

# GENERAL TERMS AND CONDITIONS

(For Personal Sole Account,  
Joint Account and  
Business Account Holders)

HSBC   
The world's local bank

Note:

1. *Account holder shall refer to account holders where appropriate.*
2. *This English version is for reference only. In case of any discrepancies between the Chinese and English versions, the Chinese version shall apply and prevail.*
3. **Please carefully read these terms and conditions, particularly the bolded terms and conditions. If you have any query on these terms and conditions, please promptly seek explanation from HSBC Bank (China) Company Limited. By accepting these terms and conditions, the account holder shall be deemed to have been given appropriate explanation by HSBC Bank (China) Company Limited at the account holder's request and have clearly understood and agreed to be bound by these terms and conditions.**

The following General Terms And Conditions apply to all accounts opened with HSBC Bank (China) Company Limited (the 'Bank') in the People's Republic of China (which, solely for the purpose hereunder, does not include Hong Kong Special Administrative Region, Macao Special Administrative Region or Taiwan region) (the 'Mainland China'). In addition, there are specific Terms and Conditions applicable to particular types of accounts operated by the Bank. Copies of such Terms and Conditions are available upon request from the relevant branches of the Bank in the Mainland China.

1. The relationship between the Bank and the account holder is basically that of debtor and creditor. However, other relationship may arise, such as bailor and bailee when items are held in safe custody, according to the banking services provided by the Bank.
2. **To enable the Bank to consider whether to provide the account holder with any services, the Bank will from time to time be supplied with the information of the account holder and/or the shareholders, directors or officers of the account holder, as well as the information of the actual or proposed guarantors or security providers (if any) and/or other related individuals or entities ("Data") and failure or inadequacy of the supply of the Data to the Bank may result in the Bank's inability to provide such service.**

**The Data will be used for considering the account holder's request and subject to the Bank's agreeing to provide the relevant services, the Data and details and all information relating to transactions or dealings with the Bank will be used in connection with the provision of such services to the account holder. The Bank will use, store, disclose, transfer (whether within or outside the Mainland China), obtain and/or exchange such Data, details and information to, from or with all such persons as the Bank may consider necessary including without limitation any member of the HSBC Group for any and all purposes: (a) in connection with such service or any other service provided by the Bank to any person, (b) in connection with matching for whatever purpose (whether or not with a view to taking any adverse action against the account holder) any such Data with any other Data concerning the account holder in the possession of the Bank and any other member(s) of the HSBC Group, (c) in connection with conducting checks with any credit reference agency or other persons and contributing Data to credit reference agencies (including without limitation the People's Bank of China Personal Credit Information Database for the purposes of reviewing facility application, reviewing credit card application, reviewing security arrangement, and/or managing loan(s) advanced and/or facilities used), (d) in connection with debt collection, (e) of promoting, improving and furthering the provision of other services by the Bank and any other member of the HSBC Group to the account holder generally, (f) of reviewing and managing the relationship between the account holder and any other member(s) of the HSBC Group, (g) of complying with any and all laws, regulations and regulatory requirements that are considered applicable by the Bank in the Bank's sole discretion, and/or for any other purposes and to, from or with such other persons as may be in accordance with the Bank's general policy on disclosure of data as set out in statements, circulars, notices and other terms and conditions made available by the Bank to the account holder from time to time (to the extent that such disclosure is not prohibited by laws, regulations and rules).**

**Without prejudice to the foregoing, the account holder acknowledges that, where the Bank considers it necessary or appropriate, the Bank may transfer any such Data, details or information to any service provider (whether situated in or outside the Mainland China) for the purpose of data storage, processing or providing any service on behalf of the Bank to the account holder. Where the service provider is situated outside the Mainland China in an area where there are less stringent data protection laws, the Bank will impose on the service provider confidentiality undertakings substantially similar to the requirements of the data protection laws in the Mainland China. In any event, the Bank will remain responsible for ensuring the confidentiality of such Data, details and information.**

**The account holder acknowledges that, from time to time, the Bank may be asked to provide banker's reference to other financial institutions and other parties about the account holder and the account holder is agreeable to the Bank giving such a reference.**

**The account holder shall ensure that all the persons whose personal or other information are or will be supplied to the Bank as the Data consent to the provision of such data to the Bank for such purposes and for disclosure to such persons as referred to in the above paragraphs of this Clause 2.**

**The Bank may retain the Data for any time period as it considers necessary or desirable (whether or not the account is closed), and the provisions of all the above paragraphs of this Clause 2 shall remain effective during the whole retention period of the Data.**

3. If the account holder comprises of more than one person:
  - a. the Bank is authorised to provide information on or relating to the account to any one of them in such form and manner and to such extent as any one or more of such person shall request or as the Bank shall in its sole discretion determine at any time and from time to time;
  - b. each of them shall be bound by these General Terms and Conditions and such other terms and conditions governing the account even though (i) any other person or any person intended to be bound hereby is not or (ii) these Terms and Conditions may be invalid or unenforceable against any one or more of such persons by reason of fraud, forgery or otherwise (whether or not the deficiency is known to the Bank);
  - c. the Bank shall be entitled to deal separately with any one of them on any matter (including (i) the variation or discharge of any liability to any extent or (ii) the granting of time or other indulgence to or making other arrangements with any such person) without prejudicing or affecting the Bank's rights, powers and remedies against any other such persons; and
  - d. where any one of them is authorised to operate the account singly, the Bank is authorised to comply with the instructions or directions of any one of such persons in relation to the account, and acceptance of any terms and conditions of any services rendered by the Bank in respect of the account by any one of such persons will be deemed acceptable by each and all of them and accordingly, such terms and conditions will be binding on each and all of such account holders.
  
4. The account holder agrees that the Bank's indebtedness to the account holder shall not exceed the net amount owing by the Bank to the account holder after deducting from any credit balance held by the Bank and/or providing for the aggregate of all the account holder's liabilities including, in the case of a joint account, the liabilities of all or any one or more of the joint account holders to the Bank on any account or in any respect whatsoever whether such liabilities be actual, present, future, deferred, contingent, primary, collateral, several, joint or otherwise (*together the 'account holder's aggregate liabilities'*). Without prejudice to the generality of the foregoing and in addition to any general 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 sole and absolute discretion and without notice to the account holder, to refuse to repay when demanded or when the same falls due any of the Bank's indebtedness to the account holder if and to the extent that the account holder's aggregate liabilities at the relevant time are equal to or exceed the Bank's indebtedness to the account holder at that time. If the Bank exercises such right with respect to any of its indebtedness to the account holder, such indebtedness shall remain outstanding from the Bank on substantially the Terms and Conditions in effect immediately prior to such exercise or on such other terms as the Bank may, at its discretion, consider appropriate in the circumstances, but the Bank may, at any time and without notice to the account holder, consolidate any or all credit balances or credit balances of the account holder with the Bank with all or any of the account holder aggregate liabilities. In the case of an individual account holder, the Bank's rights hereunder shall not be affected by the account holder's death or legal incapacity.

The Bank reserves the right to employ third parties to collect any outstandings or overdue amount owed by the account holder. The account holder shall keep the Bank indemnified for costs (*including legal fees*) and expenses incurred in recovering such outstandings or overdue amount.

5. The account holder shall give instructions, directions or send communication to the Bank in such manner as shall be prescribed or accepted by the Bank from time to time, including, without limitation, in writing, by fax, by telex, by telephone, via the automated teller machine, via point of sale terminals, by or via any other electronic means or mediums and/or by any other means or mediums.

6. **In the course of providing its services, the Bank may need to record verbal instructions received from the account holder and/ or any verbal communication between the account holder and the Bank in relation to such services.**
7. The Bank reserves the right to destroy any documents relating to the account after microfilming/scanning, or keeping digital files of, the same.
8. All cheques and other monetary instruments accepted for deposit into an account are credited subject to final payment and proceeds will not be available until they have been cleared. The Bank reserves the right to charge the account with items which are subsequently returned unpaid. For cheques or other monetary instruments deposited into different currency deposits, in the event of the cheques or other monetary instruments being dishonoured, the Bank will debit the account holder's account with the value of the cheque or other monetary instrument as calculated using the Bank's prevailing buying rate or the original selling rate whichever is lower.
9. The account holder warrants that all particulars given to the Bank (*whether in an account opening form or otherwise*) are, to the best of the account holder's knowledge, accurate. The account holder undertakes to notify the Bank in writing of any change of address or other pertinent particulars recorded with the Bank. All communications sent by post addressed to the last address registered with the Bank shall be deemed to have been duly delivered to the account holder. Where in the Bank's opinion communications sent to the last address registered with the Bank will fail to reach the account holder, the Bank may in its sole discretion stop sending further communication (*including without limitation account statements, debit/credit advices and other communications*) to such address or the account holder. Copies of account statements and/or documents evidencing transactions performed on the account can be produced, and provided to the account holder upon request in writing subject to the Bank's handling charge.
10. Any instruction relating to any transaction of an account is accepted subject to the transaction hours set by the Bank from time to time for the relevant transaction. The Bank reserves the right not to accept transactions on foreign currency deposits on public holidays of the country of currency concerned.
11. An inward remittance in any currency to an account may not be credited to the account on the same day if the related payment advice is not received by the Bank before the relevant cut-off times set by the Bank from time to time. No interest will accrue on any inward remittance before the funds are actually credited into the account.

Without prejudice to any rights enjoyed by the Bank under these General Terms and Conditions and the relevant laws, the account holder acknowledges that, for any inward remittance from an overseas bank via telegraphic transfer (T/T) to the account opened by the account holder with the Bank, the Bank will credit the account holder's account with the remittance amount according to the relevant payment instruction/advice from the overseas remittance bank. The Bank is not obliged but has the discretion to credit the account holder's account before the remittance amount is actually received by the Bank. **The account holder acknowledges and agrees that if, after the Bank has so credited the relevant account, the overseas remitting bank fails to remit out relevant amount for any reason (including, without limitation, for compliance with any legal or regulatory requirements) and thus the Bank fails to receive the amount so credited by it, or the overseas remitting bank requests to withdraw such remittance, then the account holder shall unconditionally and immediately refund to the Bank the amount which has been credited into the account of the account holder, the Bank shall have the right to debit the relevant amount from the relevant account or any other account opened by the account holder with the Bank and the Bank will not be liable for any loss incurred by the account holder or any other party as a result thereof.**

12. The Bank reserves the right not to accept foreign currency cash for deposit into an account. Withdrawals in foreign currency cash are subject to prior notice by the account holder, availability of the currency notes in question as well as applicable laws, regulations and rules. The Bank reserves the right to charge commission on foreign currency cash deposited to/withdrawn from the account at rates determined by the Bank from time to time.
13. Withdrawals of cash from an account may be made by the account holder at the counter on production of satisfactory identification and/ or appropriate authority. **Unless otherwise required by applicable laws, regulations and rules, any payments made by the Bank to a person producing a withdrawal form purporting to be signed, sealed or chopped as authorised by the account holder shall have the same effect as if made to the account holder personally and will absolve the Bank from all liabilities to the account holder or to any other party.**

14. The account holder shall notify the Bank in writing immediately if the account chop or password (if any) is lost. **The Bank will not be held responsible for any payments made before the receipt of such notice.**

15. The account holder agrees to comply with the following terms in respect of cheques:

15.1 Cheque Book Security

Cheque books should be kept safe at all times and, as necessary, under lock and key so as to be inaccessible to unauthorised persons.

15.2 Cheque

A cheque book will be issued to the account holder who is approved by the Bank in its sole discretion to draw cheques in respect of an account with the Bank (*the 'Cheque Account'*).

Cheques should be drawn in the currency of the Cheque Account or as otherwise approved by the Bank.

When a signed cheque or a cheque book is lost or stolen, the person who is legally entitled to request for stop payment of the cheque must immediately report such loss in writing to the Bank and go through the stop payment procedures set out by the legislations (if any).

When cheques are sent through the post or otherwise, the words "OR BEARER" should be deleted and the cheque crossed.

Applications for a new cheque book may be made by presenting the duly completed and signed cheque book application form contained therein to the Bank or by any other means acceptable to the Bank. The Bank, may at its discretion, refuse to issue a cheque book.

The Bank shall, upon receipt of a cheque book application request, deliver the required cheque book to the account holder by post according to the address record kept by the Bank. **The Bank assumes no responsibility for any delay or loss caused by any mode of forwarding.**

Upon receipt of a new cheque book, the account holder should verify the cheque serial numbers, account number and name of the account holder printed thereon as well as the number of cheques before use. Any irregularities should be promptly reported to the Bank.

The account holder should exercise care when drawing cheques to ensure its correctness and agrees that he/she 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. The account holder should write the amount, both in words and figures in the spaces provided on the cheque, as close to each other and to the left-hand margin as possible so as to leave no space for insertions. The word "only" should be added after the amount stated in words. Only Arabic numerals should be used for figures.

All cheques must be written in non-erasable ink in Chinese or English and be signed in conformity with the specimen signature registered with the Bank.

Any alteration on a cheque must be confirmed by the full signature/chop of the drawer. **The account holder acknowledges that the Bank will not be held responsible for losses arising from alterations which cannot be readily detected.**

The account holder agrees that he/she will be bound by the conditions printed on the insider cover of the cheque book and by other conditions in force.

15.3 Returned Cheque

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

15.4 Stop Payment Order

A person who is legally entitled to request for stop payment of the cheque may only cancel (*countermand*) payment of a cheque by giving written instructions (*the authenticity of which the Bank must be able to verify*) to the branch of the Cheque Account clearly identifying the cheque in question by reference to its cheque number before the cheque has been paid and in a manner pursuant to

applicable laws, regulations and rules. For clarification:

- a. **if the person who is legally entitled to request for stop payment of the cheque identifies the cheque in question by reference to other details in addition to the cheque number, the Bank shall not be responsible to ensure that other details correspond with the details of the cheque in question identified by number;**
- b. if the person who is legally entitled to request for stop payment of the cheque identifies the cheque in question by reference to other details instead of identifying the cheque number, the Bank shall not take any action; and
- c. **if the person who is legally entitled to request for stop payment of the cheque cancels (*countermand*) payment of a cheque by means of an instruction which cannot be verified by the Bank (*not limiting to by telephone or facsimile instructions*), the Bank shall not be required (*obliged*) to take any action; however, the Bank may in its discretion and without responsibility follow such instruction.**

When the person who is legally entitled to request for stop payment of the cheque cancels (*countermand*) payment of a cheque by means of an instruction to the Bank which cannot be verified by the Bank and regardless of whether or not the Bank acts on such instruction, the person who is legally entitled to request for stop payment of the cheque shall immediately confirm such instruction to the Bank in writing and in a manner so that the Bank may verify the authenticity of such instruction. **The Bank shall only be bound to follow the instruction once it is authenticated and shall not be liable for having followed the unauthenticated instruction should that instruction has been incorrect (*erroneous*), false (*spurious*), unclear (*ambiguous*).**

15.5 There may be risks involved in accepting foreign currency cheques as payment or settlement of transactions. In some countries, there are laws dealing with the handling of cheques sent for clearing or collection that will entitle a cheque to be returned even after clearing and the proceeds are paid to the payee. For example, for cheques drawn on US banks, the paying bank will have the right to seek refund of a cheque that is subsequently found to be fraudulently drawn, fraudulently endorsed or fraudulently altered within a period of up to 6 years. For a US Treasury cheque, this refund period may be indefinite. **The Bank is entitled to seek repayment from the account holder of any cheque required to be repaid or refunded. This right of recourse remains possible throughout the refund period mentioned above and is regardless of whether the cheque is sent for collection or purchased by the Bank.** The deposit of any foreign currency cheques is accepted by the Bank subject to the following terms and conditions:

- a. In accepting cheques drawn on banks abroad, the Bank reserves the right to decide which cheques to purchase and which to send for collection. Where the Bank purchases the cheques, the Bank shall credit the account holder's account (using the Bank's prevailing buying rate) with the proceeds immediately, subject to having recourse to the account holder in the event of dishonour. The purchase of cheques may be subject to the condition that the proceeds credited to the account holder's account cannot be withdrawn for a period as determined by the Bank taking into account the required clearing time for cheques in question and which will be specified in the credit advice to be sent to the account holder in confirmation of the transaction.
- b. Where the Bank sends a cheque for collection, this will be done subject to the rules contained in ICC Publication No. 522 and the proceeds of the cheque will only be credited to the account holder's account once payment is received from the bank abroad.
- c. In the event that cheques purchased are dishonoured or cheques collected are subsequently liable to be repaid or refunded by applicable laws and regulations, the Bank will debit the account holder's account with the value of the cheque as calculated using the Bank's prevailing selling rate or the original buying rate, whichever is higher, plus any charges.
- d. Overseas charges (if any) will be debited to the account holder's account.
- e. Cheques received after the relevant cut-off times set by the Bank from time to time will be processed in the next business day.

**16. The terms herein and those pertaining to any services provided by the Bank may, at the Bank's sole discretion, be changed from time to time upon giving the account holder prior notice by way of display in the Bank's premises or by such other method as the Bank may decide. If the account holder does not close the account or cancel the services prior to the expiry of the notice period, the account holder shall be deemed have agreed to such change.**

**17. The Bank's charges, as in effect from time to time pursuant to the provisions of clause 16 above, apply to all accounts and a list is available upon request from any branch of the Bank in the Mainland China.**

18. **The Bank shall not be liable for any delay or failure in providing any of the Bank's equipment or other facilities or services to the account holder to the extent that it is attributable to any cause beyond the Bank's reasonable control including any equipment malfunction or failure and under no circumstances shall the Bank be responsible to the account holder or any third party for any indirect or consequential losses arising out of or in connection with such delay or failure.**
19. **The Bank shall have the right to at any time close any and/or all accounts (including, but not limited to, joint accounts, time deposit accounts) of an account holder by notice to the account holder without any justification, and shall not be held liable for doing so. Without prejudice to the generality of the foregoing, if the Bank suspects that money laundering or other illegal transactions are or were undertaken through any account (including joint account) of the account holder, or if the account holder or its controller infringes the legal right or interest of the Bank or its staff or contractor, or if the Bank is required or has the right to take the following actions according to the laws, regulations and rules of any jurisdiction to which the Bank is subject, the Bank shall have the right to close any and/or all accounts (including, but not limited to, joint accounts, time deposit accounts) of the account holder and/or discharge or terminate any and/or all transactions of the Bank with the account holder.**
20. **Where the Bank has grounds to suspect or believe that any remittance or payment to or from an account represents terrorist property, terrorist funding or the proceeds of drug trafficking, terrorist acts or any serious crime, or may otherwise be subject to sanctions in various jurisdictions, the Bank may take, and may instruct (or be instructed by) any other member of the HSBC Group to take, any action which it or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions. Such action may include but is not limited to: the interception and investigation of any payment messages and other information or communications sent to or by the account holder or on the account holder's behalf via the systems of the Bank or any other member of the HSBC Group; making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity; postponing processing the remittance or payment for a reasonable period of time for the purpose of carrying out such investigation and enquiries as the Bank considers necessary; and/or not effecting or accepting the remittance or payment. Neither the Bank nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of: (i) any delay or failure by the Bank or any member of the HSBC Group in processing any such payment messages or other information or communications, or in performing any of its duties or other obligations in connection with any accounts or the provision of any services to the account holder, caused in whole or in part by any steps which the Bank or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with the aforesaid laws, regulations and requests; or (ii) the exercise of any of the Bank's rights under this clause. In certain circumstances, the action which the Bank may take may prevent or cause a delay in the processing of certain information. Therefore, neither the Bank nor any member of the HSBC Group warrants that any information on the Bank's systems relating to any payment messages or other information and communications which are the subject of any action taken pursuant to this clause is accurate, current or up-to-date at the time it is accessed, whilst such action is being taken.**
21. The account holder shall be governed by the Banking, Foreign Exchange, Taxation and other laws, regulations, and rules, as in effect from time to time, which apply to account opening, account services, account closing and other account related operations and transactions. In case of discrepancies between the above-mentioned laws, regulations and rules, and these General Terms and Conditions and other terms and conditions applicable to any types of services by the Bank in the Mainland China (as may be amended from time to time), the former shall apply and prevail. The Bank hereby declares that the Bank will not notify the account holder of these laws, regulations, rules and the changes thereof, which from time to time may take place. The account holder is liable to provide related supporting documents where required by the State Administration of Foreign Exchange and other governmental institutions, or where, at the Bank's sole discretion, the Bank considers it necessary to evidence that the related approval or other documents are obtained and the related laws, regulations and rules are complied with.
22. The Bank shall be entitled to regard any mandate and/or any similar authorization it holds as being suspended in the event of any dispute between account holder(s), authorized signatories and/or directors (where the account holder is a company). In addition the Bank reserves the right to suspend the operation of all or any accounts of the account holder until such time as the Bank considers appropriate if the Bank is of the opinion or has reason to suspect that:

- a. it holds no valid account mandate; or
  - b. the account holder is not the true owner of the credit balances or other assets held in the accounts.
23. If, in the opinion of the Bank, there is any ambiguity or conflict in any instructions given by the account holder, the authorized signatories and/or directors, the Bank may (but is not obliged to) choose not to act on such instructions until the ambiguity or conflict has been resolved to the Bank's satisfaction.
- 24. The account holder acknowledges and agrees that, in respect of any remittance service provided by the Bank, the Bank accepts no responsibility for any loss or delay which may occur in the transfer or transmission of funds or for any error, omission or mutilation which may occur in the transmission of any message or for any misinterpretation of any message received.**
25. If any document dispatched by the account holder to the Bank, including any instruction, confirmation, contract or transaction, is for any reason undated, the time and date as shown on the Bank's time chop as imprinted on such document at the time of its receipt shall be conclusive evidence of the time and date of such document.
- 26. The account holder shall indemnify the Bank and keep the Bank indemnified and hold the Bank harmless against any and all claims, liabilities, losses, damages, costs, expenses and charges (whether on account of taxes, duties, imposts or otherwise, including but not limited to legal expenses on a full indemnity basis) whatsoever, whether in contract, tort or otherwise, which the Bank may suffer or incur by reason of, arising out of or in connection with the Bank's provision of any service to the account holder, or transacting with the account holder, or maintaining any account(s) for the account holder, or performing its obligations hereunder, or a breach of any of these General Terms and Conditions or any applicable laws and regulations by the account holder, unless the claim, liability, loss, damage or expense is caused by the Bank's willful misconduct or gross negligence. A certificate by any of the Bank's officers as to the account holder's liability or indebtedness to it with respect to the indemnity aforesaid shall be binding on the account holder and shall be conclusive evidence without further proof of any such claim, liability, loss, damage or expense.**
- 27. Without prejudice to any other provisions under these General Terms and Conditions, the account holder undertakes to promptly renew and update the following identification and registration documents (collectively "Identification/Registration Documents"): (i) if the account holder is personal, the identification document(s) of the account holder and the authorized representative(s); and (ii) if the account holder is corporate or other type of entity, the various registration certificates, identifications documents and other similar documents of the account holder, its controlling shareholders, de facto controlling persons, directors, legal representative, person in charge and authorized signatories/representatives. The account holder shall promptly provide the Bank with a certified copy or an original copy of the renewed Identification/Registration Documents. The account holder acknowledges and agrees that the Bank is entitled to suspend the account holder's operation of any account(s) and/or use of any services from the time when any of the Identification/Registration Documents expires to and till the time when the Bank receives the certified or original copy of the renewed version of the relevant expired Identification/Registration Documents. In no event shall the Bank be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by the account holder arising out of the exercise of the Bank's suspension right pursuant to this clause.**
28. Account statements are sent at monthly intervals, unless otherwise requested. If there is no account activity within one or more months after the period covered by the most recent account statement, the Bank need not send the monthly account statement(s) for that/those month(s). **The account holder agrees to examine each statement of account received from the Bank to see if there are any errors, discrepancies, unauthorized debits or other transactions or entries arising from whatever cause, including, but without limitation, forgery, forged signature, fraud, lack of authority or negligence of the account holder or any other person (the "Errors"). The account holder also agrees that the statement of account shall, as between the Bank and the account holder and save for manifest mistake(s), be conclusive evidence as to the balance shown therein and that the statement of account shall be binding upon the account holder, who shall be deemed to have agreed to waive any rights to raise objections or pursue any remedies against the Bank in respect thereof unless the account holder notifies the Bank in writing of any such Errors within 90 days (or such other period as specified in the account statement) after the date of its deemed receipt by the**

**account holder. Account statements will be sent in such manner as the Bank may decide from time to time and the Bank will notify the account holder by such means as the Bank may deem appropriate (including without limitation displaying notice in the Bank's premises and/or posting notice on the Bank's website) regarding any change of the manner in which account statements will be sent to the account holder. An account statement shall be deemed to have been received by the account holder (where delivered personally) at the time of personal delivery or on leaving it at the address last notified by the account holder to the Bank, (where sent by post) 48 hours after posting to the address last notified by the account holder to the Bank if such address is in Mainland China and seven days after posting to the address last notified by the account holder to the Bank if such address is outside Mainland China, (where sent by facsimile transmission, telex or email) immediately after transmitting to the facsimile or telex number or email address last notified by the account holder to the Bank, or if the account holder agrees with the Bank to collect such statement of account at the counter of the Bank, on the date when such statement of account is generated from the Bank's system (whether or not, and regardless of when, the account holder has collected such statement of account).**

29. With regard to account holder holding legitimate permit for residence in Hong Kong or Macau, if there is Renminbi remittance from Hong Kong or Macau to such account holder which complies with applicable laws and regulations (including applicable provisions promulgated by the People's Bank of China) in all aspects ("Qualified RMB Remittance"), the account holder agrees and authorizes the Bank to open a special Renminbi saving account ("CEPA RMB Special Account") upon receiving the first Qualified RMB Remittance for him/her and to credit the Qualified RMB Remittance(s) into the CEPA RMB Special Account, regardless whether the beneficiary account stated in the relevant remittance instruction is the CEPA RMB Special Account or whether the relevant remittance instruction specifies the beneficiary account. After the CEPA RMB Special Account is opened, its relevant information (including without limitation account number and balance) will be reflected in account statement(s). The CEPA RMB Special Account shall be used and operated in compliance with applicable laws and regulations (including applicable provisions promulgated by the People's Bank of China) as updated and/or amended from time to time. Account transfer can not be effected on CEPA RMB Special Account via phone banking services.
30. The Bank will at all times endeavour to introduce products the Bank reasonably believes are likely to be suitable for the account holder based on the information provided by the account holder. Ultimately the decision to invest in specific products shall be made by the account holder. The account holder's failure or inadequacy of providing personal information to the Bank will restrict the Bank's ability to introduce products and services which are likely to be suitable for the account holder.

This risk disclosure statement provides an overview of the risks that the account holder may take when using the Bank's personal financial services and products (including without limitation wealth management products, insurance products sold by the Bank on agency basis, deposit, currency exchange and loan services). This risk disclosure statement cannot, of course, disclose all the risks. This risk disclosure statement is not and shall not be deemed as investment, legal or tax advice. The account holder should place no reliance on the Bank to give advice or make recommendations. If the account holder is uncertain or has not understood any aspect of this risk disclosure statement, the account holder should seek independent professional advice.

- \* Credit Risk:** The personal financial services and products may involve credit risk of the Bank (and other parties that may be involved in the relevant services and/or products) which may affect the ability to meet the payment obligations set out in the agreed terms.
- \* Foreign Exchange Risk:** Where investment is denominated in currencies other than the account holder's base currency, or where the account holder converts funds from another currency for the purpose of making investment, there is the risk that if the foreign exchange markets move against the account holder, then upon maturity or redemption the net proceeds converted into the account holder's base currency or the currency from which the initial funds were converted (as the case may be) may be significantly less than the figure on the date when the investment was made, and that any income or gains made may be entirely negated. Where the account holder's indebtedness to the Bank is secured by assets denominated in a currency different from the currency of the indebtedness, the foreign exchange market may move against the account holder and the risk of loss can be substantial. In the case of foreign currency deposits, the net return on foreign currency deposits will depend on market conditions prevailing at the time of maturity or withdrawal. In this regard, the account holder may suffer loss as a result of depreciation of the value of the currency paid or as a result of foreign exchange controls. Such loss may offset the net return on the deposit and may result in losses to

such deposits. Repayment or payment of amounts due to the account holder may be delayed or prevented by exchange controls or other actions imposed by governmental or regulatory bodies.

- \* Liquidity Risk:** Where the account holder chooses to place deposit or make investment for a tenor, the account holder has to ensure to make adequate provision for emergency cash needs. Certain products cannot be sold or transferred by investor to a third party and investor may not be allowed to withdraw, redeem or terminate all or part of certain investment products or insurance products prior to maturity. The account holder will probably suffer loss of return and/or principal when early withdrawing a term deposit, redeeming an investment product, or surrender an insurance product.
- \* Inflation Risk:** Inflation may reduce the value of the account holder's deposit and/or investment.
- \* Return Risk:** Investment products and investment linked products have investment elements and returns may vary. Investors may receive low, or even no return for the entire tenor of the investment.
- \* Market Risk:** Many factors can affect the value/performance of the asset(s) linked to investment products and investment linked products, including without limitation the political and economic environment, business conditions, investor sentiment and confidence. All of these factors may have an effect on the local and/or global markets.
- \* Principal Risk:** Some products are not principal protected, and some products provide principal protection or partial principal protection subject to certain conditions. Subject to the terms and conditions governing the relevant products and other relevant factors (including without limitation, interest rate market movement, underlying performance, market volatility and liquidity, etc), investor may suffer loss of the principal when redeeming the products.
- \* Redemption Risk:** Certain products may not allow early redemption. For those redeemable products, the investor is required to visit the Bank premise to complete and submit a redemption application. The investor shall be aware that the price indicated when the redemption application of a redeemable product is submitted is indicative and for reference only and the actual redemption price may be different (or even significantly different) from the indicative price. Investor may inquire his/her relationship manager for details.

31. These General Terms and Conditions and other terms and conditions applicable to any types of services by the Bank in the Mainland China (as may be amended from time to time) shall be governed and construed in accordance with the laws of the People's Republic of China, unless otherwise specified by the Bank.