

HSBC Bank (China) Limited

Risk Disclosure Letter for the Transfer Service of Personal Large-denomination Certificate of Deposit

Dear Customer,

The transfer service of personal Large-denomination Certificate of Deposit (hereinafter referred to as the "**Service**") may pose various risks that may damage your funds and earnings, and you shall be fully aware of the following risks and voluntarily assume them. HSBC Bank (China) Co., Ltd. (hereinafter referred to as "**HSBC China**") provides product transfer, fund transfer and settlement, and other relevant platform services (hereinafter referred to as "**Platform Services**") for both parties in transfer business. HSBC China shall not assume any liability for any capital risks that may arise for clients in the Business. Before you select and use Platform Services, please read the following contents carefully.

The major risks involved in the transfer of a personal Large-denomination Certificates of Deposit (hereinafter referred to as the "**Product**") include but are not limited to:

1. Risk of Transaction Failure

HSBC China only provides Platform Services to both transfer parties, and there is no guarantee that the transfer transaction will eventually conduct a deal, and there is a risk of transfer deal failure or transaction failure for both transfer parties. If the transaction products or funds are "frozen and deducted" before the transaction, or other compulsory measures are taken by the competent national authorities, the relevant transaction will also be seriously affected, and there will be a risk of transaction failure.

2. Risk of Loss of Partial Expected Revenue

(1) Risk of loss to the transferor:

If the transfer/re-transfer price set by the transferor is greater than the principal/previous transfer price of the Product but less than the sum of the principal/previous transfer price of the Product and the expected current revenue to date, the transferor may lose part of the expected revenue.

- (a) If the transferor is the original holder of a personal Large-denomination Certificate of Deposit (not a transferred), the expected revenue from the current period to the present refers to the expected return calculated based on the annual interest rate of the Product and the actual holding period, during the Product value date to the day before the transfer application date.
- (b) If the transferor held a transferred personal Large-denomination Certificate of Deposit, the expected revenue from the current period to the present refers to the expected return calculated based on the annual interest rate, the principal of the Product and the actual hold period, during the Product previous transferred date to the day before the re-transfer application date.

(2) **Risk of Loss to the Transferee:**

The amount paid by the transferee shall be the transfer price, including the transfer principal, the estimated interest during the holding period of the transferor and the premium/discount amount set by the transferor. If the transferee early withdraws the transferred product, the total amount (include the principal and the early withdrawal interest) obtained may be lower than the transfer price paid to the transferor at last transfer, lead to a substantial loss.

3. Cyber System Risk

When HSBC China personal Large-denomination Certificate of Deposit transfer Service Platform fails to operate normally under the following circumstances, the transferor and the transferee will not be able to use the transfer service:

- (1) During the system downtime and maintenance period announced on the HSBC China website (www.hsbc.com.cn);
- (2) Transfer Service Platform fails to transmit data due to telecommunication equipment function failure;
- (3) Transfer Service Platform cannot operate normally due to force majeure factors such as typhoons, earthquakes, tsunamis, floods, power outages, wars, terrorist attacks, major infectious diseases and other force majeure factors;
- (4) Service interruption or delay due to hacker attacks, technical adjustments or failures of the telecommunications department, website upgrades, and other third-party problems;
- (5) Other system failures of the transfer Service Platform not caused by HSBC China's fault.

4. Interest Rate Risk

Affected by the operating conditions of the national economy and national macroeconomic policies, the market interest rate may fluctuate during the Product's duration, which may cause the annual interest rate of personal Large-denomination Certificate of Deposit to be uncompetitive in the market.

5. Risk of Force Majeure

Force majeure is an unforeseen, unavoidable and insurmountable objective event, including but not limited to: earthquake, typhoon, flood, tsunami, flood, plague, war, coup, riot, strike, communication failure, network failure, hacker intrusion or other similar event. The emergence of force majeure factors will seriously affect the normal operation of the financial market, which may lead to risks such as product transfer transaction failure, interruption, and delay in fund settlement.

HSBC China shall not be liable for any losses caused by force majeure risks, but shall notify customers (including but not limited to website announcements) if conditions permit, and take all necessary remedial measures to reduce losses caused by force majeure. When any party is unable to perform this agreement due to force majeure, it shall promptly notify the other party and provide proof of the impact of force majeure within a reasonable period, and take appropriate measures to prevent the loss of the other party from expanding.

6. Others

The English text of this Letter is for reference only. In case of any discrepancy, the Chinese text shall prevail.