

Dear Customer

### **Notice of Changes to General Terms and Conditions**

Thank you for banking with HSBC.

HSBC is reviewing and improving our banking services and to cater for the latest enhancements and business arrangement, we are introducing some changes to the **General Terms and Conditions**, details of which are set out in the attached Annex. The changes will become effective from 26 November 2023 (the “**Effective Date**”).

Please note that the changes shall be binding on you if you continue to use or retain the relevant account(s) on or after the Effective Date. If you decline the amendments, you have the right to terminate the account(s) before the Effective Date in accordance with the relevant clauses under the existing applicable terms and conditions.

You can obtain a copy of the amended terms and conditions by visiting HSBC’s website.

- Before the Effective Date, please visit: <https://www.business.hsbc.com.hk/-/media/library/business-hk/pdfs/en/tnc106.pdf>
- On or after the Effective Date, please visit HSBC’s website > Form Download Centre > See Forms (Under the box of Accounts Service Forms)

If there is any discrepancy between the English and Chinese versions of this Notice and the Annex, the English version shall prevail.

Yours faithfully

HSBC Commercial Banking, Hong Kong

## Annex

### General Terms and Conditions

1. The following new clause 1.9.3 of Part A has been added and the original clause 1.9.3 has been renumbered to 1.9.4:

"1.9.3 If (a) an Account is credited in error; or (b) an Account is credited in anticipation of receiving funds where those funds are not received or the underlying funds transfer is reversed, we are entitled to reverse all or part of such credit including any interest accrued thereon, make the appropriate entry to the Account, and debit or demand immediate repayment of any loss, damage or expense incurred by us in connection therewith, as appropriate."

2. The definition of "Connected Person" in clause 1.10.1 of Part A has been clarified to include a beneficiary of a trust (key changes have been underlined).

**"Connected Person** means a person or entity (other than you) whose information (including Personal Data or Tax Information) is provided by you, or on your behalf, to any member of the HSBC Group or which is otherwise received by any member of the HSBC Group in connection with the provision of the Services. A **Connected Person** may include any guarantor, a director or officer of a company, partners or members of a partnership, any "substantial owner", "controlling person", or beneficial owner, trustee, beneficiary, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, your representative, agent or nominee, or any other persons or entities with whom you have a relationship that is relevant to your relationship with the HSBC Group."

3. Clause 1.10.2 of Part A and Appendix 2 have been amended as follows (key changes have been underlined) in order to better clarify the use of Your Information and how the Data Privacy Notice and Appendix 2 may be applicable to individual, sole proprietorship, partnership, firm or any other unincorporated body and corporate:

#### "1.10.2 Collection, use and sharing of Your Information

This Clause 1.10.2 of Part A explains how we will use Your Information. If you are an individual, sole proprietorship, partnership, firm or any other unincorporated body, the Data Privacy Notice/Notice relating to the Personal Data (Privacy) Ordinance, (formerly known as Notice to Customers relating to the Personal Data (Privacy) Ordinance) as applicable (the "Notice") also contains important information about how we and the HSBC Group will use Your Information (that are personal data) and you should read this Clause in conjunction with the Notice. We and members of the HSBC Group may use Your Information in accordance with this Clause 1.10 of Part A and (if you are an individual, sole proprietorship, partnership, firm or any other unincorporated body) the Notice.

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

- we are legally required to disclose;
- we have a public duty to disclose;
- our legitimate business purposes require disclosure;
- the disclosure is made with the data subject's consent; or
- it is disclosed in accordance with the terms and conditions set out in this Clause 1.10 of Part A (including Appendix 2 and where applicable, the Notice).

### *Collection*

- (a) We and other members of the HSBC Group may collect, use and share Your Information. Your Information may be requested by us or on behalf of us or the HSBC Group, and may be collected from you directly, from a person acting on your behalf, from other sources (including from publicly available information), and it may be generated or combined with other information available to us or any member of the HSBC Group.

### *Use*

- (b) If you are a corporation (which includes a company), we and members of the HSBC Group may use, transfer and disclose Your Information in connection with the purposes set out in this Clause 1.10 of Part A and/or Appendix 2 (collectively referred to as the "Purposes").

If you are not a corporation (for example, if you are an individual, sole proprietorship, partnership, firm or any other unincorporated body), we and members of the HSBC Group may use, transfer and disclose Your Information (i) in connection with the purposes set out in this Clause 1.10 of Part A and/or Appendix 2 (applicable to Your Information other than Personal Data) and (ii) in connection with the purposes set out in this Clause 1.10 of Part A and/or the Notice (applicable to Personal Data) ((i) to (ii) are collectively referred to as the "Purposes").

### *Sharing*

- (c) If you are a corporation (which includes a company), we may (as necessary and appropriate for the Purposes) transfer and disclose any of Your Information to the recipients (who may also use, transfer and disclose such information for the Purposes) set out in this Clause 1.10 of Part A and/or Appendix 2.

If you are not a corporation (for example, if you are an individual, sole proprietorship, partnership, firm or any other unincorporated body), we may (as necessary and appropriate for the Purposes) transfer and disclose any of Your Information to the recipients (who may also use, transfer and disclose such information for the Purposes) set out in this Clause 1.10 of Part A, the Notice (applicable to Personal Data) and/or Appendix 2 (applicable to Your Information other than Personal Data).

### *Your obligations*

- (d) You agree to inform us promptly and in any event, within thirty (30) days in writing if there are any changes to Your Information supplied to us or a member of the HSBC Group from time to time, and to respond promptly to any request for Your Information from us or a member of the HSBC Group.
- (e) You confirm that every Connected Person whose information (including Personal Data or Tax Information) has been (or will be) provided to us or a member of the HSBC Group has (or will at the relevant time have) been notified of and agreed to the processing, disclosure, use and transfer of their information as set out in this Clause 1.10 of Part A, Appendix 2 and where applicable, the Notice (as any of Clause 1.10 of Part A, Appendix 2 or the Notice may be

amended or supplemented by us from time to time). You shall advise any such Connected Persons that they have rights of access to, and correction of, their Personal Data.

- (f) We may store Your Information locally or overseas, including in the cloud. We apply our global data standards and policies wherever Your Information is stored. You consent and shall take such steps as are required from time to time for the purposes of any applicable data protection law or secrecy law to permit us to use, store, disclose, process and transfer all of Your Information in the manner described in these Terms and Conditions. You agree to inform us promptly in writing if you are not able or have failed to comply with the obligations set out in (e) and (f) in any respect.”

## Appendix 2

If you are a corporation (which includes a company), the following terms supplement Clause 1.10 of Part A and relate to the use, store, process, transfer and disclosure of Your Information. If you are not a corporation (for example, if you are an individual, sole proprietorship, partnership, firm or any other unincorporated body), this Appendix 2 applies only to Your Information that are non-personal data. Terms used in this Appendix 2 shall have the meanings set out in Clause 1.10 of Part A of these Terms and Conditions.

## USE OF YOUR INFORMATION

The purposes for which Your Information may be used are as follows:

- (a) considering applications for, or review to continue the, Services;
- (b) approving, managing, administering or effecting Services or any transaction that you request or authorise;
- (c) meeting Compliance Obligations;
- (d) conducting Financial Crime Risk Management Activity;
- (e) collecting any amounts due from you and from those providing guarantee or security for your obligations;
- (f) conducting credit checks and obtaining or providing credit references;
- (g) enforcing or defending our or a member of the HSBC Group's rights;
- (h) meeting our internal operational requirements or that of the HSBC Group (including credit and risk management, system or product development and planning, insurance, audit and administrative purposes);
- (i) creating and maintaining our credit and risk related models;
- (j) ensuring your ongoing credit worthiness and of those providing guarantee or security for your obligations;
- (k) marketing, designing, improving or promoting Services or related products to you (and to Connected Persons to the extent permissible by Laws) and conducting market research;
- (l) determining the amount of indebtedness owed to you or owed by you or by those providing guarantee or security for your obligations;
- (m) complying with any obligations, requirements or arrangements that we or any of our branches or any member of the HSBC Group, whether compulsory or voluntary, is expected to comply according to:
  - (i) any Laws or Compliance Obligations;
  - (ii) any codes, internal guidelines, guidelines or guidance given or issued by any Authorities;
  - (iii) any present or future contractual or other commitment with any Authorities with jurisdiction over all or any part of the HSBC Group; or

- (iv) any agreement or treaty between Authorities;
- (n) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the HSBC Group or any other use of data and information in accordance with any programmes for compliance with sanctions or prevention or detection of Financial Crime;
- (o) meeting any of our obligations or those of any member of the HSBC Group to comply with any demand or request from Authorities;
- (p) enabling our actual or proposed assignee, or participant or sub-participant of our rights in respect of you to evaluate the transaction intended to be the subject of the assignment, participation or sub-participation and enabling the actual assignee(s) to use your data in the operation of the business or rights assigned;
- (q) maintaining our or HSBC Group's overall relationship with you; and
- (r) any purposes relating or incidental to any of the above.

## SHARING AND TRANSFER OF YOUR INFORMATION

We may (as necessary and appropriate for all or any of the Purposes) transfer, share, exchange and/or disclose any of Your Information to all such persons as we may consider necessary (wherever located) including:

- (a) any member of the HSBC Group;
- (b) (i) any agents, contractors, sub-contractors, service providers or associates of the HSBC Group (including their employees, directors and officers, agents, contractors, service providers and professional advisers), (ii) any of HSBC Group's partners or providers of reward, co-branding or loyalty programmes;
- (c) any Authorities;
- (d) anyone acting on behalf of you, payment recipients, beneficiaries, potential payment originators, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which you have an interest in securities (where such securities are held by us or any member of the HSBC Group for you);
- (e) any party acquiring an interest in or assuming risk (or proposing to acquire an interest in or assume risk) in or in connection with the Services, including any persons giving or proposing to give a guarantee or security to guarantee or secure your obligations to us, or any actual or proposed assignee(s) of ours or participant(s) or sub-participant(s) or transferee(s) of our rights in respect of you;
- (f) (i) other financial institutions, credit reference agencies or credit bureaus, for obtaining or providing credit references, (ii) debt collection agencies, insurers, credit card companies, securities and investment services providers; and
- (g) any party involved in any business transfer, disposal, merger or acquisition by us or any member of the HSBC Group.

Provision of Data to Credit Reference Agencies (CRAs) and Debt Collection Agencies

The following section may apply to you or your Connected Persons (collectively “you”, “your” for the purposes of this section only):

(A) We may provide the following data relating to you (whether in sole name or joint names with others) to a CRAs:

- (i) full name;
- (ii) capacity in respect of each mortgage (as borrower, mortgagor or guarantor);
- (iii) Hong Kong Identity Card Number or travel document number or certificate of incorporation number;
- (iv) date of birth or date of incorporation;
- (v) correspondence address;
- (vi) mortgage account number in respect of each mortgage;
- (vii) type of the facility in respect of each mortgage;
- (viii) mortgage account status in respect of each mortgage (e.g. active, closed, write-off); and
- (ix) if any, mortgage account closed date in respect of each mortgage.

The CRAs will use the above data for the purposes of compiling a count of the number of mortgages from time to time held by you (as borrower, mortgagor or guarantor, whether in sole name or joint names with others) for sharing in the consumer credit database of the CRAs by credit providers.

- (B) You can instruct us to make a request to the relevant CRAs to delete from its database any account data relating to any credit that has been terminated by full repayment provided that there has not been, within five (5) years immediately before such termination, a default in payment under the credit for a period in excess of sixty (60) days according to our records.
- (C) If there is any default in payment, unless the amount in default is fully repaid or written off (other than due to bankruptcy order) before the expiry of sixty (60) days from the date of default, your account repayment data may be retained by the CRAs until the expiry of five (5) years from the date of final settlement of the amount in default.
- (D) In the event of any amount being written off due to a bankruptcy order being made against you, the CRAs may retain your account repayment data until the earlier of (i) the expiry of five (5) years from the date of final settlement of the amount in default, or (ii) the expiry of five (5) years from the date of your discharge from bankruptcy as notified to the CRA by you with evidence.
- (E) For the purposes of paragraphs C and D above, account repayment data are the amount last due, amount of payment made during the last reporting period, remaining available credit or outstanding balance and default data (being amount past due and number of days past due, date of settlement of amount past due, and date of final settlement of amount in material default (that is, default in payment for a period in excess of sixty (60) days) (if any)).”

4. For better clarity, clause 1.11.1 of Part A has been amended (key changes have been underlined) and a new clause 1.11.3 has been added as follows and the original clauses 1.11.3 and 1.11.4 have been renumbered to 1.11.4 and 1.11.5 respectively:

"1.11.1 You agree that we may use any contact information provided by you and kept on our records (including address, telephone number, email address (for business accounts only: includes the e-mail address of the account holder's contact person on our records) and fax number) from time to time to communicate with you (whether through letters, telephone calls, SMS, fax, email or other means)."

"1.11.3 Unless we otherwise specify, you will be considered as having received any notice given by us:

- (a) at the time of personal delivery or leaving it at the address last notified in writing by you (if delivered personally);
- (b) forty-eight (48) hours after posting it to the above address if that address is in Hong Kong or seven (7) days after posting if that address is outside Hong Kong (if sent by post);
- (c) immediately after faxing it to the fax number last notified in writing by you (if sent by fax);
- (d) immediately after emailing it to the email address last notified in writing by you (if sent by email);
- (e) immediately after placing it in your online internet banking profile (if made available there); or
- (f) immediately after displaying it on our public website or at our premises (if communicated by display)."

5. Clauses 2.1.2(a) & (d) of Part A have been amended (key changes have been underlined) to set out revised terms on the request for cheque books:

"2.1.2 (a) You may request for a cheque book to be issued to you when you hold a Hong Kong dollar, US dollar or Renminbi Current Account."

"2.1.2 (d) You may apply for a cheque book for your Current Account through any means accepted by us.  
We have the right not to issue a cheque book. We will deliver a cheque book by post to your address on our records. We are not responsible for any delay or loss caused by any means of delivery."

6. To remind you that when giving instructions to make payments or effect transactions, you are responsible to check whether the payment recipient and the transaction are real and trustworthy. To clarify both parties' rights and obligations in this respect, clause 2.4.9(b)(ii) of Part A has been amended as follows (key changes have been underlined) and new clauses 2.4.10(u) and (v) have been added as follows:

"2.4.9 Limitation of Liability regarding HKICL FPS

(b) for clarity we are not liable for loss, damage or expenses 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:

- (ii) 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 our reasonable control, including any delay or error relating to, where applicable, the risk warnings, messages and indicators about

suspected frauds, scams or deceptions received by us from the Faster Payment System or Hong Kong Police Force.”

“2.4.10 Our Rights and Responsibilities

(u) In giving instructions to make payments or effect transactions by any means accepted by us from time to time (e.g. electronic clearing, TT, RTGS or HKICL FPS), 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.

(v) (Applicable to personal accounts only) To help you stay vigilant against frauds, scams and deceptions, we may send risk alerts based on the risk warnings, messages and indicators received by us from the Faster Payment System or Hong Kong Police Force from time to time.”

7. Clause 2.5.4 of Part A has been amended (key changes have been underlined) to clarify the handling of inward remittances:

“2.5.4 The proceeds of an inward remittance of Item may not be credited to your Account on the same day we receive the remittance or Item if (a) we do not receive it before the relevant cut-off time set by us; or (b) any necessary checking is not completed. No interest (whether at a rate above or below zero) will accrue before the proceeds are actually credited to your Account.”