necessary and appropriate for all or any of the Purposes) transfer, share, exchange and disclose any Customer Information (other than Personal Data) to all such persons as the Bank may consider necessary (wherever located) including without limitation:

- (a) any member of the HSBC Group;
- (b) any agents, contractors, sub-contractors, service providers, or associates of the HSBC Group (including their employees, directors and officers, agents, contractors, service providers and professional advisers);
- (c) any Authorities;
- (d) anyone acting on behalf of the customer, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the customer has an interest in securities (where such securities are held by the Bank or any member of the HSBC Group for the customer);
- (e) any party acquiring an interest in or assuming risk in or in connection with the Services;
- (f) other financial institutions, credit reference agencies or credit bureaus, for obtaining or providing credit references;
- (g) any party involved in any business transfer, disposal, merger or acquisition by the Bank or any member of the HSBC Group;
- (h) any third party fund manager providing the Customer with asset management services; and
- (i) any introducing broker to whom the Bank provides introductions or referrals.