

Notice of Change to HSBC Business Integrated Account General Conditions – Commercial Banking (the “Terms”)

We, The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**” or “**the Bank**”), are making certain changes to the Terms as described in this Notice of Change. These changes will take effect from 26 November 2023 (the “**Effective Date**”). Where capitalised terms are used but not defined in this Notice of Change they have the meaning given to them in the Terms.

A. To reflect our latest business arrangements, we are making the following changes to the Terms:

- In Section I General Conditions: condition 4.2 is enhanced, condition 4.8 is enhanced and replaced, condition 7.9(b)(ii) is enhanced, a new condition 7.13 is added (and the original conditions 7.13 to 7.23 are renumbered accordingly), condition 19.1 is enhanced, condition 19.2 is amended and conditions 24.23 and 24.24 are enhanced.
- In Section III Current Account: condition 3.1 is enhanced and the original condition 3.4 is removed, the original conditions 3.5 to 3.9 are renumbered and the cross-reference in the original condition 3.9 is also updated accordingly.

The key changes include the following:

- (i) Inward remittances: we have added wording to clarify that proceeds of an inward remittance may not be credited to an Account, or accrue interest on the date it is received, where necessary checking has not been completed with respect to the relevant transaction.
- (ii) The Bank’s rights: we have added a specific provision concerning (a) our right to reverse funds transfers paid into an Account where such Account is credited in error, or where the underlying funds are not received by us or such underlying funds transfer is reversed and (b) our right to debit or demand immediate repayment of any loss, damage or expense we incur in connection with this.
- (iii) Limitation of Bank’s liabilities for FPS transactions: we have added wording to clarify that we will not be liable for loss, damages or expenses incurred by any person that results from the functionality of the Faster Payment System (“**FPS**”). We have also stated that we will not be liable for delays or errors relating to any risk warnings and indicators about suspected fraud, scams or deceptions that we may receive from FPS or the Hong Kong Police Force.
- (iv) Customer’s responsibilities: we have added a new provision concerning the Customer’s responsibility regarding funds transfers, specifying that (a) the Customer must take reasonably practicable steps to safeguard itself against fraud and other illegal activities and (b) the Customer is responsible for checking that the payment transaction and payment recipient are real and trustworthy, that the Bank is not responsible for this and that the Customer should exercise sound judgment in this regard.
- (v) Definition of ‘Connected Person’: we have added ‘beneficiary of a trust’ to the definition.
- (vi) Collection and disclosure of Customer Information: we have added wording to (i) clarify the existing practices that information may be stored in a cloud; and (ii) set out more clearly the terms relating to the collection, use and sharing of Customer Information and those of Connected Persons in relation to sole proprietorship, partnership, firm or any other unincorporated body and corporate.
- (vii) Sanctions: we have amended clauses 24.24(b) and 24.25(a). 24.24(b) is amended to : *“located, organised or resident in a country or territory that is the subject of Sanctions, including, for example, the Crimea region, the so-called Donetsk People’s Republic and Luhansk People’s Republic, Cuba, Iran, North Korea and Syria”*; and 24.25(a) is amended to: *“to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions”*.
- (viii) Cheque Books: we have amended the Terms to clarify that cheque books need to be requested through any means accepted by us.

B. We are also updating the following Terms in relation to how we and members of the HSBC Group may collect, use and share information of Customers (and Connected Persons), which are corporations (including companies), and which are not corporations (for example, sole proprietorship, partnership, firm or any other unincorporated body). We have updated condition 19 of Section I and Appendix III of the Terms, the gist of the changes is set

out below. These changes will also take effect from the Effective Date:

- (i) The Notice relating to the Personal Data (Privacy) Ordinance at Appendix II will no longer be applicable to customers which are corporations (including companies), and the customer information of these customers (and their connected persons) will be used and shared in accordance with the amended terms set out in condition 19 of Section I and Appendix III of the Terms.
- (ii) For customers which are not corporations (for example, sole proprietorship, partnership, firm or any other unincorporated body), customer information of these customers (and their connected persons) will be used and shared in accordance with the amended terms set out in condition 19 of Section I; Notice relating to the Personal Data (Privacy) Ordinance at Appendix II (applicable to personal data); and Appendix III (applicable to customer information other than personal data).

C. We have updated certain cross-references throughout the Terms, and the contents page at the beginning of the Terms is updated to reflect the changes referenced at parts A and B of this Notice of Change.

Please note that:

(a) the amendments above shall be binding on you if you continue to use or retain any of your Account(s), Product(s) or Service(s) on or after the Effective Date. If you do not agree to these amendments, you have the right to terminate your Account(s), Product(s) or Service(s) before the Effective Date in accordance with the relevant clauses under the Terms. If you wish to terminate your Account(s) or Service(s), or should you have any queries, please contact your usual HSBC representative or our customer service hotline: (852) 2748 8288 (Monday to Friday 09:00 – 18:00, Saturday 09:00 – 13:00, except Sunday and Public holiday); and

(b) with effect from the Effective Date, any materials or information (including information contained in forms, factsheets, product information, customer communications, marketing and promotional materials) made available to you in any manner or published by us which relate to any accounts, products or services governed by the Terms should be read with reference to the above amendments. If there are any inconsistencies between (i) such materials or information and (ii) the updated Terms, the latter will prevail.

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

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

Oct 2023

Issued by The Hongkong and Shanghai Banking Corporation Limited