

## Master Terms and Conditions for Bank Accounts

In consideration of Sumitomo Mitsui Banking Corporation, a corporation incorporated in Japan with limited liability (hereunder called the “Bank”, which expression shall include its successors and assigns) agreeing to open the Account(s) referred to below, the account holder agrees to the Standard Terms and Conditions which shall respectively apply to all accounts (each an “Account”) opened by the account holder with the Bank acting through its branch in the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) and the other additional Specific Terms and Conditions applicable to each type of Account opened or to be opened by the account holder and operated by the Bank as set out below respectively. The Standard Terms and Conditions and the Specific Terms and Conditions are hereafter collectively referred to as “Terms and Conditions”.

A copy of the Standard Terms and Conditions and the relevant Specific Terms and Conditions applicable for the type(s) of accounts held can be obtained from the Hong Kong branch of the Bank on request.

### I. STANDARD TERMS AND CONDITIONS

The following provisions in this Part I apply to all Accounts and to all Time Deposit Transactions (as defined in Clause 10 of Part IV) unless otherwise specified:

#### 1. Nature of relationship

- (a) The relationship between the account holder and the Bank as regards the deposits placed by the account holder in an Account is essentially that of creditor (being the account holder) and debtor (being the Bank). However, depending on the banking services provided by the Bank, other relationships may arise.
- (b) In the course of providing banking services, the Bank may refer the account holder to the Bank’s group company(ies) (as defined under Clause 26(b) below), upon request by the account holder or where the Bank considers appropriate, if and to the extent permitted by the applicable regulatory requirements. Where the Bank makes a referral, the following provisions apply:
  - (i) the referral does not amount to the Bank’s advice to the account holder in relation to any transactions, activities or arrangements to be discussed between the account holder and the relevant Bank’s group company(ies);
  - (ii) the Bank is not an agent of any of the Bank’s group company(ies) in making a referral, and the Bank is not liable to the account holder for any services provided by any of the Bank’s group company(ies);
  - (iii) the Bank is not obliged to make any referral, and any of the Bank’s group company(ies) referred by the Bank is not obliged to provide any services to the account holder;
  - (iv) the relevant Bank’s group company(ies) and the account holder will discuss and enter into contractual relationship directly if and as they see fit;
  - (v) unless otherwise expressly agreed in writing, the Bank does not perform any role nor assume any obligation or responsibilities in relation to any transactions, activities or arrangements between the account holder and the relevant Bank’s group company(ies);
  - (vi) the Bank may receive remuneration and other benefits from the relevant Bank’s group company(ies) or otherwise in return for making the referral subject to the applicable regulatory requirements; and
  - (vii) the account holder understands and accepts the above provisions and expressly consents to the Bank receiving and keeping for its own use any remuneration and benefits in return for making the referral.
- (c) The Bank is a licensed bank under the Banking Ordinance and a registered institution under the Securities and Futures Ordinance (CE Number AIU472) registered for regulated activities Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance). The main business address of the Bank is at 8/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (as may be changed from time to time).

#### 2. Mandate

- (a) The account holder hereby requests and authorises the Bank:
  - (i) to honour, handle, process and comply with all notes, drafts, cheques, instruments, bills and other orders drawn, signed, accepted, indorsed or made by or on behalf of the account holder, drawn upon or addressed

to or made payable at the Bank, whether the Account is in credit or is overdrawn (but without prejudice to the right of the Bank to refuse to allow any overdraft or increase any overdraft whether or not such increase will exceed any limit specified by the Bank from time to time), to comply with all directions given for or in connection with any Account whatsoever on behalf of the account holder and for which the account holder shall be liable, and to accept all receipts as a valid discharge to the Bank for any monies deposited with or owing by the Bank on any Account provided that such notes, drafts, cheques, instruments, orders, bills, directions or receipts are signed by the account holder;

- (ii) to honour and comply with any order to withdraw any or all money on any Account and with instructions to deliver, dispose of or deal with any securities, deeds or documents or other property whatsoever from time to time in the Bank's possession for the account or accounts of the account holder whether by way of security or safe custody or otherwise;
- (iii) at the Bank's discretion and on such terms as the Bank may think fit to grant overdraft, loan or other credit facilities or accommodation for the Account with or without security, to accept and act on any application or request for the issue of any letter of credit, guarantee, indemnity or counter-indemnity and any instructions in relation to any letter of credit, guarantee, indemnity or counter-indemnity and to act on any instructions with regard to any other transactions of any kind of the account holder or with regard to any such Account, in every case whether the Account is or are in credit or in debit or may in consequence become overdrawn or otherwise (but without prejudice to the right of the Bank to refuse to allow any overdraft or increase any overdraft whether or not such increase will exceed any limit specified by the Bank from time to time);
- (iv) to act on any instructions with regard to the purchase or sale of or other dealings in securities or documents of the account holder or any foreign currency or any contracts or options relating thereto, in every case whether the Account is or are in credit or debit or may in consequence become overdrawn or otherwise (but without prejudice to the Bank's right to refuse to allow any overdraft or increase of overdraft at all or beyond any limit specified by the Bank from time to time); and
- (v) to comply with all directions given for or in connection with any Account whatsoever on behalf of the account holder,

provided that such notes, drafts, cheques, instruments, bills, orders, directions, instructions, applications, requests or receipts are signed by the account holder (in the case of an individual) or the authorised signatory/ies of the account holder (in all other cases) as previously agreed with the Bank and the Bank shall not be liable in connection therewith notwithstanding that such item may be payable to the order of a person whose signature appears thereon or of any other officer(s) or agent(s) of the account holder or such item or any proceeds thereof may be used or disposed of for the personal credit or account of any such person(s), officer(s) or agent(s) with the Bank or otherwise or in payment of the individual obligation of any such person(s), officer(s) or agent(s) to the Bank or otherwise. For the avoidance of doubt, no cash handling service will be offered by the Bank acting through its branch in Hong Kong.

- (b) (In the case of an account holder which is not an individual) for the purposes stated in (a), any authorised signatory/ies of the account holder as previously agreed with the Bank is hereby authorised and empowered on behalf of the account holder:
  - (i) to arrange with the Bank for advances to the account holder by way of credit, discount, loan, mortgage or otherwise and the issue of guarantees by the Bank from time to time and to sign on behalf of the account holder any document relating thereto, any mortgage, pledge or other securities therefor and any undertaking, counter-indemnities or other documents which the Bank may require insofar as they are not required to be executed under the common seal of the account holder;
  - (ii) to withdraw and deal with any securities, valuables or other property which may be deposited by the account holder with the Bank whether for safe-keeping or otherwise;
  - (iii) to enter into contracts with the Bank for the purchase and/or sale of foreign exchange, either spot or forward, and to (1) execute and deliver documents to the Bank which evidence such contracts, (2) execute renewals or extensions of such contracts and (3) deposit margin or other securities with the Bank and execute such documents relating thereto as the Bank may request by way of security for such contracts; and
  - (iv) to close any Account.
- (c) (In the case of an account holder which is not an individual) the account holder shall provide to the Bank a list of the names and specimen signatures of the directors and any other person(s) authorised to sign on behalf of the account holder, and shall inform the Bank from time to time in writing of any change thereto. The Bank shall be entitled to act upon any such information until the receipt of further information from the authorised signatory of the account

holder in writing.

**3. Maximum obligation to account holder**

The account holder agrees that the Bank's indebtedness to the account holder shall be limited to the net amount owing by the Bank to each of the account holder after deducting from any credit balance in the Account held by the Bank or providing for the aggregate of all the account holder's liabilities (collectively, the "Total Liabilities") to the Bank. The Total Liabilities shall:

- (a) (in the case of a joint account) include the liabilities of all or any one or more of the joint account holders to the Bank, and subject to compliance with the applicable laws and regulations on the death of an account holder who is an individual, any credit balance in the Account and other assets, properties and documents deposited in the Account shall accrue to and be held by the Bank to the order of the survivor(s) without prejudice to any right the Bank may have in respect of, or arising out of any lien, charge, pledge, set-off, counter-claim or otherwise whatsoever and the Bank's right to take any step or legal proceedings at the account holder's expense which the Bank thinks fit; and
- (b) be on any account or in any respect whatsoever; and
- (c) apply whether such liabilities be joint, several, joint or several, actual or contingent, primary or collateral, present or future, deferred or otherwise.

**4. Right not to pay**

Without limiting the generality of Clause 3 and in addition to any general lien, right of set off or other right by way of security which the Bank may have on any account whatsoever, the account holder agrees that the Bank shall have the right, at its discretion and without notice to the account holder, to refuse to repay when demanded or when the same falls due any of the amounts due to the account holder if and to the extent that the Total Liabilities at the relevant time are equal to or exceed the amount due to the account holder at that time.

**5. Consolidation and set off**

The Bank may, at any time and without notice to the account holder, consolidate any or all credit balances of the account holder with the Bank with all or any of the account holder's Total Liabilities to the Bank. Without limiting any general or banker's lien, right of set-off or other right to which the Bank may be entitled, the Bank shall also have the right and is authorised to the fullest extent permitted by law, at any time without notice to the account holder or any other person, in the event that any liabilities are owed by the account holder to the Bank, to set off and appropriate and apply any credit balance of any account (whether subject to notice or not and whether matured or not and in whatever currency) of the account holder with the Bank in Hong Kong or elsewhere and any other indebtedness owing by the Bank to the account holder, against the Total Liabilities. The account holder's death or legal incapacity shall not affect the Bank's rights hereunder.

Without prejudice to the generality of the foregoing, the Bank is entitled to set off the credit balance in a joint or an association account against the debit balance in other accounts which may be held by one or more of the holders of the joint or association account.

**6. Duty to check statements**

Unless otherwise provided or agreed, the Bank will send or make available to the account holder (or, if instructed by the account holder and agreed by the Bank, one or more authorised companies (collectively the "Authorised Companies") of the account holder) account statements (whether in paper form or non-paper form via Electronic Platform (as defined in paragraph (a) of Clause 9 below) at monthly intervals or at such other intervals as the Bank may from time to time determine provided that the Bank shall reserve the right not to send or make available an account statement if there are no entries during the period covered by that account statement. Promptly after receipt the account holder (or if applicable, any of its Authorised Companies) shall check each account statement for any unauthorised debits, errors, omissions, discrepancies, wrongful transfers or other irregular transactions or entries arising from whatever cause, including, but without limitation, fraud, lack of authority, forgery, forged signature or negligence of the account holder or any other person (the "Irregularities").

**7. Duty to use Bank's services responsibly**

The account holder shall use the Bank's services responsibly.

Without prejudice to the generality of the foregoing:

- (a) in giving instructions to the Bank to make payments or effect transactions, the account holder agrees to take reasonably practicable steps to safeguard the account holder's own interest, money and assets from fraud or other illegal activities.

One of these steps for the account holder before giving instructions to the Bank, is to use the information or tool made available to the public by the law enforcement agencies, governmental or regulatory authorities to check whether the party receiving payment from or transacting with the account holder is real and credible. Such information or tool includes Scameter made available by Hong Kong Police Force.

Given the quantity of payment instructions received by the Bank from customers, it is not feasible in practice for the Bank to conduct the check for the customers before processing their payment instructions. It is therefore the duty of the account holder (and not the Bank) to check before giving instructions to the Bank.

- (b) where the account holder authorises any other person (whether natural, corporate or otherwise) or any authorised signatory(ies) to give instructions or requests to the Bank in connection with the use of any services provided by the Bank:
- (i) it is the account holder's responsibility to: (1) take appropriate measures to monitor and control, from time to time, the appointment and change of such authorised person(s) or signatory(ies), and the giving of instructions by such authorised person(s) or signatory(ies); (2) adopt proper safeguards against instructions being given by unauthorised persons or signatories or for unauthorised purposes; and (3) adopt appropriate measures and/or procedures to prevent fraud, forgery or other unauthorised use of cheques, instructions or request in relation to any Account or services provided by the Bank; and
- (ii) the account holder shall be responsible for all the acts and omissions of each person or signatory authorised by the account holder, and for ensuring that each person or signatory authorised by it will comply with the provisions of these Terms and Conditions that are applicable to such person or signatory when acting on behalf of the account holder. Any instruction or request received by the Bank, believed by the Bank in good faith to be given by the account holder or any person or signatory authorised by it, will be irrevocable and binding on the account holder. The Bank shall be under no duty to verify the identity or authority of the person or signatory giving or purporting to give such instruction or the authenticity, propriety or integrity of any such instruction or request.

## **8. Notification of Irregularities**

As between the Bank and the account holder, the statement of account shall be conclusive evidence as to the true and correct balance of the account and be binding upon the account holder. In the absence of notification by the account holder (or if applicable, any of its Authorised Companies) to the Bank in writing of any such Irregularities within 90 days (a) of personal delivery or (if posted) of posting or (if sent, transmitted or made available by electronic means via Electronic Platform) of sending, transmission, placement, uploading or the making of availability (as the case may be) by the Bank of such statement of account or (b) from the date of such statement of account if the Bank and the account holder shall have agreed to the collection of statement of account by the account holder and/or its agent, the account holder shall be deemed to have waived any rights to raise any objection or pursue any claim or remedy against the Bank, subject to any exceptions from time to time contained in any applicable provision of the Code of Banking Practice issued by the Hong Kong Association of Banks and the Deposit-taking Companies Association and endorsed by The Hong Kong Monetary Authority.

The Bank may at any time recover from the account holder any erroneous payment.

## **9. Non-paper form bank documents**

- (a) The Bank may send, transmit or make available to the account holder (or, if instructed by the account holder and agreed by the Bank, to its Authorised Companies) through such electronic or digital platforms, systems, channels, networks, websites, services or facilities of the Bank, any Bank's group company(ies) or any third party (collectively, "Electronic Platform") or other means as may be accepted by the Bank account statements, transaction advices or confirmations, notices, documents and other communications from the Bank in connection with the Bank's products, services and/or transactions entered into with or through the Bank (collectively, "Bank Documents") upon such terms and requirements as may be imposed or required by the Bank or otherwise imposed by and applicable to the relevant applicable Electronic Platform from time to time. The account holder shall be subject to and remain solely responsible for complying with any laws, rules, regulations, user agreements, user guides, manuals, restrictions, requirements, formalities and other conditions applicable to it in connection with its use of the Electronic Platform and such other means as may be accepted by the Bank, as well as the risks inherent in and associated with such use.

For the avoidance of doubt and notwithstanding other provisions in these Terms and Conditions, subject to the applicable laws and regulatory requirements, the Bank shall have the sole and absolute discretion to decide whether to provide any Bank Documents by way of paper and/or non-paper form.

- (b) Transmission, placement, upload or the making of availability of the Bank Documents (as the case may be) will be deemed to be delivered to and received by account holder and its agents (including, without limitation, its Authorised Companies as referred to in Clause 9(a) above) for and on behalf of the account holder, when sent, transmitted, placed, uploaded or made available through the Electronic Platform and/or the means accepted by account holder according to the Bank's transmission, placement, upload, delivery or other record.
- (c) Account holder will be solely responsible for checking, downloading and storing in electronic and/or any other eligible form the non-paper form Bank Documents for own record and other purposes, and (if applicable) procuring the Authorised Companies to do so for and on behalf of the account holder. Account holder and/or the Authorised Companies may not be able to access the non-paper form Bank Documents available through the Electronic Platform after closure of the Accounts. Account holder is reminded to check, download and store such non-paper form Bank Documents for own purposes before termination of the Accounts or relevant services in connection therewith, and (if applicable) procuring the Authorised Companies to do so for and on behalf of the account holder.
- (d) The non-paper form Bank Documents (including account statements and advices) will be available for access and/or download for such period as may be notified through any means by the Bank from time to time or, if applicable and where the account holder or any of its Authorised Companies (as the case may be) subscribes to an Electronic Platform provided by any Bank's group company(ies) or third party provider, the availability or retention period supported by such Electronic Platform subject to its operational restrictions, capabilities and practices. The account holder and/or its Authorised Companies (as the case may be) may not be able to access or download such non-paper form Bank Documents subsequent to the expiry of the timeframe specified.

#### **10. Loss of seal or chop**

If a seal or chop used for operating any Account is lost or stolen, the account holder shall notify the Bank in writing immediately. Prior to the Bank receiving such written notice and having reasonable time to act, the account holder will be bound by instructions bearing such seal or chop and the Bank will have no liability for any payments.

#### **11. Clearance**

- (a) The acceptance for deposit and crediting of all cheques and other instruments are subject to checking and verification by the Bank and final clearance. If any cheque or instrument is subsequently returned unpaid, the Bank may charge these to the account holder's Account together with any charges that may be applicable and may without notice or further authority debit the same from such Account.
- (b) If any cheque or other instrument of a particular currency is deposited into an Account of a different currency but is subsequently returned unpaid, the Bank reserves the right to collect from the account holder the pertinent foreign exchange loss incurred or suffered by the Bank and may debit such Account with the relevant amount.
- (c) In accepting cheques drawn on other banks, the Bank shall have the sole and absolute discretion to decide whether the relevant cheques are for deposit into the relevant Account or for collection under relevant trade services or other applicable banking services. The Bank shall exercise reasonable care in relation to the custody and presentation of cheques presented by the account holder for collection but shall not be liable for loss suffered by the account holder as a result of any loss or destruction of cheques or delay in presentation thereof in the absence of negligence on the part of the Bank. The Bank shall incur no liability as a result of any loss or destruction of cheques or delay in presentation while the cheques are in the custody of any properly authorised third party through whom such cheques are presented for collection. In no event shall the Bank be liable for any consequential loss arising as a result of the loss or destruction of cheques or their delay in presentation.

#### **12. United States Dollar Transactions**

In connection with any banking transactions denominated in United States dollars cleared or settled through the United States dollar Clearing System established in Hong Kong, the account holder:

- (a) acknowledges that the operation of the United States dollar Clearing System will be subject to the United States dollar Clearing House Rules and the United States dollar Operating Procedures referred to therein (as the same may be modified from time to time);
- (b) agrees to the provisions of Rule 2.3.5 of the United States dollar Clearing House Rules to the extent that such Rule is applicable or refers to the account holder or the account holder's transactions;
- (c) agrees that, without prejudice to (b) above, neither the Bank nor the Hong Kong Monetary Authority shall

owe any duty or incur any liability to the account holder 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 Bank or 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 Bank or the Hong Kong Monetary Authority bona fide or by the settlement institution of the United States dollars Clearing System, Hong Kong Interbank Clearing Limited or any member of the United States dollars Dollar Clearing House in the management, operation or use (including without limitation, the termination and/or suspension of the settlement institution, the United States dollars clearing facilities or any such member) of the United States Dollar Clearing House or the United States 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 United States dollar Clearing House Rules and the United States dollar Operating Procedures referred to therein (as the same may be modified from time to time).

### **13. Fees, charges and expenses**

- (a) The Bank may impose fees and charges for services in accordance with its Schedule of Charges, which lists the fees and charges of the Bank, as determined from time to time by the Bank and the account holder shall pay the same. A copy of the Schedule of Charges is available from the Hong Kong branch of the Bank upon request. Fees and charges are non-refundable.
- (b) The account holder shall pay all costs and expenses (including legal fees on a full indemnity basis and any applicable taxes) which are of reasonable amount and were reasonably incurred by the Bank and all fees and charges imposed by the Bank in connection with the opening, operation and maintaining the Account, and the preserving or enforcing the Bank's rights and/or resolving any disputes and/or defending any claim against the Bank relating to the Account.
- (c) If the account holder overdraws any Account without prior agreement or exceed an agreed borrowing limit, the Bank may charge a default rate of interest as determined by the Bank from time to time and impose other charges in connection with such overdrawing.
- (d) The Bank shall be entitled to use the services of, or to appoint, any bank or agent (including but not limited to debt collection agent) in Hong Kong or elsewhere as it deems appropriate in connection with the collection of any sum due but unpaid by the account holder in connection with the Account or with other banking business of the account holder. Such bank or agent shall be the agent of the customer and all charges and fees incurred in connection therewith shall be for the customer's account. The account holder shall from time to time and on demand indemnify the Bank in respect of all such charges and fees which are of reasonable amount and were reasonably incurred in connection with such service and appointment.
- (e) Upon the account holder's request in writing, the Bank will provide copies of the account statements and/or other documents to the account holder subject to payment of the applicable charge.
- (f) The account holder authorises the Bank, without notice, to deduct from the balance of or debit any Account any amount owing to the Bank and payable by the account holder under these Terms and Conditions.

### **14. Indemnities**

- (a) The account holder agrees to indemnify and keep the Bank, its directors, officers, employees and agents indemnified and hold them harmless against all losses, damages, costs and expenses (including legal fees and any interest or commission payments), proceedings, claims and demands which are of reasonable amount and were reasonably incurred by the Bank and all fees and charges imposed by the Bank (including administrative fees calculated at such rates as the Bank may determine for the time incurred by the Bank's personnel): (i) in connection with any inspection, calculation, approval, consent or waiver to be conducted, made or given by the Bank pursuant to any provision hereof; (ii) in enforcing or exercising its powers under these Terms and Conditions; (iii) recovering any amounts due to the Bank under these Terms and Conditions; or (iv) in any legal proceedings of whatever nature or any other act for the protection of or the preservation of the Bank's right or in connection with or arising from any Account or for the defence of any claim brought against the Bank in respect of these Terms and Conditions, save to the extent that such losses, damages, costs, expenses, proceedings, claims and demands are due to the fraud, gross negligence or wilful default of the Bank, its directors, officers, employees or agents.
- (b) The account holder shall indemnify and keep the Bank, its directors, officers, employees and agents indemnified and hold them harmless against any and all losses, damages, costs, expenses, proceedings, claims and demands of whatever nature (including, but without limitation, legal fees on a full-indemnity basis) which are of reasonable

amount and were reasonably incurred by the Bank and any and all actions, proceedings, claims, demands, liabilities, losses and damages which may arise or result from the Bank accepting any deposit into an Account or maintaining or operating an Account, or which the Bank may suffer, incur or sustain in connection with the fraudulent, negligent or unauthorised use of any Account, or in acting on or carrying out any instructions purportedly given to the Bank pursuant to these Terms and Conditions which the Bank believes in good faith to be genuine whether or not such instructions are unauthorised, inaccurate or incomplete, or any decision of the Bank not to process any instruction or any delay or failure to act on any instruction in part or in full for any reason, save to the extent that such losses, damages, costs, expenses, proceedings, claims and demands are due to the fraud, gross negligence or wilful default of the Bank, its directors, officers, employees or agents.

- (c) Neither the Bank, nor any of its directors, officers, employees or agents, shall be liable for any loss that may be suffered by the account holder in connection to any action or omission to act from the Bank or any of its directors, officers, employees or agents, with respect to any Account or any product and/or service provided by the Bank to the account holder.
- (d) The account holder shall immediately on demand pay in full any sums due to any of the Bank, its directors, officers, employees and agents under any of the indemnities set out in this Clause 14 and otherwise contained in these Terms and Conditions.

#### **15. Recording**

The account holder acknowledges and agrees that in providing its services, the Bank may (but is not obliged to) record any oral or electronic communication between the account holder and any officer of the Bank in relation to such services, including oral or electronic instructions received. The Bank reserves the right to destroy any such recording after such period of time as it considers appropriate. The account holder also acknowledges and agrees that the availability or retention period of the records may be subject to operational restrictions, capabilities and practices of the Bank, any Bank's group company(ies) and any third party service provider (where applicable).

#### **16. Refusal of deposit**

The Bank may, at any time without notice and at its discretion, refuse any deposit or limit the amount that may be deposited in an Account. The Bank shall not be obliged to give any reason therefor.

#### **17. Account closure or suspension**

- (a) The account holder may close any Account by giving written notice of a reasonable period to the Bank subject to payment or discharge of any obligations and liabilities (whether actual or contingent) owing by the account holder to the Bank in connection with that Account. The account holder agrees that the Bank may, at any time at its discretion, close any Account without giving any reason, upon written notice to the account holder at its last address or through the last means of communications registered with the Bank (as appropriate). Notwithstanding the above, the Bank reserves the right not to give prior or reasonable notice to the account holder for the closure of any Account in circumstances which the Bank in its sole and absolute discretion considers exceptional, including but not limited to situations where the Bank is of the opinion that: (i) the account holder shall commit any breach of or omit to observe any obligations under these Terms and Conditions that amounts to a material default on the part of the account holder; and (ii) the Account is being used for illegal or improper purpose. The Bank shall not be obliged to give any reason therefor.
- (b) Without prejudice to the generality of (a) above, the account holder agrees that the Bank shall be entitled to close an Account referred to in Clause 23 when the credit balance of such Account reaches zero.
- (c) Without prejudice to the generality of (a) above, the account holder agrees that the Bank shall be entitled to close any Account at any time upon written notice to the account holder at its last address or through the last means of communications registered with the Bank (as appropriate) in order to comply with (i) any applicable law or regulation of Hong Kong or any other places or (ii) any agreement entered into between the Bank and any competent tax, prosecuting, regulatory or governmental authority in Hong Kong or any other places (the "Authority") (i) and (ii) collectively referred to as the "Law or Regulation").
- (d) Without prejudice to the generality of (a) and (c) above, the account holder agrees that the Bank shall be entitled to suspend any Account at any time for such period at its sole and absolute discretion without any liability, including without limitation to where: (i) there appears to be irregularity in the operation of such Account; (ii) conflicting instructions are received in relation to such Account; (iii) the Bank has received claims from any third party in relation to the funds in such Account; (iv) the account holder passes any resolution or is subject to any petition, order or other proceedings in connection with bankruptcy, liquidation or insolvency; or (v) if the account holder is individual, when the account holder dies or is mentally incapacitated.

#### **18. Accuracy of information provided**

The account holder confirms that all particulars provided to the Bank (including without limitation to information relating to the account holder's ownership, control, constitution and composition) by any method were when

provided true and accurate and undertakes to notify the Bank promptly and in writing of any change of address or other particulars that have previously been provided to the Bank. The Bank shall not be responsible for any loss or damage which may occur by payment without such notice or before such notice is actually communicated to the Bank in accordance with these Terms and Conditions.

**19. Destruction of document**

Once any documents relating to the Account has been scanned (or images thereof otherwise recorded), the Bank may at its discretion destroy it. The Bank reserves the right to destroy any such record after such period of time as it considers appropriate.

**20. Communication**

- (a) All communications sent by post to the last address of the account holder registered with the Bank will be deemed to have been duly delivered to the account holder regardless of whether any such communication has been returned through post. If the Bank believes that communications sent to such address will fail to reach the account holder, the Bank may at its discretion cease to send further communication (including without limitation, account statements, transaction advice and confirmation and other kinds of communication) to such address of the account holder.
- (b) Save to such extent as otherwise expressly provided in the terms and conditions applicable to a specific product, service or transaction, any notice or demand by the Bank to the account holder hereunder shall be in writing and shall be deemed to have been sufficiently given (i) if sent by prepaid post (and, if posted to a place outside Hong Kong, air mail) to such address as the account holder may from time to time by not less than 7 days' prior written notice have notified to the Bank and any notice or demand so sent shall be deemed to have been served on the day following the date of posting if posted in Hong Kong to an address in Hong Kong and on the eighth day following posting if posted to or from a place outside Hong Kong and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed, stamped and posted; (ii) if sent by facsimile, when despatched to such facsimile number as the account holder may from time to time by not less than 7 days' prior written notice have notified to the Bank and any notice or demand so sent shall be deemed to have been served when such facsimile is despatched with confirmed transmission report; and (iii) in any other cases, when sent, transmitted, posted, placed, uploaded or otherwise made available to such address kept on the records of the Bank from time to time or through an Electronic Platform.
- (c) The account holder agrees that the Bank may (i) use any contact information provided by, for or on behalf of the account holder and kept on the records of the Bank from time to time to, or (ii) through any Electronic Platform accepted by both the Bank and the account holder, communicate with the account holder (whether through letters, telephone calls, fax, email or other means). Paragraphs (c) and (d) of this Clause 20 do not limit or reduce the effect of any other provisions in these Terms and Conditions or that apply to (i) the issuing of account statements, transaction advice or confirmation by the Bank to account holder, or (ii) the giving of instructions by account holder to the Bank.
- (d) Communications sent by account holder to the Bank shall only be in such form or by such means accepted by the Bank in its sole and absolute discretion from time to time which may, subject to and upon such terms and requirements as may be imposed or required by the Bank, include telephone, electronic means and other means. The Bank may (but is not obliged to) act on any communication from the account holder if such communication is not given to the Bank in such form or means accepted by the Bank in its sole and absolute discretion, and the Bank is not liable for any loss, cost or damage of any kind incurred or suffered by the account holder as a result.

**21. Use of Designated Collection Boxes**

- (a) Account holder may use the designated collection box(es) (collectively the “**Designated Collection Boxes**”) as may be made available at the specific location(s) of the Bank in accordance with its guidelines and directions to drop and deposit such documents and items as may be designated by the Bank from time to time for the Bank's processing (“**Drop Off Service**”).
- (b) Account holder should ensure that all documents and items submitted through the Designated Collection Boxes are complete, accurate and duly signed as applicable. The Bank has the right not to process any document or item if it is not complete, accurate or duly signed.
- (c) Where deposit of cheques, pay-in slips or other deposit instructions is allowed through the Designated Collection Boxes, the following provisions apply:
  - (i) the Bank will only be responsible after it has received, counted and verified the cheques, pay-in slips or other deposit instructions in accordance with its practice to its satisfaction;
  - (ii) where applicable and subject to the Bank's sole and absolute discretion, the Bank will send relevant advice or pay-in slip to the account holder after processing the relevant cheques;
  - (iii) the Bank will only credit to the relevant Account of the account holder such cheques, pay-in slips or other deposit instructions that it has received, counted and verified to its satisfaction in the following cases, and the decisions of the Bank will be final and binding on the account holder:



- (1) if there is no discrepancy between the details specified in a pay-in slip and the cheques accompanying that pay-in slip that are actually received, counted and verified by the Bank; and/or
  - (2) if there is no other reason for the Bank not to accept any cheques, pay-in slips or other deposit instructions deposited;
- (iv) cheques, pay-in slips or other deposit instructions deposited to the Designated Collection Boxes after the cut-off time (as specified by the Bank from time to time) will be processed and/or handled by the Bank on the next Banking Day. For the purpose of these Terms and Conditions, a Banking Day is a day, other than Saturday, on which the Bank is opened for business in Hong Kong for the full day.

Cheques to be sent for collection shall not be dropped in or deposited to the Designated Collection Boxes, unless otherwise expressly permitted and agreed by the Bank in its sole and absolute discretion.

- (d) The Bank makes no representation or warranty whatsoever, including warranties (i) with respect to the accuracy, completeness or timeliness of the Drop Off Service; or (ii) as to the merchantability or fitness for a particular purpose relating to the Drop Off Services (express or implied). Without limiting the generality of any other provisions in these Terms and Conditions, the Bank will not be liable for any loss, damage, cost or expense of any kind which the account holder or any other person may incur or suffer arising from, in connection with or as a result of the Drop Off Service.

## 22. Amendment

The Bank may, at its discretion and from time to time update, vary, amend or otherwise change these Terms and Conditions and any other applicable terms and conditions relating to any products and/or services provided by the Bank. The account holder shall be given prior notice of such changes by the displaying of the changes in the Bank's premises or by such other method as the Bank may determine in its sole and absolute discretion. If the change involves fees/charges or the liabilities/obligations of the account holder, at least 30 days' notice will be given. In other cases, reasonable notice will be given. After the effective date of such amendment, if the account holder does not close his Accounts or continues to use the products and/or service provided by the Bank or any indebtedness remains outstanding from the account holder to the Bank, it shall be deemed that he agrees to such changes.

## 23. Dormant Accounts and Accounts with low level of usage

- (a) The Bank shall be entitled to levy a service charge payable annually in respect of any Account which has no activities (other than activities initiated by the Bank such as interests and charges) for a continuous period of 12 months and designate such Accounts as dormant accounts (each, a "**Dormant Account**"). The Bank may from time to time vary the length of such continuous period or the amount of such service charge as it considers appropriate. Restrictions may apply to a Dormant Account.
- (b) The Bank has the right to treat or place the assets of any account holder in any Account which is treated by the Bank as a Dormant Account in an unclaimed balance account or any other type of account (each, a "**Specific Account**") maintained by the Bank for unclaimed client assets in such manner as the Bank may reasonably deem appropriate. The Bank is not obliged to pay interest on such assets held in any Specific Account. Notwithstanding any other provisions in these Terms and Conditions, the Bank has the right to close any Account which is designated by the Bank as a Dormant Account after transferring all assets of the account holder in such Account to a Specific Account. The Bank also has the right to deduct from such assets of the account holder any costs and expenses of reasonable amount and reasonably incurred by the Bank in holding and administering the assets of the account holder in any Specific Account (including any request of the account holder for returning such assets in due course).
- (c) The Bank may charge such account maintenance fees as it may impose and set out in the Schedule of Charges or otherwise notified to account holders from time to time in respect of any Account which does not meet the requisite level of usage, holdings or average balance. A copy of the Schedule of Charges is available from the Hong Kong branch of the Bank on request.

## 24. Bank's determination

Any matter under these Terms and Conditions which is to be determined at the discretion of the Bank shall be determined in such manner as the Bank at its sole and absolute discretion considers appropriate.

## 25. Events beyond the Bank's control

The Bank shall not be responsible for any delay, loss or damage (direct or otherwise) the account holder or any other person suffered or incurred as a result of any flood, storm, fire, strike, riot, government restrictions, the imposition of emergency procedures or suspension of trading by any relevant market, civil commotion, act or threatened act of terrorism, natural disaster, wide spread disease in local community, pandemic, act of God, emergency, war (whether

declared or not), electrical failure, transport breakdown, lockdown, mechanical, electronic or other failure or malfunctioning of any computer systems or devices (including without limitation any delay, breakdown, failure or malfunctioning of any Electronic Platform and other electronic means of communications) or other events beyond the Bank's control.

**26. Provision and Disclosure of Information**

- (a) The account holder agrees that it shall provide the Bank with such information as the Bank may require from time to time to enable the Bank to comply with any Law or Regulation.
- (b) The account holder hereby authorises the Bank to disclose any information regarding the account holder (including any information or personal data referred to in Clause 27 below) and its account relationship with the Bank to all or any of (i) any financial institution with which the account holder has or proposes to have dealing; (ii) any actual or proposed participant or sub-participant in, or assignee, novatee or transferee of any of the Bank's rights in relation to the Account; (iii) any agent, contractor or third party service provider who provides administrative, telecommunications, computer, payment, securities clearing, credit reference or checking, debt collection or other services or facilities to the Bank in connection with the operation of its business; (iv) any other person under a duty of confidentiality to the Bank; (v) (in the case of a body corporate, a partnership or an association) until notice in writing to the contrary is received by the Bank from the account holder, the auditors of the account holder for the time being and from time to time, upon the request of such auditors (vi) the collection agent referred to in Clause 13(d); (vii) any party giving or proposing to provide a guarantee or third party security to secure any of the obligations of the account holder to the Bank (in such case, disclosure of information also includes, without limitation, any copy correspondence and statement of account issued by the Bank to the account holder and copy of any formal demand sent to the account holder for overdue payment); (viii) the relevant Authority to comply with any Law or Regulation; and (ix) the Bank's head office in Japan and/or any of the Bank's branches and/or its holding company, Sumitomo Mitsui Financial Group, Inc., or any of the subsidiaries or associated companies or affiliates, whether within or outside Hong Kong, of each of the Bank and Sumitomo Mitsui Financial Group, Inc. ("Bank's group company(ies)") which will collect, hold, process or use any such information. The head office of the Bank will keep all information confidential save where it is required to disclose the information in certain limited circumstances pursuant to any law, regulation or court order binding on it in Japan. Any termination of the Account by the account holder or the Bank shall not affect or terminate the account holder's authorisation to disclose information given above in relation to information in the possession of the Bank at termination.
- (c) Without prejudice to the generality of the foregoing or any other provisions in these Terms and Conditions, the account holder agrees that the Bank may:
- (i) notwithstanding any agreement or terms and conditions applicable to any specific products, services or transactions made between the Bank and the account holder from time to time, disclose, transfer and make available any information or data in relation to the account holder, the account holder's transactions, requirements for any banking or financial products and services and funding needs (collectively "Customer Data") as the Bank considers appropriate to; and
- (ii) receive and use Customer Data of the account holder from,
- any Bank's group company(ies) (whether in or outside Hong Kong) to conduct analysis of the account holder's requirements and needs and for any of the purposes below:
- (i) improvement of the Bank's products and services; and
- (ii) provision of banking and financial products and services which may be made available from the Bank and the Bank's group company(ies) to the account holder.

The account holder may withdraw the consent given under this paragraph (c) or, if the account holder has withdrawn consent under this paragraph (c), give the consent under this paragraph (c) at any time by serving no less than 14 calendar days' (or such shorter period of time as the Bank may, but is not obliged to, agree in its sole and absolute discretion) prior written notice to and actually received by the Bank at its registered address or such other address as the Bank may specify from time to time.

**27. Personal Data**

- (a) The account holder (who is an individual, a sole proprietorship or a partnership) agrees that all personal data relating to the account holder collected by the Bank from time to time may be used and disclosed for such purposes and to such persons (whether in or outside Hong Kong) as may be in accordance with the Bank's policies on use and disclosure of personal data set out in statements, circulars, terms and conditions or notices made available by the Bank to its customers (including but not limited to the "Notice to Customers and Other Individuals relating to the Personal Data (Privacy) Ordinance") from time to time and such data may be (i) used in connection with matching procedures (as defined in the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong)), (ii) disclosed (by way of bank references or otherwise) to any financial institution (whether in or outside Hong Kong) with which the

account holder has or proposes to have dealings to enable such financial institution to conduct credit and/or other relevant checks on the account holder and (iii) disclosed to the relevant Authority to comply with any Law or Regulation.

- (b) If any information provided by or on behalf of the account holder to the Bank includes information or personal data of any third party, the account holder confirms and warrants that the account holder has obtained the consent of such third party to the provision of such information or personal data to the Bank for such purposes and for disclosure to such persons (whether in or outside Hong Kong) as may be in accordance with the terms of these Terms and Conditions or the Bank's policies on use and disclosure of personal data set out in statements, circulars, terms and conditions or notices made available by the Bank to its customers (including but not limited to the "Notice to Customers and Other Individuals relating to the Personal Data (Privacy) Ordinance") from time to time. For the avoidance of doubt, such information or personal data may be used by the Bank from time to time for the purpose of conducting "Know Your Customer" checks in respect of any other entities or companies (whether in or outside Hong Kong) of the group which the account holder belongs to, including without limitation, any of its subsidiaries, associated companies or affiliates.

**28. "Know Your Customer" Checks**

The account holder shall promptly upon the request of the Bank supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Bank (for itself or on behalf of any prospective assignee or transferee) in order for the Bank or any prospective assignee or transferee to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations.

**29. Anti-Money Laundering and Counter-Terrorist Financing**

The account holder shall comply with in all respects all anti-money laundering and counter-terrorist financing laws and regulations ("AML/CTF Laws") to which it may be subject. The account holder shall promptly provide all information to the Bank which the Bank may require in order to manage its money-laundering and terrorist-financing risks or to comply with the AML/CTF Laws.

**30. Anti-Corruption**

None of the account holder and its directors, officers, agents, employees and any other persons acting for it or on its behalf (each a "Relevant Person") have:

- (a) violated (and will violate) any applicable anti-bribery or anti-corruption laws;
- (b) offered, paid, promised to pay or authorized the payment of (and will offer, pay, promise to pay or authorize the payment of) any money; or
- (c) offered, given, promised to give or authorized the giving of (and will offer, give, promise to give or authorize the giving of) anything of value to any Government Official ("Government Official" means any officer, employee or any other person acting in an official capacity for any government authority or any political party or any candidate for political office (both individually and collectively)) or to any person,

under circumstances where the account holder or the Relevant Person knew or was aware of a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any Government Official, in each case for the purpose of:

- (i) any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity;
- (ii) influencing any act or decision of such Government Official in his official capacity (including a decision to fail to perform his official function);
- (iii) inducing such Government Official to do any act in relation to his lawful duty;
- (iv) securing any improper advantage;
- (v) inducing such Government Official to influence or affect any act or decision of any Government Entity ("Government Entity" means government or any department, agency or instrumentality thereof, including any entity or enterprise owned or controlled by a government, or a public international organisation); or
- (vi) assisting the account holder or the Relevant Person in obtaining or retaining business for or with a Government Entity, or directing business to the account holder or the Relevant Person.

**31. Restrictions on Transactions**

The account holder agrees that the Bank may refuse to act on any instruction of the account holder or delay, block or refuse to process any transaction without incurring any liability and without providing reasons if the Bank considers appropriate in its sole and absolute discretion. Without limiting or reducing the effect of the foregoing, the Bank may refuse to act on any instruction of the account holder or delay, block or refuse to process any transaction without incurring any liability if the Bank has fair reason to suspect that:

- (a) the instruction or transaction may breach any Law or Regulation;
- (b) the instruction or transaction involves any person (natural, corporate or governmental) that is itself subject to any applicable sanction imposed by the United Nations or any relevant country or is connected, directly or indirectly, to any person that is subject to such sanction;
- (c) the instruction or transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, any unlawful conduct; or
- (d) by carrying out the instruction or transaction, the Bank may breach any Law or Regulation.

**32. Taxes**

The account holder agrees that the Bank may withhold or deduct any amount for or on account of, or which represents, withholding, income tax, value added tax, tax on the sale or disposition of any property, duties or any other amount which is required to be withheld or deducted to comply with any Law or Regulation from any payment to the account holder, or to or from any Account (the "Relevant Amount"). The account holder authorises the Bank to pay the Relevant Amount to the relevant Authority in accordance with the relevant Law or Regulation. In the event that the Bank pays or has paid from its own funds or is or will become required to make a payment to the relevant Authority in respect of a Relevant Amount, the account holder shall indemnify the Bank for such payment and all costs and expenses in connection therewith. If the account holder is required by Law or Regulation to make any deduction or withholding, the account holder shall pay to the Bank such additional amount as will result in the net amount received by the Bank being equal to the full amount which would have been received had there been no deduction or withholding.

**33. Payment by the account holder**

Any amount payable by the account holder to the Bank in connection with these Terms and Conditions, any Account, products and services provided by the Bank, and any instruction or transaction in connection with the Account shall be paid in Hong Kong and in the currency in which the relevant amount is owed unless otherwise directed or agreed by the Bank, and in full free and clear of any present or future taxes, levies, duties, fees, charges or withholding and without set off or counterclaim or any restriction, condition or deduction of any nature.

**34. Partnership accounts**

If the account holder is a partnership, all obligation, liability, authorisation and indemnity or other provision contained in these Terms and Conditions and which may be standing on the partnership Account shall be joint and several amongst the partners, and shall remain in full force and effect notwithstanding any change in constitution or name of the partnership or membership of the partnership by reason of death, bankruptcy, retirement or otherwise or the admission of any new partner(s) or modification or termination of any powers of any partner. The account holder undertakes to notify the Bank in writing of any change in the partnership. On the death of any one partner, the signature(s) of the surviving partner(s) will be accepted as sufficient discharge for any credit balance of any Account or any part of such balance.

**35. Joint/Association account**

If the account is a joint or an association account, (a) each account holder agrees to be jointly and severally liable to the Bank for all obligations, liabilities, authorisations and indemnities or other provisions contained in these Terms and Conditions which may be standing on the Account; (b) references to the account holder shall be construed to be to each of such account holder; (c) unless the account holder has agreed with the Bank otherwise and have completed the relevant authorisation form and signature card and other documents required by the Bank, each of such account holder shall be entitled to operate the account independently from the other account holder(s); (d) the Bank shall be entitled to deal separately with any such account holder on any matter, and may vary the liability or grant time or other indulgence to any such person, without affecting the Bank's rights and remedies against any other such persons; (e) any notice to any such account holder will be deemed effective notification to all such account holder; (f) all sums now or in the future received in the name of any one or more of such account holder(s) may be deposited, in the Bank's discretion and in the absence of contrary instructions, in the Account; (g) any balance on deposit to the credit of such Account is and will be owned by such account holder as joint tenants with right of survivorship; and (h) subject to applicable law, on the death of any of such account holder, the Bank will hold any credit balance in the Account to the order of the survivor(s) (without prejudice to any right the Bank may have arising out of any lien,

right of set-off, counter-claim or otherwise) or any other action the Bank may deem desirable to commence in view of any claim by any person, and the Bank shall be released from all demands, claims, suits and actions whatsoever by the heirs, executors and administrators of the deceased account holder. Notwithstanding the foregoing, the Bank shall be entitled upon the death of any one of the account holders to suspend or close the account without notice; and (i) all cheques, drafts or other instruments payable to any one or more but not all of the account holders may be collected by the Bank and paid into the Account notwithstanding the same are crossed "Account Payee" or "Account Payee Only" and not endorsed by the payee.

Without prejudice to the generality of the foregoing or any other provisions, if, in relation to a joint account, the Bank becomes aware or receives notice of the unsound mind or mental incapacity (such as mental disorder and mental handicap) of an account holder (the "Affected Account Holder"):-

- (i) the Bank may, in its sole and absolute discretion, suspend operation of the relevant joint account if (aa) any one of such account holder instructs the Bank to stop accepting instructions from any other account holder or any authorised signatory of the joint account (each a "Third Party Signatory" and collectively the "Third Party Signatories"); or (bb) the Bank receives conflicting instructions from two or more of such account holders and the Third Party Signatories, until the Bank receives unanimous confirmation from all account holders and the Third Party Signatories (as the case may be);
- (ii) the Bank may, in its sole and absolute discretion, suspend operation of the relevant joint account until the Bank is satisfied that all of such other account holders are aware of the circumstances and the legal representative(s) of the Affected Account Holder has/have provided the Bank with such information as the Bank requires to resume operations of the joint account; and/or
- (iii) the Bank may (but is not obliged to) accept instructions only from the Affected Account Holder's legal representative(s) and all such other account holders if specific signing arrangements have been agreed with the Bank in writing in respect of the relevant joint account pursuant to paragraph (c) above, whereby each of such account holder is not allowed to operate the relevant account independently from the other account holder(s).

### **36. Cumulative Rights and No Waiver**

The rights, powers and remedies of the Bank under these Terms and Conditions are cumulative and not exclusive of any of its rights, powers or remedies provided by law and any other agreement, and may be exercised as often as necessary.

Any forbearance or failure or delay by the Bank in exercising any right, power or remedy in relation to these Terms and Conditions shall not be deemed to be a waiver of such right, power or remedy, and any single or partial exercise of any right, power or remedy shall not preclude the further exercise thereof and no course of dealing between the account holder and the Bank nor any waiver by the Bank in any one or more instances shall be deemed a waiver in any other instance. Each of the Bank's rights, powers and remedies shall continue in full force and effect until such rights, powers or remedies are specifically amended or waived by an instrument in writing executed by the Bank.

### **37. Partial Invalidity**

If any one or more of the provisions of these Terms and Conditions is or becomes illegal, invalid or unenforceable under the law of any jurisdiction, the legality, validity or enforceability of such provisions under the law of any other jurisdiction, and of the other provisions of these Terms and Conditions, shall not be affected or impaired thereby, and these Terms and Conditions shall be construed as if such illegal, invalid or unenforceable provisions were not contained herein.

### **38. Miscellaneous**

- (a) References to "account holder" means any person who opens an Account with the Bank and any customer referred to in Clause 10 of Part IV and shall include account holders and where the context admits his or her or their successors and personal representatives, who shall be bound by all applicable Standard and Specific Terms and Conditions.
- (b) Headings are inserted for ease of reference only and shall not affect the interpretation of these Terms and Conditions.

### **39. Governing law, regulations and jurisdiction**

These Terms and Conditions shall be governed by and construed in accordance with the laws of Hong Kong. All accounts, the interest thereon, the service charges and other matters related thereto shall also be governed by the Bank's by-laws and regulations and practices, in each case brought to the attention of the account holder by the displaying of such documents in the Bank's premises or by such other methods as the Bank may determine.

The account holder agrees to submit to the exclusive jurisdiction of the Hong Kong courts in connection with any suit, action or proceeding arising out of or in connection with these Terms and Conditions (including any suit, action

or proceeding whether these Terms and Conditions exist, are valid or have ended). The account holder also agrees that Hong Kong courts are the most appropriate and convenient courts to settle any such suit, action or proceeding and that the account holder will not argue otherwise. However, the Bank shall be entitled to enforce these Terms and Conditions in the courts of any competent jurisdiction.

**40. No Immunity**

The account holder agrees that in any legal action or proceedings against it or its assets in connection with these Terms and Conditions, no immunity from such legal action or proceedings shall be claimed by or on behalf of the account holder or with respect to its assets, and the account holder irrevocably waives any such right of immunity which it or its assets now has/have or may hereafter acquire or which may be attributed to it or its assets and consents generally in respect of any such legal action or proceedings to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever, of any order or judgment which may be made or given in such action or proceedings.

**41. Third Party Rights**

Any person who is not the account holder will have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623, Laws of Hong Kong) to enforce or enjoy the benefit of any of the terms of these Terms and Conditions. Notwithstanding any terms to the contrary herein, no consent of any third party is required for any variation or amendment of any term of these Terms and Conditions.

**42. Suitability Requirement and Risk Disclosures**

- (a) If the account holder is neither an Institutional Professional Investor nor a Corporate Professional Investor for the purpose of Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (“SFC Code of Conduct”), the Bank agrees that if the Bank solicits the sale of or recommend any financial product to the account holder, the financial product must be reasonably suitable for the account holder having regard to the account holder’s financial situation, investment experience and investment objectives. No other provision of these Terms and Conditions or any other document the Bank may ask the account holder to sign and no statement the Bank may ask the account holder to make derogates from this clause.

For the purposes of these Terms and Conditions, the terms “Institutional Professional Investor”, “Corporate Professional Investor” and “financial product” shall have the respective meanings set out in the SFC Code of Conduct.

- (b) If the account holder transacts with the Bank on financial product(s), staff of the Bank will explain, and the account holder will sign and return to the Bank, the Risk Disclosure Statement in the prescribed form provided by the Bank.

**43. Conflicts of Interest**

- (a) The Bank may engage, collaborate with or appoint any Bank’s group company(ies) or any third party intermediary (whether as the Bank’s agent or not) or otherwise make such internal or intra-group arrangements in the promotion, marketing, distribution and/or execution of multi-financial and banking products and services to clients around the world including the account holders, to the extent permitted by the legal and regulatory requirements applicable to them. The Bank, its agent, any third party intermediary or some other person connected with them may have an interest, relationship or arrangement which is material in respect of the products, transactions, arrangements or services concerned, and actual or potential conflicts of interest may arise.
- (b) Although the Bank will strive to avoid actual or potential conflicts of interest in its provision of products and services to or in its business activities in connection with the account holders, if actual or potential conflicts of interest arise in the course of business conducted by the Bank with any Bank’s group company(ies) or any third party intermediary, but without limitation to its duties and obligations to act in the interests of the account holder, the Bank will endeavour to ensure that such conflicts of interest are managed professionally and minimised so far as reasonably practicable and that appropriate measures are adopted in seeking to ensure that such conflicts of interest are resolved fairly. There may be rebates, commissions, or any other kind of remuneration arrangements between the Bank, any Bank’s group company(ies) and any third party intermediary in respect of the products, services and transactions provided to or entered into with or for the account holders. In cases where conflicts of interests could not be avoided, the Bank shall, in so far as reasonably practicable, strive to treat the relevant parties involved fairly.
- (c) None of the Bank, any Bank’s group company(ies) or any third party intermediary assumes any obligation to avoid or disclose any of the actual or potential conflicts of interest notwithstanding the preceding paragraph (b). The Bank, any Bank’s group company(ies) and any third party intermediary may acquire information regarding the Accounts, and any products, services and transactions in relation to the Accounts before and during the term of the provisions of the Account or any related products or services that is or may be construed to be not publicly available. None of

the Bank, any Bank's group company(ies) nor any third party intermediary is under any obligation to make such information (whether confidential or not) available to the account holders.

- (d) Save as otherwise expressly agreed in writing by the Bank and the relevant Bank's group company(ies), nothing contains herein or in the transactions that the account holders may enter into with the Bank in relation to the Account constitutes the Bank, any Bank's group company(ies) or any third party intermediary as a trustee or fiduciary of any person. The Bank, any Bank's group company(ies) or any third party intermediary shall not be bound to account to the account holder for any sum or the profit element of any sum received by it for its own account.

**44. Assignment**

The account holder shall not assign or transfer any of its rights or obligations under these Terms and Conditions to any other person without the prior written consent of the Bank. The Bank may assign or transfer any of its rights or obligations under these Terms and Conditions to any other person.

**45. Binding Effect**

These Terms and Conditions shall be binding on and enure to the benefit of the Bank and the account holder respectively notwithstanding the absorption or amalgamation of the Bank by or with any other person.

**46. Deposit Protection Scheme**

Deposits in savings accounts, current accounts, time deposit accounts and RMB accounts with the Bank (with maturity within 5 years) are deposits qualified for protection by the Deposit Protection Scheme in Hong Kong. For more details of the Deposit Protection Scheme, please refer to the information leaflet in the account opening package or visit the website of the Hong Kong Deposit Protection Board ([www.dps.org.hk](http://www.dps.org.hk)).

**47. Electronic Signing**

- (a) Each of the account holder and the Bank agrees that any banking document or form (whatsoever and howsoever named) in relation to any Account and which is designated by the Bank from time to time (each a "Prescribed Document") may be manually signed and/or electronically signed (in whatever manner and howsoever effected in accordance with the applicable law, including without limitation to signing or attaching the signature by or through any Electronic Platform, any other electronic or digital means and/or software) by all or any of them. Any electronic signature made, adopted, attached, submitted or provided by the account holder or the Bank using Electronic Signing Arrangement shall constitute the signature of the account holder and Bank respectively.
- (b) Each of the account holder and the Bank acknowledges and agrees that each such electronic signature referred to in paragraph (a) above is an "electronic signature" under the Electronic Transactions Ordinance (Cap. 553, Laws of Hong Kong) to authenticate, confirm, agree and approve the relevant Prescribed Documents and shall be deemed to be in writing and have the same force and effect as manual signature. In the case where a Prescribed Document is to be signed by electronic signature and/or by using Electronic Signing Arrangement, each of the account holder and the Bank accepts that using electronic signature and/or Electronic Signing Arrangement provides a reliable and appropriate method for the Bank to electronically sign such Prescribed Document. For the purpose of this Clause 47, "Electronic Signing Arrangement" means any electronic signing service or arrangement at any time provided by the Bank or any third party service provider which provides such service or arrangement to the Bank and the account holder for electronic signing of any Prescribed Document (whether in physical, electronic or other form) and includes any Electronic Platform or electronic signing platform (whether operated by the Bank or any other person) which is accessible or used under such service or arrangement, and "electronic signature" means any electronic signature made, adopted, attached, submitted or provided by the account holder or the Bank using Electronic Signing Arrangement.
- (c) Any instructions, application or information given to the Bank under a Prescribed Document by, for or on behalf of the account holder using Electronic Signing Arrangement agreed by the Bank under paragraph (a) above will be deemed to have reached the Bank upon actual receipt by the Bank via such Electronic Signing Arrangement, and shall be treated as valid, genuine, duly authorized and accurately transmitted notwithstanding that it was sent in error (due to system error or otherwise) or delay or such instruction, application or information is fraudulent or unauthorized. The Bank has no obligation to verify the validity or authenticity of such instruction, application or information and assumes no liability for any loss or damage suffered by the account holder.

## II. SPECIFIC TERMS AND CONDITIONS FOR CURRENT ACCOUNTS

### A. Hong Kong dollar, United States dollar and Renminbi Current Accounts

The following provisions in this section A apply to all Hong Kong dollar, United States dollar and Renminbi (“RMB”) current accounts opened with the Bank acting through its branch in Hong Kong:

#### 1. Interest

No interest shall accrue on credit balances on Hong Kong dollar, United States dollar or RMB current accounts.

#### 2. Cheque books

Cheque books may be issued on application by the account holder in compliance with the Bank’s procedures and the terms prescribed by the Bank from time to time, provided that the Bank is entitled, without giving any reason and without any liability, to refuse issuance of a cheque book to the account holder.

#### 3. Delivery of cheque books

Upon approval of a cheque book application request, the Bank will deliver the required cheque book to the account holder at the account holder’s risk by ordinary post or other methods requested by the account holder and agreed to by the Bank. If delivery is to be by post, the Bank shall deliver to the last address shown in the record kept by the Bank. The Bank shall not be liable for any delay or loss resulting from any delivery method.

#### 4. New Cheque Books

On receipt of a new cheque book, the account holder should, prior to using the cheques, verify the cheque serial numbers, the account number and the name of the account holder printed on the cheques and the number of cheques. The account holder shall promptly report any irregularity to the Bank.

#### 5. Security of cheque books

Cheque books must at all times be kept safely so that they are not available to unauthorised persons. In particular, cheques should not be pre-signed in blank.

#### 6. Time for Clearing a Cheque

The usual time taken for clearing a cheque and credit the relevant amount to the Account is approximately one to two Banking Days (for cheques drawn on banks in Hong Kong) provided there is no irregularities in the relevant cheque. Notwithstanding the above, the actual time taken will be subject to the Bank’s discretion.

#### 7. Use of cheques

Cheques should be used by the account holder only for drawings on the Account for which they are provided. In drawing on such Account the account holder should only use the cheque forms supplied by the Bank.

RMB cheques may only be used in Hong Kong.

#### 8. Care over use

The account holder must exercise due care when drawing cheques. Without prejudice to the generality of the foregoing, the account holder agrees that:

- (a) the account holder will not draw cheques by any means and/or in any manner which may enable a cheque to be altered or may facilitate fraud or forgery; and
- (b) when issuing cheques, the words and figures of the amount should be so written that no space is left between the writing and “Dollars”, “\$”, “REMINBI” and “¥” respectively; and
- (c) the word “only” should be added after the amount in words; and
- (d) only Arabic numerals should be used for figures; and
- (e) the account holder should never issue blank cheques or signed but incomplete cheques to any person. It is recommended that cheques are always crossed and not made out “to bearer”; and



(f) all cheques must be written in non-erasable ink or ball-point pen in Chinese or English.

**9. Signatures**

The account holder should ensure that its signature on the cheques shall conform to the specimen in the Bank's records. At the request of the account holder and upon the account holder entering into any further indemnity as the Bank may request, the account holder authorises the Bank and the Bank may (but shall not be obliged to) honour a cheque with a signature which in the sole opinion of the Bank contains minor discrepancies with the specimen signature(s) of the account holder. The account holder agrees that the Bank will not be liable for losses arising from such payment and shall indemnify and hold harmless the Bank from all claims and liabilities in respect of such payment.

Notwithstanding any provision in the preceding paragraph, the Bank shall in no event be liable for any loss, damage, expense, cost, or claim of any kind which the account holder or any other person may incur or suffer as a result of the Bank honouring in good faith any cheque purporting to be drawn by the account holder, notwithstanding that such cheque was not signed by the account holder or its authorised signatory/ies as previously agreed with the Bank and notwithstanding any error, forgery, fraud, negligence or lack of authority on the part of the account holder or the signatory/ies.

Alterations on cheques must be confirmed by full signature(s) of the account holder(s) near the alteration. The account holder agrees that the Bank will not be liable for losses arising from alterations which cannot be readily detected.

**10. Loss/theft**

The account holder must immediately notify the Bank in writing when a signed cheque, blank cheques or a cheque book is lost or stolen. The Bank shall not be responsible for payments made prior to receipt of such written notification.

**11. Ownership of cheque books**

Cheque books remain the property of the Bank and shall be returned immediately upon request.

**12. Returned cheques**

The Bank is entitled not to honour any cheques or all the cheques (if more than one cheques are presented for payment at the same time) if there are insufficient funds in the Account concerned to meet the drawing or if there is any technical or other error or for any other reasons (including, but not limited to, circumstances where a cheque is incorrectly completed, altered without authorization, post-dated or out of date). In such events, the Bank is entitled to levy a handling charge on the returned cheques. Details of the charges applicable are detailed in the Schedule of Charges, a copy of which is available at the Hong Kong branch of the Bank upon request.

If the Bank, at its discretion and notwithstanding the absence of any prior arrangement, honours a cheque or any part thereof despite the account having insufficient funds in the account, the account holder shall be liable for the repayment thereof with interest at such rate or rates as the Bank shall determine from time to time and shall repay or pay such amounts to the Bank upon demand.

**13. Stop Payment of a cheque**

The Bank may mark a cheque as "good for payment" whereupon the current account of the account holder will be debited with the amount of such cheque and the account holder shall not be permitted to stop payment of such cheque. The account holder may stop payment of a cheque which has not been marked as "good for payment" as aforesaid by giving the Bank full particulars in writing before the cheque has been paid. Notwithstanding the foregoing, the Bank may at its discretion accept verbal instructions or instructions by any other means to stop payment of a cheque which has not been marked as "good for payment" as aforesaid or paid but without any liability. The account holder shall indemnify the Bank for any loss incurred by the Bank on any stop payment of cheques whether or not such stop payment instruction was successful.

**14. Deposit charge**

The Bank reserves the right to impose deposit charges on credit balances from time to time at its discretion.

**15. Cash cheques**

The Bank reserves the right not to accept and honour cash cheques drawn on a Hong Kong dollar, United States dollar or RMB current account.

**16. Destruction of physical cheques**

The account holder agrees that:

- (a) cheques drawn by the account holder which may 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
- (b) the Bank is authorized to contract inter alia with collecting banks and HKICL in accordance with the terms in paragraph (a) above.

**B. Foreign Currency (Non-United States dollar/Non-Renminbi) Current Accounts**

The following provisions in this section B apply to all foreign currency (that is, non-Hong Kong dollar), but excluding United States dollar and RMB, current accounts (the “Non-US Dollar/Non-RMB Foreign Currency Current Accounts”) opened with the Bank acting through its branch in Hong Kong:

**1. Interest**

No interest shall accrue on credit balances of the Non-US Dollar/Non-RMB Foreign Currency Current Accounts.

**2. No cheque books**

No cheque books will be issued for the Non-US Dollar/Non-RMB Foreign Currency Current Accounts.

**3. Withdrawal Instructions**

Withdrawal instructions shall be given by the account holder using the prescribed form of the Bank or by letter or an authentication cable sent by an overseas banker each in a form acceptable to the Bank.

### III. SPECIFIC TERMS AND CONDITIONS FOR SAVINGS ACCOUNTS

The following provisions in this Part III apply to all savings accounts of the account holder opened with the Bank acting through its branch in Hong Kong (each a “Savings Account”):

**1. Availability**

To open a Savings Account, the account holder shall place a minimum deposit in the currencies allowed by the Bank. The minimum amount of deposit and the currencies available are prescribed by the Bank and are subject to change from time to time with or without prior notice.

**2. Interest**

Interest on Savings Accounts shall accrue on a daily basis at rates set by the Bank. The rates are notified from time to time by display at the Bank’s premises and/or in the press or by any other method determined by the Bank. Interest shall be credited to the Savings Accounts half yearly or at such other intervals as determined by the Bank from time to time. When a Savings Account is closed, interest will be payable up to the last calendar day prior to the date of closing of the Account.

**3. No cheques**

Withdrawals shall not be made by means of cheques or other negotiable instruments.

**4. Overdrafts**

No overdraft shall be permitted, even temporarily, on any Savings Account.

**5. Zero balance**

Savings Accounts with zero balances are liable to be closed by the Bank.

**6. Charges**

The Bank reserves the right to impose deposit charges on credit balances of Savings Accounts from time to time at its sole and absolute discretion.

**7. Payment**

The Bank reserves the right at its discretion to pay to the account holder any amount withdrawn by :

- (a) issuing to the account holder a cashier’s order drawn on the Bank in Hong Kong dollars;
- (b) (in the case of a foreign currency account) by converting the amount into Hong Kong dollars at the Bank’s then prevailing buying rate and paying the proceeds to the account holder; and/or
- (c) by such other means as the Bank at its discretion thinks fit.

**8. No Passbook**

No passbook shall be issued by the Bank in respect of any Savings Account.

**9. Withdrawals**

Withdrawal applications may be made by a withdrawal slip duly completed and signed by the account holder or in such other manner as may be accepted by the Bank. Any payment made by the Bank to a person producing a withdrawal slip purporting to be signed and/or sealed or chopped as authorised by the account holder shall have the same effect as if made by the account holder personally and will absolve the Bank from all liabilities to the account holder or to any other party in respect of such payment. Withdrawal slips are not transferable and may not be presented for payment through clearing.

**10. Statements**

An account statement will be issued to the account holder at monthly intervals (whether in paper form or electronic form) or at such other intervals as the Bank may from time to time determine provided that the Bank shall reserve the right not to send or make available an account statement if there are no entries during the period covered by that

account statement. Subject to Clause 6 of the Standard Terms and Conditions, the entries and balance shown on the account statement shall be conclusive in favour of the Bank. The Bank reserves the right not to issue any account statement in respect of a month during which no entry has been made over the relevant account.

#### IV. SPECIFIC TERMS AND CONDITIONS FOR TIME DEPOSIT ACCOUNTS

The following terms and conditions in this Part IV apply to all time deposit accounts opened by the account holder with the Bank acting through its branch in Hong Kong (each a "Time Deposit Account"):

##### 1. Availability

- (a) A minimum deposit is required to open a Time Deposit Account. The currency available, the minimum amount of deposit required and the length of deposit period available in respect of each of the foreign currencies allowed shall be prescribed by the Bank and may be subject to change from time to time with or without prior notice.
- (b) The Bank shall determine the hours during which placements, renewals and withdrawals of deposits are accepted. Transactions involving foreign currency deposits are not accepted on public holidays of the country of the currency concerned or on Saturdays.

##### 2. Interest rate

Subject to Clause 5 below, the Bank will pay interest on time deposits placed with the Bank.

The interest rate throughout the deposit period will be simple interest at the rate fixed on the first day of the deposit period, as notified by the Bank to the account holder and indicated on the time deposit slip issued by the Bank to the account holder. Interest on call deposits/deposit at notice accrues from day to day at the prevailing rate as determined by the Bank at its sole and absolute discretion. For the avoidance of doubt, no interest shall accrue on the maturity date in any event.

##### 3. Value date

The value date of a time deposit shall be the date when the Bank receives funds for the deposit. Where foreign currency cheques are accepted for deposit, the Bank reserves the right to adjust the value date of the deposit to take into account the time the Bank takes to collect proceeds of the cheque.

##### 4. Payment of interest

Interest is calculated from and including the value date up to but excluding the maturity date. If the maturity date falls on a day on which the Bank is not open for business, the deposit shall be deemed to mature on the next succeeding day on which the Bank is open for business and interest shall be adjusted accordingly.

Interest is payable on the maturity date and may be either withdrawn or, if no withdrawal is made on the maturity date, added to the principal.

##### 5. Repayment prior to maturity

If an account holder requests withdrawal of a time deposit prior to its maturity date, the Bank may at its discretion permit such early withdrawal subject to:

- (a) the Bank's right not to pay interest on the deposit;
- (b) payment by the account holder to the Bank of a fee for the repayment;
- (c) payment by the account holder to the Bank of the cost payable by the Bank in obtaining funds from the market for the remaining period of the deposit; and/or
- (d) deduction from the principal amount payable any interest and tax that have previously been paid.

The aforesaid fees and costs shall be determined by the Bank at its discretion.

##### 6. Disposal instructions

The account holder shall give clear disposal instructions (and amendments to such instructions) to be received by the Bank no later than one Banking Day before the maturity date subject to any minimum notice period that may be applicable for the relevant type of deposit. Instructions should be in original writing or any other form as may be agreed between the Bank and the account holder.

With respect to an account holder with whom the Bank has lost contact for no less than 3 years or such reasonable period as the Bank in its sole and absolute discretion deem appropriate, the Bank shall have the overriding right in its sole and absolute discretion to suspend the relevant Time Deposit Account or Time Deposit Transaction (as the

case may be), and:-

- (a) treat the credit balance thereof as a call deposit/ deposit at notice as referred to in clause 2 in this Part IV; or
- (b) where the Bank considers appropriate in its sole and absolute discretion, transfer the credit balance thereof (for the avoidance of doubt, including credit balance referred to in (a) above) into a suspense account or any other type of account (with or without interest), as the Bank, in its sole and absolute discretion, may deem appropriate.

**7. Method of payment**

The Bank shall have the right to pay to the account holder the principal and accrued interest by one or more of the following methods, at the Bank's discretion:

- (a) by issuing to the account holder a cashier's order drawn on the Bank in Hong Kong dollars;
- (b) by effecting a transfer to an account with other banks in the currency of the deposit in accordance with the account holder's written instruction;
- (c) with respect to a time deposit in foreign currency, by converting the principal and accrued interest into Hong Kong dollars at the Bank's then prevailing buying rate and paying the proceeds to the account holder; and/or
- (d) by such other means as the Bank at its discretion thinks fit.

The Bank shall have the right to levy charges for effecting the payment and unless other payment arrangements have been agreed with the Bank, such charges will be deducted from the proceeds of the deposits. Details of the charges are described in the Schedule of Charges issued by the Bank, a copy of which is obtained from the Hong Kong branch of the Bank on request.

**8. Handling of deposits on maturity**

On the maturity date, the proceeds of the deposit may be dealt with in accordance with the account holder's instruction, requesting that the proceeds be:

- (a) renewed, either principal plus interest or principal only, for the same deposit period or for a different period;
- (b) credited, in whole or in part, to one or more savings or current accounts with the Bank; or
- (c) disposed of in other ways requested by the account holder and agreed by the Bank.

The Bank reserves the right but shall have no obligation to renew the principal plus interest for the same deposit period at the then prevailing interest rate if instructions are not given in accordance with Clause 6. Where deposits are automatically renewed, the interest rate applicable to the renewed deposits will be the prevailing rate applicable on the maturity date at such time as the Bank at its discretion decides.

**9. Overdue deposits**

If the Bank receives no disposal instructions on a deposit in accordance with Clause 6, the Bank may hold the deposit at the disposal of the account holder pending the account holder's instructions. Interest will be compounded as principal on a daily basis, and will accrue as follows:

- (a) for Hong Kong Dollar deposits, interest from maturity until disposal will be paid at the prevailing applicable rate as determined by the Bank from time to time during the period commencing on the maturity date and ending on the date of disposal;
- (b) For foreign currency deposits,
  - (i) interest from maturity until disposal will be paid at the Bank's foreign currency savings interest rates applicable during the period commencing on the maturity date and ending on the date of disposal in respect of the relevant currency; and
  - (ii) the Bank reserves the right not to pay interest from maturity until disposal in circumstances where the Bank is unable to quote the relevant deposit rate for the relevant currency.

**10. Time Deposit Transactions without Accounts**

Without prejudice to the right of the Bank to require a Time Deposit Account to be opened by the account holder, in the event that the Bank, at its sole and absolute discretion, permits a sum of money to be placed by a customer on a time deposit basis, but without opening a Time Deposit Account (each a “Time Deposit Transaction”), references in this Part IV to a “time deposit” shall include monies placed with the Bank pursuant to a Time Deposit Transaction, references to a “Time Deposit Account” shall be construed as references to a “Time Deposit Transaction”, and references to the “account holder” shall be construed as the customer who has entered into a Time Deposit Transaction with the Bank.

**11. Dormant Accounts and Accounts with low level of usage not applicable**

Notwithstanding other provisions in these Terms and Conditions, Clause 23 of the Standard Terms and Conditions is not applicable to any Time Deposit Account or Time Deposit Transaction.



## V. SPECIFIC TERMS AND CONDITIONS FOR RENMINBI ACCOUNTS

The following terms and conditions in this Part V apply to all RMB accounts opened by the account holder with the Bank acting through its branch in Hong Kong and all RMB transactions of the account holder:

### 1. Interest

No interest shall accrue on credit balances on RMB current accounts. The Bank will pay interest on RMB savings accounts and time deposit accounts placed with the Bank. The relevant interest rates will be notified by the Bank to the account holder from time to time and indicated on the statements (whether in paper or electronic form) issued at monthly intervals (or at such other intervals as the Bank may from time to time determine provided that the Bank shall reserve the right not to send or make available an account statement if there are no entries during the period covered by that account statement) or time deposit slips or by other methods as determined by the Bank.

Interest shall be credited to a RMB savings account on a half-yearly basis or at such other intervals as determined by the Bank. Interest is payable on the maturity date in respect of RMB time deposit accounts.

### 2. Withdrawal

Upon receipt of valid withdrawal instructions from the account holder, the Bank reserves the right to pay the account holder an equivalent amount in United States dollars, Japanese Yen or Hong Kong dollars unless otherwise notified by the Bank in writing.

### 3. Foreign exchange

Quotation of RMB rate of exchange against other currencies may not be available on any day when banks are generally not open for business in the People's Republic of China ("PRC"). The Bank may also at its discretion require submission of supporting documents to evidence the exchange of RMB funds is cross-border trade related.

### 4. Compliance with PRC rules and requirements

The account holder acknowledges that all its incoming or outgoing RMB remittances or trade services transactions must be in compliance with the relevant rules and requirements as may be designated by the relevant authorities in the PRC from time to time. The account holder accepts that the Bank shall not be held responsible for any loss, claims, damages, cost or other consequence that may arise if any transaction effected is rejected by the relevant authorities or any banks in the PRC due to non-compliance with any applicable PRC rules and requirements.

### 5. Rules and regulations

The terms and conditions in this Part V are subject to the rules and regulations promulgated by the People's Bank of China and the Hong Kong Monetary Authority and currently in force in respect of RMB business in Hong Kong ("Rules"). The Rules may be revised from time to time. In the event of any conflict between terms and conditions in this Part V and the Rules, the Rules shall prevail.

### 6. RMB clearing and settlement system

In connection with any banking transactions denominated in RMB cleared or settled through the RMB clearing and settlement system established in Hong Kong, the account holder:

- (a) acknowledges that the operation of the RMB clearing and settlement system will be subject to the Renminbi Clearing House Rules and the Renminbi Operating Procedures referred to therein (as the same may be modified from time to time);
- (b) agrees to the provisions of Rule 2.3.5 of the Renminbi Clearing House Rules (as the same may be modified from time to time) to the extent that such Rule is applicable or refers to the account holder or to the account holder's transactions; and
- (c) agrees that, without prejudice to (b) above, neither the Bank nor the Hong Kong Monetary Authority shall owe any duty or incur any liability to the account holder 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 Bank or 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 Bank or the Hong Kong Monetary Authority bona fide or by the settlement institution of the RMB clearing and settlement system, Hong Kong

Interbank Clearing Limited or any member of the RMB Clearing House in the management, operation or use (including without limitation, the termination and/or suspension of the settlement institution, the RMB clearing facilities or any such member) of the RMB Clearing House or the RMB clearing facilities or any part of any of them; and/or

- (ii) without prejudice to (i) above, the giving of any consent, notice, advice or approval in relation or pursuant to the Renminbi Clearing House Rules and the Renminbi Operating Procedures referred to therein (as the same may be modified from time to time).

## **7. RMB Faster Payment System**

In connection with any banking transactions denominated in RMB cleared or settled through the RMB Faster Payment System established in Hong Kong, the account holder:

- (a) acknowledges that the operation of the RMB Faster Payment System will be subject to the Rules for Renminbi Faster Payment System and the Faster Payment System Operating Procedures referred to therein (as the same may be modified from time to time);
- (b) agrees to the provisions of Rule 2.3.6 of the Rules for Renminbi Faster Payment System (as the same may be modified from time to time) to the extent that such Rule is applicable or refers to the account holder or to the account holder's transactions; and
- (c) agrees that, without prejudice to (b) above, neither the Bank nor the Hong Kong Monetary Authority shall owe any duty or incur any liability to the account holder 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 Bank or 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 Bank or the Hong Kong Monetary Authority bona fide or by the settlement institution of the RMB Faster Payment System, Hong Kong Interbank Clearing Limited or any participant of the RMB Faster Payment System in the management, operation or use (including without limitation, the termination and/or suspension of the settlement institution, the RMB Faster Payment System or any such participant) of the RMB Clearing House or the RMB Faster Payment System or any part of any of them; and/or
  - (ii) without prejudice to (i) above, the giving of any consent, notice, advice or approval in relation or pursuant to the Rules for Renminbi Faster Payment System and the Faster Payment System Operating Procedures referred to therein (as the same may be modified from time to time).

## **8. Risk Disclosure Statement**

The account holder acknowledges the following risks in relation to all Renminbi accounts:

- (a) The value of RMB deposits is subject to the risk of exchange rate fluctuation. This means that the RMB exchange rate, like the exchange rate of any other currency, can be affected by a wide range of factors that may cause it to fluctuate. For example, if the account holder chooses to convert its RMB deposits to other currencies at an exchange rate that is less favorable than the exchange rate in which the account holder made its original conversion to RMB, the account holder may suffer loss to the principal amount of its deposits; and
- (b) In addition, RMB is a currency which is not freely convertible, and the conversion of RMB or provision of RMB services through banks may be subject to certain policy and regulatory restrictions including control measures that the government of the PRC may take. These policy and regulatory restrictions may be amended from time to time without notice and control measures may be imposed without warning

## VI. SPECIFIC TERMS AND CONDITIONS FOR E-CHEQUES DEPOSIT SERVICES

The following terms and conditions in this Part VI apply to e-Cheques Deposit Services provided by the Bank:

### 1. e-Cheques Deposit Services provisions - applicability and definitions

(a) The provisions in this Part VI apply to the services of the Bank relating to e-Cheques. This Part VI supplements the Standard Terms and Conditions, the Specific Terms and Conditions for Current Accounts and the Specific Terms and Conditions for Savings Accounts (collectively, the “Existing Terms”). The provisions of the Existing Terms which apply to paper cheques or generally to the services of the Bank continue to apply to e-Cheques and the e-Cheques Deposit Services of the Bank to the extent that they are relevant and not inconsistent with the provisions in this Part VI. The provisions of this Part VI prevail if there is any inconsistency between them and the provisions of the Existing Terms with respect to the e-Cheques Deposit Services.

(b) For the purpose of the e-Cheques Deposit Services, the following terms have the following meanings:

“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.

“Deposit Channel” means any channel offered by the Bank from time to time for presentation of e-Cheques for deposit.

“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). e-Cheques may be issued in Hong Kong dollars, US dollars and Renminbi.

“e-Cheques Deposit Services” mean the services offered by the Bank to customers from time to time for depositing e-Cheques.

“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.

“Industry Rules and Procedures” means the rules and operating procedures governing the handling of e-Cheques developed 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-Cheques 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.

“you” means each customer to whom the Bank provides e-Cheques Deposit Services.

### 2. Nature and scope of e-Cheques Deposit Services

(a) The Bank may provide e-Cheques Deposit Services at its discretion. If the Bank provides e-Cheques Deposit Services to you, you may deposit e-Cheques. In order to use the e-Cheques Deposit Services, you have 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. You may also be required to sign forms and documents prescribed by the Bank from time to time.

- (b) e-Cheques Deposit Services allow you and other persons to present e-Cheques (whether payable to you 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 Deposit Channels of the Bank, in accordance with Clause 3 below.
- (c) The Bank may provide e-Cheques Deposit 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.
- (d) The Bank has the right to set or vary from time to time the conditions for using the e-Cheques Deposit Services. These conditions may include the following (or any of them):
  - (i) the service hours of the e-Cheques Deposit Services (including cut-off times for presenting e-Cheques); and
  - (ii) any fees and charges payable by you for the e-Cheques Deposit Services.

### **3. e-Cheques 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 Deposit Channels of the Bank.

- (b) e-Cheque Drop Box Service

- (i) The e-Cheque Drop Box Service is provided by the Clearing House. You are bound by the e-Cheque Drop Box Terms in relation to your use of the e-Cheque Drop Box Service. You are solely responsible for performing your obligations under the e-Cheque Drop Box Terms.
- (ii) In order to use the e-Cheque Drop Box Service, you are 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. You are allowed by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with a Payee Bank Account that is your same-name account or an account other than your same-name account. You are responsible for the presentment of all e-Cheques by you or any other person using your e-Cheque Drop Box Account (including presentment of any e-Cheques to a Payee Bank Account other than your 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 has no obligation to) provide reasonable assistance to you. 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 your request, the Bank may (but has 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 your 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, you bear 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 you or any other person may incur or suffer arising from or in connection with the use of the e-Cheque Drop Box Service.

- (c) Deposit Channels of the Bank

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.

### **4. Handling of e-Cheques, associated risks and liabilities of the Bank**

- (a) Handling of e-Cheques

You understand 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 payable to you. Accordingly, the Bank is entitled to collect any e-Cheque payable to you by presenting that e-Cheque to the Payer Bank in accordance with the Industry Rules and Procedures 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.

- (b) Restriction of liabilities of the Bank

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 you or any other person may incur or suffer arising from or in connection with the use of the e-Cheques Deposit Services or the handling, processing, presentment, payment, collection, clearance or settlement of e-Cheques presented by you or any other person using the Deposit Channels provided by the Bank to you, except to the extent that any loss, damage or expense incurred or suffered is direct and reasonably foreseeable arising directly and solely from the negligence or wilful default of the Bank or that of the officers, employees or agents of the Bank;
  - (ii) in particular and for clarity, the Bank is not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with the following (or any of them):
    - (1) use of the e-Cheque Drop Box Service by you or any other person, or the e-Cheque Drop Box Terms;
    - (2) your failure to comply with your obligations relating to the e-Cheques Deposit Services;
    - (3) presentment of any e-Cheque payable to you in accordance with the Industry Rules and Procedures despite the provisions of the Bills of Exchange Ordinance; and
    - (4) any failure or delay in providing the e-Cheques Deposit Services, or any error or disruption relating to the e-Cheques Deposit Services, caused by or attributed to any circumstance beyond the reasonable control of the Bank; and
  - (iii) in no event will the Bank be liable to you or any other person for any loss of profit or any special, indirect, consequential or punitive loss or damages.
- (c) Your confirmation and indemnity
- (i) You accept the restriction of liabilities and disclaimers imposed by the Bank and the Clearing House in relation to the e-Cheques Deposit Services and the services provided by the Clearing House respectively. You accept and agree to bear the risks and the liabilities for depositing e-Cheques.
  - (ii) Without reducing the effect of any indemnity given by you under the Existing Terms or any other rights or remedies that the Bank may have, you will indemnify the Bank and the officers, employees and agents of the Bank 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 provision of the e-Cheques Deposit Services by the Bank or your use of the e-Cheques Deposit 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 negligence or wilful default of the Bank or that of the officers, employees or agents of the Bank.
  - (iv) The above indemnity shall continue to have effect after the termination of the e-Cheques Deposit Services.

## VII. SPECIFIC TERMS AND CONDITIONS FOR BANK SERVICES RELATING TO FASTER PAYMENT SYSTEM

The following terms and conditions in this Part VII apply to the FPS Bank Services provided by the Bank:

### 1. Bank Services relating to Faster Payment System

(a) 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. This Part VII governs the Bank's provision to you and your use of the FPS Bank Services. The FPS Bank Services form part of the Bank's banking services. This Part VII supplements and forms part of the Bank's Existing Terms. The provisions of the Existing Terms continue to apply to the FPS Bank Services to the extent that they are relevant and not inconsistent with the provisions in this Part VII. Unless otherwise specified, the provisions of this Part VII prevail if there is any inconsistency between them and the provisions of the Existing Terms with respect to the FPS Bank Services.

(b) **By requesting the Bank to register any Proxy ID for you in the HKICL FPS or to set up any eDDA for you using the HKICL FPS, or by initiating any payment or funds transfer using the HKICL FPS, you will be regarded as having accepted and will be bound by the provisions of this Part VII. You should not request the Bank to register any Proxy ID or set up any eDDA for you and should not initiate any payment or funds transfer using the HKICL FPS unless you accept the provisions of this Part VII.**

(c) For the purpose of the FPS Bank Services, 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.

“Default Account” means the account maintained by you 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.

“Existing Terms” means collectively the Standard Terms and Conditions, the Specific Terms and Conditions for Current Accounts, the Specific Terms and Conditions for Savings Accounts, and the Specific Terms and Conditions for Renminbi Accounts.

“FPS Bank Services” means the 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 eDDA Service and Addressing Service.

“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 the mobile phone number or email address of the customer, or the FPS Identifier.

“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 you are subject or are expected to comply with from time to time.

“you” and “your” 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.

## **2. Scope of FPS Bank Services and conditions for use**

- (a) 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, 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, you have to accept and follow these conditions and procedures.
- (b) 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.
- (c) **In order to enable the Bank to handle an instruction for you in relation to payment or funds transfer using HKICL FPS, you have 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.**
- (d) 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.
- (e) 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**

- (a) Where the Bank provides Addressing Service, in order to use the Addressing Service to receive payment or funds transfer using HKICL FPS, you have to register your Proxy ID in the HKICL FPS. The Bank has discretion as to whether to offer the FPS Identifier as Proxy ID to you.
- (b) 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 you, you have 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.
- (c) **At any time where the same Proxy ID is registered by you for more than one account (whether maintained with the Bank or with any other Participant), you must set one account as the Default Account. By instructing the Bank to set or change the Default Account for you, you consent and authorise the Bank to submit the request on your behalf to HKICL FPS to override the existing Default Account registered in HKICL FPS.**

## **4. eDDA Service**

In order to enable the Bank to handle a request for you in relation to eDDA setup, you have 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. Your responsibility**

- (a) **Present genuine owner or authorised user of Proxy ID and accounts**

**You can only register your own Proxy ID for your own accounts or set up eDDA for your own accounts. You 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 you in relation to the Faster Payment System, you confirm that you are 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.**

**(b) Proxy ID**

Any Proxy ID to be registered by you 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 you as contact information on the Bank's records at the relevant time. You understand and agree 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 your consent.

**(c) Correct information**

- (i)** You shall be solely responsible for the accuracy and completeness of all information (including any beneficiary account information) provided and the Bank shall not be responsible for checking or verifying the same. The Bank shall not be liable for any losses or damages caused by any inaccuracies, omissions or incompleteness of any information provided by you.
- (ii)** Without prejudice to the generality of sub-paragraph (i) above, you have to ensure that all the information provided by you 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. You have 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)** You are fully responsible for using the correct and up-to-date Proxy ID and related records in giving each payment or funds transfer instruction. You are 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.

**(d) Timely updates**

You are fully responsible for giving instructions and information changes or updates to the Bank on a timely basis for amending your Proxy ID (or related records) or any eDDA setup, including without limitation changing your Default Account, or terminating any Proxy ID or eDDA. You acknowledge that keeping your 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.

**(e) Change of Default Account**

If an account is terminated as the Default Account by you 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 you wish to set another account as the Default Account, you have to change the registration through the Participant where you maintain that other account.

**(f) Transactions binding on you**

- (i)** For any payment or funds transfer, once you confirm the details of a transaction and submit instruction to the Bank, such instruction and any resulting transaction is final, irrevocable and binding on you.
- (ii)** For any Proxy ID registration or eDDA setup, once you submit an instruction to the Bank, such instruction is irrevocable and binding on you. You 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.

**(g) Use FPS Bank Services responsibly**

You must use the FPS Bank Services in a responsible manner. In particular, you have to comply with the following obligations:

- (i)** You must comply with all Regulatory Requirements that govern your 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. You 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 your payment or funds transfer instructions or eDDA setup using HKICL FPS, you 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 you, you should not repeatedly cancel the registration and request for generation of another FPS Identifier in an attempt to generate a number or value that you desire.
- (h) **Other obligations regarding payments and funds transfers**
- (i) In giving instructions to make payments or effect transactions, you agree to take reasonably practicable steps to safeguard your own interest, money and assets from fraud or other illegal activities. You are responsible to check whether the payment recipient and the transaction are real and trustworthy in each case and exercise sound judgement.
  - (ii) Any instruction given by you in relation to the FPS Bank Services will be handled by the Bank in accordance with this Part VII and the applicable provisions in the Existing Terms. You have 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.
- (i) **You are responsible for your authorised persons**
- Where you authorise any other person to give instructions or requests to the Bank in connection with the use of the FPS Bank Services (whether you are an individual, a company, a corporation, or a sole proprietorship or partnership firm or any other unincorporated body):
- (i) you are responsible for all the acts and omissions of each person authorised by you;
  - (ii) any instruction or request received by the Bank, believed by the Bank in good faith to be given by you or any person authorised by you, will be irrevocable and binding on you; and
  - (iii) you are also responsible for ensuring that each person authorised by you will comply with the provisions of this Part VII that are applicable to him/her when acting on your behalf.
- (j) **You are 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 you are fully responsible for the same.

## **6. The Bank's responsibility and restriction of liability**

- (a) Where a fund transfer is effected through HKICL FPS, the Bank will process and submit your 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 your 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 your instructions or requests are executed by HKICL FPS. Where the Bank receives status update notifications involving any of your 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 you accordingly by such means and at such time as the Bank considers appropriate.
- (b) Without reducing the effect of Clause 6(a) above or the provisions of the Existing Terms:
  - (i) the Bank is not liable for loss, damage or expense of any kind which you 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 you 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 negligence or wilful default of the Bank or that of the officers, employees or agents of the Bank;
  - (ii) in particular and for clarity, the Bank is not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with one or more of the following:
    - (1) your failure to comply with your obligations relating to the FPS Bank Services; and

- (2) any delay, unavailability, disruption, failure, error of or caused by HKICL FPS, or any functionality of the Faster Payment System, or arising from any circumstances beyond the reasonable control of the Bank, including any delay or error relating to the risk warnings, messages and indicators about suspected frauds, scams or deceptions which may be received by the Bank from the Faster Payment System or Hong Kong Police Force; 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 you 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).
- (c) Without prejudice to any provisions of this Part VII or the Existing Terms, the Bank reserves the right not to accept or otherwise reject any instruction given by you 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 you 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:
    - (1) the relevant information is not complete or has not been accurately or properly provided or is not sufficiently clear; or
    - (2) there are not sufficient available funds in the relevant account for settling the relevant payment or funds transfer instructions from time to time; or
    - (3) 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 you in relation to the FPS Bank Services for any reason.

- (d) Your confirmation and indemnity
- (i) Without reducing the effect of any indemnity given by you under the Existing Terms or any other rights or remedies that the Bank may have, you will indemnify the Bank and the officers, employees and agents of the Bank 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 provision of the FPS Bank Services by the Bank or your 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 negligence or wilful default of the Bank or that of the officers, employees or agents of the Bank. The above indemnity shall continue to have effect after the termination of the FPS Bank Services.

## **7. Collection and use of Customer Information**

- (a) For the purposes of using the FPS Bank Services, you 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) yourself;
  - (ii) the recipient of any payment or funds transfer to be made by you, or the counterparty of any eDDA to be set up by you; and
  - (iii) where you are a company, a corporation, or a sole proprietorship or partnership firm or any other unincorporated body, any of your 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”.

- (b) You agree (and, where applicable, for and on behalf of each of your 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. These purposes include without limitation one or more of the following:
- (i) providing the FPS Bank Services to you, maintaining and operating the FPS Bank Services;
  - (ii) processing and executing your 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.
- (c) You understand and agree 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.
- (d) If the Customer Information includes personal data or other information of any person other than yourself (including any persons specified in Clauses 7(a)(ii) or 7(a)(iii) above), you confirm that you will obtain and have 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.