

Guide to Terms & Conditions

*some terms & conditions you
should be aware of...*

Dear Customer,

If you are using one or more of our Deposits services, please read up the relevant sections on their Terms and Conditions as they are legal and binding. You may also want to keep this booklet as a quick point of reference whenever you're in doubt.

Should you need further clarification, please do not hesitate to contact our office at telephone number:

087-419690



The world's local bank

*Issued by The Hongkong and Shanghai Banking Corporation Limited,
Offshore Banking Unit Labuan (Licensed Labuan Bank, Licence No. 910004C)*

Generic terms and conditions (applicable to all accounts) of the Bank

The following terms and conditions shall apply to every account/product/service opened/provided by The Hong-kong and Shanghai Banking Corporation Limited, Labuan Offshore Banking Unit Labuan (“The Bank”) unless otherwise indicated.

1. The account holder(s) agrees that the Bank’s indebtedness to the account holder shall not exceed the aggregate of all the account holder’s liabilities to the Bank on any account, whether such liabilities be actual, present, future, deferred, contingent, primary, collateral, several, joint or otherwise. 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 sole discretion and without notice to the account holder, to refuse to repay when demanded or when the same falls due with respect to 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. The Bank may, at any time and without notice to the account holder, combine or consolidate any or all credit balances or set off from all/any credit balances of the account holder

with the Bank, all or any of the account holder's aggregate liabilities, whether such liabilities be actual, contingent, primary, collateral, several or joint (including any unpaid withholding tax). The Bank is further authorised to, without notice, transfer any sum standing to the credit of any such account(s) or any sum in the account holder's name towards the satisfaction of any of the account holder's liabilities to the Bank in respect of any accounts held at any branch of The Hong Kong and Shanghai Banking Corporation Limited. The Bank's right hereunder shall not be affected by the death, bankruptcy, insolvency, composition with other creditors or if legal process is levied against the account holder.

2. Account statements are sent, where applicable, at monthly intervals unless otherwise instructed. The account holder agrees to examine each account statement (which includes any record of transaction/ updated record) emanating from the Bank to see if there are any errors or discrepancies, entries arising from whatever cause, including, but without limitation, forgery, fraud, lack of authority or negligence of the account holder or any other person ("the Errors"). The said account statement 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 60 days of the date of the account statement. All account statements and records of transactions and requests (whether voice-recorded or otherwise) shall be conclusive and binding on the

account holder. All references to “Available Funds” in these terms and conditions or specific terms and conditions shall mean those funds held in the account(s) based on the Bank’s records less any cheques deposited but yet to be cleared and any hold on any sums.

3. The account holder undertakes to promptly advise the Bank in writing addressed to The Hongkong and Shanghai Banking Corporation Limited, Offshore Banking Unit Labuan, Level 11(B1), Main Office Tower, Financial Park Complex, Jalan Merdeka, 87000 Wilayah Persekutuan Labuan, Malaysia of any changes in its/his address and/or its constitution (in the case of a company or firm), failing which the Bank shall be discharged from all liabilities us upon sending any notices to the last known address.
4. Where the account is opened and maintained in joint or more names, the account holders agree that in the event of death of any of the account holders, the Bank shall hold the monies in the account of the order of the survivor(s) notwithstanding the claims of any legal representatives without prejudice to any of the Bank’s right arising out of any lien, mortgage, charge, pledge, set-off, counter-claim or otherwise howsoever. Payment to the survivor(s) shall be a complete discharge of the Bank.

In the event any party to the joint account withdraws his mandate for the other(s) to operate the account, the Bank will be discharged from all liabilities arising from placing a Hold on the account pending joint written instructions from all parties to the joint account.

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5. The account holder agrees that in the absence of any directions to the contrary, all accounts subsequently opened shall be operated and dealt with upon the terms set out in the mandate given when first opening the account. In the case of a partnership the authority first given shall remain in force until revoked notwithstanding any change in the constitution or name of the firm or any change in the membership of the firm by death, bankruptcy, retirement or otherwise or the admission of any new partner or partners. The Bank shall be entitled to treat the surviving or continuing partner or partners for the time being as having full power to carry on the business and to deal with its assets as if there had been no change in the firm.
 6. The account holder shall supply the Bank with a list of the names and specimens of the authorised signatures and shall from time to time inform the Bank in writing of any change together, where applicable, with a certified true copy of a resolution which shall be conclusive evidence. The account holder shall ensure that his signature on instructions and communication with the Bank corresponds to that given in the specimen signature, failing which the Bank has the sole discretion to decline acting on the same. Notwithstanding the foregoing, the Bank shall be entitled to act on an account holder's instructions or communication although the account holder's signature differs from that given in the specimen signature, if the instructions or communication did, in fact, emanate from the account holder.

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7. Subject to Clause 17(i), these terms and conditions and/or any product/service provided by the Bank may be amended, deleted, terminated, suspended, altered or added to by the Bank (without prejudice to liability for antecedent breaches of any conditions) at its absolute discretion through (i) notice on any of the Bank's internet websites; or (ii) notice in the periodic statement of account; or (iii) notice at the Bank's premises; or (iv) notice at its branches or; (v) any other mode it deems suitable or (vi) by sending a notice, in any form, to any address furnished by the account holder(s) to the Bank and shall be deemed effective three (3) days after posting notwithstanding its subsequent return. If the account holder does not close its/his account, the account holder shall be deemed to have agreed to such amendments, deletions, suspension or additions. All notices for any purpose shall likewise be sent in the manner described herein. The account holder may request to terminate the use of any product or service by notifying the Bank in writing and delivered to the relevant department of the Bank. In all cases of termination, the account holder shall remain liable for all antecedent transactions.
8. The account holder(s) acknowledges that the opening, operation and maintenance of its/his account(s) and all matters relating thereto are subject to the laws of Malaysia and any other applicable jurisdiction/s and to the rules, notices and regulations and directives of Labuan Financial Services Authority and any relevant authority (whether in Malaysia or any other applicable jurisdiction/s) as well as the Bank's herein or as hereinafter amended and shall be subject to the Courts of Malaysia and/or the courts of any other

competent jurisdiction.

9. The Bank has the absolute discretion:-

- i. not to carry out any instructions or suspend the use of an account where the Bank in its sole opinion has reason to doubt its authenticity or consider it inappropriate to do so; and/or
 - ii. close an account by giving the account holder two (2) weeks written notice addressed to the account holder by registered post (not being AR registered post) to any address furnished by the account holder to the Bank and shall be deemed received on the 3rd day after posting notwithstanding its subsequent return. In such instance(s), the Bank shall be under no obligation to furnish the reasons for its discretion.
10. The account holder agrees that monies deposited will be paid simple interest. All interests are payable only upon maturity. Interest on the monies deposited will cease to run on maturity date and unless the Bank receives from the account holder written instructions before maturity date, the monies are to be automatically renewed for a similar period at the prevailing interest rate.
11. The amount deposited cannot be assigned, transferred or charged either by endorsement or otherwise.
12. Premature Upliftment may be allowed at the discretion of the Bank. A service charge to be determined from

time to time at the Bank's discretion and any other losses suffered will be imposed on the account holder.

13. To enable the Bank to consider whether to provide the account holder with any account, product or service (hereinafter collectively referred to as "service" or "services" as the case may be) the account holder is required to supply to the Bank from time to time the account holder's personal details and information ("Personal Data") and failure to do so may result in the Bank's inability to provide such service.

The Personal Data will be used for considering the account holder's request and subject to the Bank agreeing to provide such service, the Personal Data (which shall thereafter include, without limitation, all details and information pertaining to any of the account holder's account held with the Bank and any of the account holder's transactions and dealings with or through the Bank - collectively "Personal Data") will be used in connection with the purposes set out below.

The account holder agrees that the Bank may use, store, disclose, transfer, compile, match, obtain and/or exchange (all whether within or outside Malaysia) such Personal Data to, from or with any person as the Bank may consider necessary (including without limitation any member of the HSBC Group, any service provider or third party, any bureaus or agencies established or to be established by Labuan Financial Services Authority or by other authorities, the Association of Banks in Malaysia and/or any debt collection agencies that may be appointed by the Bank)

information provided to the Bank in the relation to the account.

The account holder understands that the Bank, or any member of the HSBC Group or any third party to whom the Bank has transmitted information about the account holder's Personal Data, will be obliged to disclose such information if legally compelled to do so (whether by Malaysian law or the law of any jurisdiction to which such information is transmitted). The Bank may transfer the account holder's Personal Data outside Malaysia. Other countries may not provide the same level of protection for data as Malaysia. However, all Personal Data held by the HSBC Group or by its sub-contractors or agents will be afforded a high level of protection against any unauthorised or accidental disclosure, access or deletion. The account holder agrees to the account holder's Personal Data being used as described and that it may be transferred as stated above.

The Bank may use, analyse and assess information held about the account holder and the account holder's account, including the nature of the account holder's transactions, to give the account holder information about products and services from members of the HSBC Group and those of selected third parties which the Bank thinks may interest the account holder by telephone, electronic media, post or other means. The Bank may pass this information to other members of the HSBC Group so that they may do the same.

The account holder may, at any time, choose not to receive direct marketing literature / information about

for any and all purposes including without limitation -

- in connection with such service and/or in connection with matching for whatever purpose (whether or not with a view to taking any adverse action against the account holder) any such Personal Data with our Personal Data concerning the account holder in the Bank's possession; and/or
- for the purpose of promoting, improving and furthering the provision of other services by the Bank and any member of the HSBC Group to the account holder generally; and/or
- for the purposes of fraud or crime prevention, audit and debt collection and in order that services may be processed for the Bank; and/or
- for purposes of investigating, reporting, preventing or otherwise in relation to money laundering, terrorist financing and criminal activities generally; and/or
- Any other purposes and to such persons as may be in accordance with the Bank's general policy on disclosure of Personal Data as set out in statements, circulars, notices or other terms and conditions made available by the Bank to the account holder from time to time.

If the account holder has a joint account, the Bank may also disclose to any of the co-account holders

the Bank's products and services. The account holder needs to write to Direct Mailing Exclusion Coordinator at Level 11(B1), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Wilayah Persekutuan Labuan, Malaysia with his/her request and the Bank will delete the account holder's name from its direct mailing lists without charge.

In order that the Bank carries out the account holder's instructions accurately, to assist the Bank to continually improve its service and in the interests of security, the Bank may monitor and/or record account holder's telephone calls with the Bank. These recordings shall be and remain the Bank's sole property.

The Bank may at its discretion retain, destroy and/or decline to furnish copies of any cheque or other items/ documents/recording relating to any account -

- after the Bank has completed the related transaction;
- after microfilming, scanning or storing (electronically or in any other medium) the same; or
- upon closure of the account whether by the account holder or by the Bank,

provided always that where such documents are retained, they will be retained in accordance with the Bank's retention policy and/or relevant regulatory requirements binding on the Bank. The account holder accordingly agrees that no liability shall be attached to the Bank for the unavailability of the aforesaid documents should the account holder request for the same.

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14. In any event of any failure to abide by these terms and conditions/specific terms and conditions or any account-related documentation, the Bank shall be discharged from all liabilities.
15. At the request of the Bank, the account holder shall execute such documents and/or perform such acts (including but not limited to documentation and/or identification to the satisfaction of the Bank) as the Bank may consider expedient in connection with the provision of the Bank's products and services.
16. The Bank reserves the right to impose and revise service fees, facility fees, tariffs, penalty charges levied for specific breaches of account-conditions and/or other charges from time to time as the Bank in its absolute discretion thinks fit, for which the Bank shall be entitled to debit any account which the account holder maintains with the Bank. In the event of any electronic transfer, any increase of related charges or account holder liability, 30 days prior written notice shall be given to the account holder.
17. If any account is opened in the names of more than one account holder, the provisions hereunder apply:-
- (i) the liabilities and obligations of each of them shall be joint and several and notice to one shall be deemed as notice to each of them,
 - (ii) words denoting the singular will be deemed to include the plural & vice versa (including the signature of an account holder shall be deemed to also refer to the respective signatures of authorised signatories),

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- (iii) each account holder shall be bound even though any other account holder or any person intended to be bound hereby is not, and
 - (iv) the Bank shall be entitled to deal separately with an account holder on any matter, including the discharge of any liability to any extent, without affecting the liability of any other account holder.
18. The Bank reserves the right to, without prior notice:
- (i) debit the account holder's account with other monetary instructions credited but subsequently returned unpaid or which cannot be presented or cannot be cleared due to loss, destruction or misplacing in the process of being presented or has been erroneously credited to the account holder's account, for which no liabilities shall attach to the Bank;
 - (ii) amend/alter under advice, the pay-in-slip in case of errors, wrong addition, missing items or third party account payee cheques collected in error.
19. Every deposit (whether at the counter or any other means) shall only be deemed to have been made if verified by two members of the Bank staff, duly cleared and such deposit is entered into the Bank's records.
20. The account holder shall not hold the Bank responsible for any loss or damage which the account holder may incur directly or indirectly arising out of or in connection with any service due to any reason whatsoever including but not limited to breakdown or malfunction of the computer, its terminal connection

lines, data processing system or transmission line or any other equipment whether or not belonging to the Bank, (attempted/) acts of terrorism, outbreak of epidemics, an act of God or any circumstances beyond the Bank's control.

21. Subject to Clause 23, upon request by an account holder, the Bank is hereby authorised at its sole discretion to release information relating to the account holder's account, currency, exchange rates or interest rates (which are subject to alteration without notice) by telephone or facsimile. Such information/rates shall not be binding on the Bank unless subsequently confirmed in writing by the Bank.

The Bank is authorised to act on the instructions of the account holder given by the account holder by telephone or facsimile or other means of telecommunication ("telecommunication instruction") and the account holder agrees that the Bank is authorised to act on any telecommunication instructions which the Bank in its sole discretion believes emanate from the account holder and the Bank shall not be liable to the account holder for any loss or damage arising in the event such telecommunication instructions emanate from unauthorised individuals and the Bank shall take reasonable steps to verify the identity of the person or persons giving telecommunication instructions purportedly in the name of the account holder. The account holder hereby irrevocably agrees to indemnify the Bank and keep the Bank indemnified (which expression shall include the Bank's successors and assigns) against all actions, claims, demands, liabilities, losses, damages, costs and expenses of whatsoever

nature that may result or which the Bank may sustain, suffer or incur as a result of the Bank acting on the account holder's verbal instructions/faxed/telecommunicated instructions in good faith, for which the Bank is hereby authorised to set-off or combine sums with any sum(s) standing to the credit of any account(s) of the account holder or debit sums into any account(s) of the account holder.

At the Bank's discretion, the Bank may introduce further security measures to ensure, as far as possible, that the instruction has been authorised by the account holder.

22. No act, delay or omissions by the Bank shall operate as a waiver or foregoing of all or any of its rights and powers hereunder saves only by express written confirmation of the same.
23. The account holder shall discharge the Bank from all liabilities whatsoever and howsoever arising and shall keep the Bank fully indemnified on a full indemnity basis against all losses, damages, fees, costs, charges, taxes, duties, imposts and expenses (including legal costs) or otherwise which the Bank may sustain or incur and which shall have arisen either directly or indirectly out of or in connection with the circumstances set out below, for which the Bank shall be authorised to debit/set off from any accounts standing in credit in the account holder's name :-
 - (a) the maintaining of, any use or purported use whatsoever of the Bank's services/products/facilities by the account holder or any other person;

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- (b) any breach of or non-compliance with the terms and conditions herein or any applicable laws/regulations by the account holder;
 - (c) negligent acts or omissions of the account holder;
 - (d) the Bank accepting instructions from the account holder or which the Bank in good faith believes to have emanated from the account holder (whether so authorised or not) and acting or failing to act thereon unless due to the negligence or fraud of the Bank;
 - (e) enforcement by the Bank of its rights hereunder;
 - (f) any delay in payment or else any debit or credit into the account holder's account as a result of complying with the terms of Clauses 8 and 9(i) herein.

Such indemnity shall continue notwithstanding the termination of any service.

24. An account holder's instructions may be effected notwithstanding that:-

- (a) They conflict with or are inconsistent with other instructions received under any mandates given by the account holder to the Bank; and/or
- (b) Such account(s) which are for the time being in credit or overdrawn or may become overdrawn in consequence of such debit.

In any of the above cases, the account holder shall be responsible for the resulting advance or credit thereby created with interest at the prevailing rate as determined by the Bank, for which the Bank is authorised to set-off this sum from any account(s) in credit in the name of the account holder. The account holder shall ensure that there are sufficient funds or pre-arranged credit facilities in the account holder's account to meet all payment instructions.

25. All legal expenses incurred for the recovery of any indebtedness of the account holder's facilities shall be borne by the account holder. The account holder agrees that any judgment sum obtained by the Bank shall carry interest at the prevailing rate(s) applicable to the respective credit facility or account from the date of the judgement order to the date of full settlement.
26. The Bank may in its absolute discretion conclusively determine the order of priority of payment by it of any moneys pursuant to any standing instruction or any instruction by the account holder (whether in writing or otherwise) or which the account holder had previously given or may hereafter give to the Bank.
27. All instructions by an account holder shall remain effective for the protection of the Bank in respect of payments made or instructions implemented in good faith notwithstanding the death or bankruptcy or the revocation of any such instructions by any means by the account holder until written notice with documents evidencing the death, bankruptcy or such revocation is received by the Bank.

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28. In the event of any inconsistency between the terms and conditions of any of the Bank's products/services ("Specified Terms & Conditions"), any Bank forms and these terms and conditions shall prevail in the following order:
- a) the Specific Terms & Conditions;
 - b) the Bank form(s); and lastly;
 - c) these terms and conditions

In the event of any inconsistency between the English version of these terms and conditions and that translated into Bahasa Malaysia or any other language, the English version of these terms and conditions shall prevail.

29. Any statement, notice, communication or demand required to be in writing and not specifically provided for herein may be sent by the Bank to the account holder by personal delivery or ordinary post (not being AR Registered post) to the last address supplied to the Bank and shall be deemed (as the case may be) received at the time of delivery or on the 3rd day after posting notwithstanding its subsequent return.
30. No failure or delay on the part of the Bank in exercising any power, right or remedy under these terms and conditions shall operate as a waiver thereof, nor shall any single or partial exercise by the Bank of any power, right or remedy preclude any other further exercise thereof or the exercise of any other power, right or remedy.

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31. Any provision or term herein which is prohibited or unenforceable by law shall be ineffective to the extent only of such prohibition or unenforceability without invalidating or affecting the remaining provisions or terms hereof.
32. The account holder shall co-operate with the Bank and the police in trying to recover any losses which result from the Bank having acted on instructions which the account holder later tells the Bank were not given by the account holder or with the account holder's authority. The Bank may also disclose information about the account holder or the account holder's account to the police or other third parties if the Bank, in its absolute discretion think will help prevent or recover losses.
33. The Bank and other members of the HSBC Group are obliged to comply with laws, regulations and requests of public and regulatory authorities in various jurisdictions which relate to the prevention of financing of, amongst other things, named terrorists and sanctioned persons. This may require that the Bank intercept and investigate any payment messages and other information or communications sent to or by the account holder or on the account holder's behalf via the Bank's systems and this process involves making further enquiries as to whether a name which might refer to a named or sanctioned person actually refers to that person.

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 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 performing any other obligations caused in whole or in part by any steps taken pursuant to the above.

This process may cause a delay in processing certain information and therefore neither the Bank nor any member of the HSBC Group warrant that any information on the Bank's systems relating to any payment messages and communications which are the subject of any action taken pursuant to the above is accurate, current and up-to-date at the time it is accessed whilst such action is being taken.

34. The Bank and other members of the HSBC Group are required to act in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to, amongst other things, the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities which may be subject to sanctions. 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 all such laws, regulations and requests.

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; and making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.

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 all such 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.

Important Note:

Although every effort has been made to furnish accurate and up-to-date information in this notice, the Bank does not accept liability for changes that may have taken place since publication.

