

## Terms and Conditions of UT offer

### General Promotional Terms and Conditions

1. **Promotion Period:** 1 October – 31 December 2023 (both dates inclusive)
2. **Who can enjoy the Promotion:** This promotion (the “**Promotion**”) is available for customers of the Bank who have fulfilled all the following requirements (each an “**Eligible Customer**”):
  - a. be aged 18 or above when conducting the Eligible Transactions;
  - b. not be a citizen/resident/tax payer resident of the United States of America (U.S.);
  - c. be a sole or principal account holder (if a joint account) of any personal account with the Bank (“**Eligible Account**”). For the avoidance of doubt, FundMax Account is not eligible;
  - d. fulfill the criteria listed in each or all of the Offers below
3. The Hongkong and Shanghai Banking Corporation Limited, Hong Kong (and its successors and assigns) (the “Bank” or “HSBC”) reserves the right to change these Promotional Terms and Conditions at any time and the offer may be withdrawn or terminated by the Bank at its discretion without prior notice. The Bank accepts no liability for any such change, withdrawal and / or termination
4. No person other than the Eligible Customer (as defined in these Promotional Terms and Conditions) and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these terms and conditions.
5. In the event of any dispute arising out of this promotion, the decision of the Bank shall be final and conclusive.
6. Where there is any discrepancy or inconsistency between the Chinese and English versions of these terms and conditions, the English version shall apply and prevail.
7. The offer under this promotion is provided subject to the prevailing regulatory requirements.
8. These terms and conditions are governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

### Offer: Terms and Conditions for 2023 Q4 Unit Trusts New-to-UT subscription offer

1. This offer is only available to Eligible Customers who are either
  - (a) a new to HSBC Jade or HSBC Premier customer who successfully opens a new Integrated Account for HSBC Premier or a new Integrated Account for HSBC Premier with Jade status, or successfully upgrades to HSBC Premier during the Promotion Period
  - (b) an existing HSBC Jade or HSBC Premier customer without any UT holdings and transactions for the past 12 months (for the avoidance of doubt, from 1 October 2022 to 30 September 2023)
2. **What is the offer:** The offer is applicable to the subscription order(s) of open-end funds made by Eligible Customer with Eligible Account. Preferential initial charge of 0.88% is applied to the subscription(s) of open-end funds made within the Promotional Period (Lump-sum/Monthly Investment Plan). E.g. For monthly investment plan placed in October 2023, the preferential initial charge of 0.88% is applied to the subscription(s) of open-end funds for the recurring monthly subscriptions during the Promotion Period i.e. from October–December 2023.
3. All other fees/charges applicable to the relevant fund (including switching fees, redemption fees, management fees and other fees) will continue to apply.

**Important Risk Warning**

1. Unit Trusts are investment products and some may involve derivatives. The investment decision is yours but you should not invest in the Unit Trusts unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.
2. Unit Trusts are NOT equivalent to time deposits.
3. Investors should not only base on this marketing material alone to make investment decisions.
4. Investment involves risk. Past performance is no guide to the future performance. For details of the investment products, their related fees and charges and risk factors, please refer to the individual product materials.
5. In the worst case scenario with Investment Financing, it could expose you to significant losses; you may incur losses in excess of your own initial funds and your investments, and you may be required to repay the Investment Loans in full.

**Risk Disclosure – Unit Trusts**

1. In the worst case scenario, the value of the funds may be worth substantially less than the original amount you invested (and in an extreme case could be worth nothing).
2. Funds which are invested in certain markets and companies (e.g. emerging, commodity markets and smaller companies etc) may also involve a higher degree of risk and are usually more sensitive to price movements.
3. Credit Risk/Interest Rate Risk – a fund that invests in fixed income securities may fall in value if interest rates change, and is subject to the credit risk that issuers may not make payments on such securities. Price of the fund may have a high volatility due to investment in financial derivative instruments and may involve a greater degree of risk than in the case with conventional securities.
4. Counterparty Risk – a fund will be exposed to credit risk on the counterparties with which it trades in relation to financial derivative instrument contracts that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading financial derivative instruments on organised exchanges, such as the performance guarantee of an exchange clearing house. A fund will be subject to the possibility of insolvency, bankruptcy or default of a counter party with which a fund trades such instruments, which could result in substantial loss to a fund.

**Risk Disclosure – Investment Financing (if applicable)**

1. General risk of Unit Trusts trading  
The prices of Unit Trusts vary, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that you will incur losses rather than making profit when buying or selling Unit Trusts.
2. Risks associated with margin requirements  
You must provide us with initial cash amount before subscribing for your investment. The required amount of initial cash is determined by us and can be varied by us from time to time, in our absolute discretion. Any cash and Unit Trusts deposited with us will be charged, pledged and/or assigned to us. If the Portfolio Margin Ratio for your investment exceeds a certain level (e.g. because of a decrease of value of your investment), we may request you to provide additional cash on short notice or sell Unit Trusts to repay all or part of the Investment Loan ("margin call"). The amount of additional cash that we may request you to provide us may be substantial and exceed the amount of initial cash deposited with us. While any



Investment Loan provided by us to you remains outstanding, you may be restricted from selling or otherwise dealing with any cash or investments deposited with us.

If you do not act promptly upon receiving of a margin call notice and do not take the required actions (such as selling Unit Trusts and/or repaying the Investment Loans) within the prescribed time, we may have various rights, including the right to sell part or all of your investments, as well as to exercise set-off in relation to any cash that you have deposited with us in connection with your investments ("forced sale"), even in adverse market conditions. You will bear all losses and may remain liable to repay us any resulting deficit in your account (including interests) and any other amounts due from you to us.

Financing your investment with an Investment Loan could expose you to significant losses. As a result of adverse market movements, you may incur losses in excess of your own initial funds and your investments, and you may be required to repay the Investment Loans in full.

We may have the right to sell, at our absolute discretion, part or all of any of your investments and/or appropriate and/or dispose of part or all of the cash or other assets deposited with us and take any other legal action, without notice or demand. For example, we may have such right when due to adverse market conditions the market value of your investments drops significantly and/or your investments cease to be eligible for Investment Financing and/or we need to cover any shortfall and/or reduce your potential exposure to unacceptable risks or heavy losses and/or where you have not complied with your obligations in relation to Investment Financing.

3. Risk of using leverage

The high degree of leverage in connection with Investment Financing transactions can lead to large losses (e.g. in the event we have to force sell your investment) as well as gains. The higher your leverage is, the bigger your losses can be in adverse market conditions.

4. Interest rate risk

Interest rate fluctuations may have an adverse impact on the value of your investments. In addition, where the interest rates by reference to which interests on your Investment Loan are calculated fluctuate, this may adversely affect the return on your investments. In particular, the cost of borrowing may be equal to or exceed the actual return on your investments.

5. Liquidity risk

Investing in certain products may present liquidity risk as under certain market conditions you may have difficulties to sell your investments. In the event we have to force sell your investments, the price at which such sale is concluded may also be affected where there is no or little liquidity in the market for your investments and/or collateral.

6. Commissions, Fees and Charges

You should familiarize yourself with commissions, fees and charges for which you will be liable under Investment Financing transactions as they may affect your net profit (if any) or increase your loss.

This document does not constitute an offer for the purchase or sale of any investment products. You should carefully consider whether any investment products or services mentioned herein are appropriate for you in view



of your investment experience, objectives, financial resources and circumstances. The contents of this document have not been reviewed by the Securities and Futures Commission.

*Issued by The Hongkong and Shanghai Banking Corporation Limited*



## Terms and Conditions of Structured Products and Bonds/CDs offer

### General Promotional Terms and Conditions

9. **Promotion Period:** 1 April – 31 December 2023 (both dates inclusive)
10. **Who can enjoy the Promotion:** This promotion (the “**Promotion**”) is available for customers of the Bank who have fulfilled all the following requirements (each an “**Eligible Customer**”):
  - a. be aged 18 or above when conducting the Eligible Transactions;
  - b. not be a citizen/resident/tax payer resident of the United States of America (U.S.);
  - c. be a sole or principal account holder (if a joint account) of any personal account with the Bank (“**Eligible Account**”). For the avoidance of doubt, FundMax Account is not eligible;
  - d. fulfill the criteria listed in each or all of the Offers below
11. All products under this promotion are subject to respective terms and conditions. The deposit/investment transaction appearing in the Bank’s records shall be final and conclusive.
12. The Hongkong and Shanghai Banking Corporation Limited, Hong Kong (and its successors and assigns) (the “Bank” or “HSBC”) reserves the right to change these Promotional Terms and Conditions at any time and the offer may be withdrawn or terminated by the Bank at its discretion without prior notice. The Bank accepts no liability for any such change, withdrawal and / or termination
13. No person other than the Eligible Customer (as defined in these Promotional Terms and Conditions) and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these terms and conditions.
14. In the event of any dispute arising out of this promotion, the decision of the Bank shall be final and conclusive.
15. Where there is any discrepancy or inconsistency between the Chinese and English versions of these terms and conditions, the English version shall apply and prevail.
16. The offer under this promotion is provided subject to the prevailing regulatory requirements.
17. These terms and conditions are governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

## Offer 1: Terms and conditions for 2023 New-to-Capital Protected Investment Deposit/ Deposit Plus offer

1. **Who can enjoy the offer:** Eligible Customers who are Jade or Premier customers that are new to Capital Protected Investment Deposit and Deposit Plus (i.e. do not have any holdings or transactions of Capital Protected Investment Deposit or Deposit Plus with the Bank during the respective observation period (“**Observation period**”)).

Observation period	Date of Transaction/ Instruction eligible to Offer
1 October 2022 – 31 March 2023	1 April 2023 – 30 June 2023
1 January 2023 – 30 June 2023	1 July 2023 – 30 September 2023
1 April 2023 – 30 September 2023	1 October 2023 – 31 December 2023

2. **What is the offer:** Eligible Customers who have successfully completed any one of the following transactions with a minimum single transaction amount or equivalent in other currencies (“**Eligible Transaction and Instruction**”) with the Eligible Account during Promotion period will be entitled to receive cash rebate as per table below:

Eligible Transaction and Instruction	Offer
<ul style="list-style-type: none"> <li>Subscription of any Capital Protected Investment Deposit</li> <li>Subscription of any Deposit Plus</li> </ul>	HKD160 cash rebate for every subscription amount of HKD200,000 or equivalent in other currencies.

There is no cap to the cash rebate during promotional period

3. **Who cannot enjoy the offer:** Any Eligible Customer who no longer fulfils any of the conditions in Clause 2 above or cancels the Eligible Transaction or terminates his/her Eligible Account (through which the Eligible Transaction was conducted), in any instance, before the Bank deposits the cash to the customer’s account.
4. **Fulfillment:** The cash rebate will be credited to the Eligible Customer’s account by the dates listed in the table below. For non-HKD denominated transactions, the transaction amount will be converted into HKD based on the relevant prevailing foreign exchange rate determined by the Bank for calculation of the Offer entitlement.

Date of Eligible Transaction/ Instruction	Cash rebate to be credited on or before the date specified below
1 April 2023 – 30 June 2023	30 September 2023
1 July 2023 – 30 September 2023	31 December 2023
1 October 2023 – 31 December 2023	31 March 2024

## Offer 2: Terms and conditions for 2023 New-to-Equity Linked Investment / Private Placement Note / Rate-linked Structured Note offer

- 1. Who can enjoy the offer:** Eligible Customers who are Jade or Premier customers that are new to Equity Linked Investment, Private Placement Notes and Rate-linked Structured Note (i.e. do not have any holdings or transactions of Equity Linked Investment, Private Placement Notes or Rate-linked Structured Note with the Bank during the respective observation period ("**Observation period**").

Observation period	Date of Transaction/ Instruction eligible to Offer
1 October 2022 – 31 March 2023	1 April 2023 – 30 June 2023
1 January 2023 – 30 June 2023	1 July 2023 – 30 September 2023
1 April 2023 – 30 September 2023	1 October 2023 – 31 December 2023

- 2. What is the offer:** Eligible Customers who have successfully completed any one of the following transactions with a minimum single transaction amount or equivalent in other currencies ("**Eligible Transaction and Instruction**") with the Eligible Account during Promotion period will be entitled to receive cash rebate as per table below:

Eligible Transaction and Instruction	Offer
<ul style="list-style-type: none"> <li>Subscription of any Private Placement Note*</li> </ul>	HKD1,250 cash rebate for every subscription amount of HKD500,000 or equivalent in other currencies.
<ul style="list-style-type: none"> <li>Subscription of any Equity Linked Investment or any Rate-linked Structured Note</li> </ul>	HKD500 cash rebate for every subscription amount of HKD200,000 or equivalent in other currencies.

\* Private Placement Note is only eligible to HSBC Jade Professional Investor.

There is no cap to the cash rebate during promotional period

- 3. Who cannot enjoy the offer:** Any Eligible Customer who no longer fulfils any of the conditions in Clause 2 above or cancels the Eligible Transaction or terminates his/her Eligible Account (through which the Eligible Transaction was conducted), in any instance, before the Bank deposits the cash to the customer's account.
- 4. Fulfillment:** The cash rebate will be credited to the Eligible Customer's account by the dates listed in the table below. For non-HKD denominated transactions, the transaction amount will be converted into HKD based on the relevant prevailing foreign exchange rate determined by the Bank for calculation of the Offer entitlement.

Date of Eligible Transaction/ Instruction	Cash rebate to be credited on or before the date specified below
1 April 2023 – 30 June 2023	30 September 2023
1 July 2023 – 30 September 2023	31 December 2023
1 October 2023 – 31 December 2023	31 March 2024

### Offer 3: Terms and conditions for 2023 New-to-Bonds/CDs offer

1. **Who can enjoy the offer:** Eligible Customers who are Jade or Premier customers that are new to Bonds (i.e. do not have any holdings or purchase transactions of Bonds (excluding IPO of retail bond series) and Certificates of Deposit (CDs) with the Bank during the respective observation period ("**Observation period**")

Observation period	Date of Transaction/ Instruction eligible to Offer
1 October 2022 – 31 March 2023 1 January 2023 – 30 June 2023 1 April 2023 – 30 September 2023	1 April 2023 – 30 June 2023 1 July 2023 – 30 September 2023 1 October 2023 – 31 December 2023

2. **What is the offer:** Eligible Customers who have successfully completed any one of the following purchase transactions with a minimum single amount or equivalent in other currencies or, where relevant, transfer-in instruction ("**Eligible Transaction and instruction**") with the Eligible Account during Promotion period will be entitled to receive a cash rebate as per table below:

Eligible Transaction and Instruction	Offer
<ul style="list-style-type: none"> <li>Subscription of any Bond (excluding retail bonds* in respect of initial public offering)</li> </ul>	<p>HKD1,250 cash rebate for every subscription amount of HKD500,000 or equivalent in other currencies.</p> <p>Extra HKD1,000 cash rebate for additional transfer-in of bonds (excluding CDs and retail bonds*) by Jade customers #</p>
<ul style="list-style-type: none"> <li>Subscription of any Certificates of Deposit (CDs)</li> </ul>	<p>HKD160 cash rebate for every subscription amount of HKD200,000 or equivalent in other currencies.</p>

\* Retail bond refers to bonds offered to the public. Examples include iBond series issued by the Government of the Hong Kong Special Administrated Region of the People's Republic of China or Retail Green Bonds, etc.

# The offer is only applicable to eligible bonds subject to internal assessment.

There is no cap to the cash rebate during promotional period.

3. **Who cannot enjoy the offer:** Any Eligible Customer who no longer fulfils any of the conditions in Clause 2 above or cancels the Eligible Transaction/ Instruction or terminates his/her Eligible Account (through which the Eligible Transaction was conducted) or transfers out in part or in whole the bonds subscribed/ transferred-in, in any instance, before the Bank deposits the cash to the customer's account.
4. **Fulfillment:** The cash rebate will be credited to the Eligible Customer's account by the dates listed in the table below. For non-HKD denominated transactions, the transaction amount will be converted into HKD based on the relevant prevailing foreign exchange rate determined by the Bank for calculation of the Offer entitlement.

Date of Eligible Transaction/ Instruction	Cash rebate to be credited on or before the date specified below
1 April 2023 – 30 June 2023 1 July 2023 – 30 September 2023 1 October 2023 – 31 December 2023	30 September 2023 31 December 2023 31 March 2024



## **Important Risk Warning**

- Structured products and Bonds are investment products and structured products may involve derivatives. The investment decision is yours but you should not invest unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.
- Investors should not make investment decision based on this marketing material alone.
- Investment involves risk and past performance is not indicative of future performance. Please refer to the offering documents for further details, including fees and charges and risk factors.
- The price of products may move up or down. Losses may be incurred as well as profits made as a result of buying and selling products.
- Issuer's Risk – Bonds, CDs and structured products are subject to both the actual and perceived measures of credit worthiness of the issuer. There is no assurance of protection against a default by the issuer in respect of the repayment obligations. In the worst case scenario, you might not be able to recover the principal and interest/coupon if the issuer defaults on the Bonds, CDs and Structured Products.

Deposit Plus (DPS)/Capital Protected Investment Deposit (CPI)/ Equity linked investments (ELI)/ Bond and Certificate of Deposit (CD) are not equivalent to time deposits. DPS/CPI/ELI/Bond and CD are not protected deposits, and they are NOT protected by the Deposit Protection Scheme in Hong Kong. DPS/ELI and Bonds/CD are not principal protected.

## **Bonds and Certificates of Deposit ("CDs") Risk Disclosure**

- There are risks involved in buying bonds/CDs. Before applying for any of bonds/CDs, you should consider whether bonds/CDs is suitable for you in light of your own financial circumstances and objectives. If you are in any doubt, get independent professional advice.
- Bonds/CDs are mainly medium to long-term fixed income products, not for short-term speculation. You should be prepared to hold your funds in bonds/CDs for the full tenure; you could lose part or all of your principal if you choose to sell bonds/CDs prior to maturity.
- It is the issuer to pay interest and repay principal of bonds/CDs. If the issuer defaults, the holder of bonds/CDs may not be able to receive back the interest and principal. The holder of bonds/CDs bears the credit risk of the issuer and has no recourse to HSBC unless HSBC is the issuer itself.
- Indicative prices of bonds/CDs are available and bonds/CDs prices do fluctuate when market changes. Factors affecting the market price of bonds/CDs include, and are not limited to, fluctuations in interest rates, credit spreads and liquidity premiums. The fluctuation in yield generally has a greater effect on prices of longer tenor bonds/CDs. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling bonds/CDs.
- If you wish to sell bonds/CDs, HSBC may repurchase them based on the prevailing market price under normal market circumstances, but the selling price may differ from the original buying price due to changes in market conditions.
- There may be exchange rate risks if you choose to convert payments made on the bonds/CDs to your home currency.
- The secondary market for bonds/CDs may not provide significant liquidity or may trade at prices based on the prevailing market conditions and may not be in line with the expectations of bonds/CDs' holders.
- If bonds/CDs are early redeemed, you may not be able to enjoy the same rates of return when you use the funds to purchase other products.

- Do not purchase the bonds/CDs unless you fully understand and are willing to assume the risks associated with it.

#### **Additional risk disclosure to High yield bonds**

- High yield bonds are typically rated below investment grade by a credit rating agency, or unrated. Whilst high yield bonds bear a higher yield opportunity than investment grade bonds, they present greater risks of issuer default, liquidity, volatility and non-payment of principal and interest.
- The risk of default on principal and / or interest, is greater for high yield bonds due to higher credit risk of the issuer and lower priority of claim by the bond holders in case of issuer default.
- High yield bonds can sometimes be less liquid than investment-grade bonds, depending on the issuer and the market conditions at any given time. Investors may be difficult to sell the high yield bond before maturity or at prices in line with their expectation compare to listed bond.
- High yield bonds tend to be more vulnerable to economic cycles and changes in the issuer's financial conditions or business developments. In particular, during economic downturn, such bonds typically fall more in value than investment-grade bonds as the issuer default risk rises and investors become more risk adverse.
- Please be aware the concentration risk of investing in bonds issued by the same issuer or companies by the same group. A degrading of any of the group company's credit rating may expose the whole group to contagion risk. Please be also aware the risk of over concentrating investment in the high risk investment products.

#### **Renminbi ("RMB") Related Products Risk Disclosure**

- There may be exchange rate risks if you choose to convert RMB payments made on the bonds/CDs to your home currency.
- RMB debt instruments are subject to interest rate fluctuations, which may adversely affect the return and performance of the RMB products.
- RMB products may suffer significant losses in liquidating the underlying investments if such investments do not have an active secondary market and their prices have large bid/ offer spreads.
- You could lose part or all of your principal if you choose to sell your RMB bonds/CDs prior to maturity.

#### **Deposit Plus (DPS) Risk Disclosure**

- DPS is a complex product and investors should exercise caution in relation to the product.
- Not a time deposit - Deposit Plus is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.
- Derivatives risk - Deposit Plus is embedded with FX option(s). Option transactions involve risks, especially when selling an option. Although the premium received from selling an option is fixed, you may sustain a loss well in excess of such premium amount, and your loss could be substantial.
- Limited potential gain - The maximum potential gain is limited to the interest on the deposit.
- Maximum potential loss – Deposit Plus is not principal protected. You must be prepared to incur loss as a result of depreciation in the value of the currency paid (if the deposit is converted to the linked currency at maturity). Such loss may offset the interest earned on the deposit and may even result in losses in the principal amount of the deposit.
- Not the same as buying the linked currency - Investing in Deposit Plus is not the same as buying the linked currency directly.

- Market risk – The net return of Deposit Plus will depend upon the exchange rate of deposit currency against the linked currency prevailing at the deposit fixing time on the fixing date. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic factors.
- Liquidity risk - Deposit Plus is designed to be held until maturity. You do not have a right to request early termination of this product before maturity. Under special circumstances, the Bank has the right to accept your early redemption request at its sole discretion and on a case by case basis. The Bank will provide an indication of the redemption price upon such request. Your return upon such early redemption will likely be lower than that if the deposit were held until maturity and may be negative.
- Credit risk of the Bank –Deposit Plus is not secured by any collateral. When you invest in this product, you will be relying on the Bank's creditworthiness. If the Bank becomes insolvent or defaults on its obligations under this product, you can only claim as an unsecured creditor of the Bank. In the worst case, you could suffer a total loss of your deposit amount.
- Currency risk - If the deposit currency and/or linked currency is not your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.
- Risks relating to RMB – You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product. In case you receive RMB as Linked Currency at maturity and you choose to convert your maturity proceed to other currencies, you may suffer loss in principal. This product will be denominated (if Deposit Currency being RMB) and settled (when receive RMB at maturity) in RMB deliverable in Hong Kong, which is different from that of RMB deliverable in Mainland China.

### **Capital Protected Investment Deposit (CPI) Risk Disclosure**

- CPI is a complex product and investors should exercise caution in relation to the product.
- Not a time deposit – Capital Protected Investment Deposit is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.
- Derivatives risk – Capital Protected Investment Deposit is embedded with FX option(s). Option transactions involve risks. If the exchange rate of the currency pair performs against expectation at the fixing time on the fixing date, you can only earn the minimum payout of the structure.
- Limited potential gain - The maximum potential gain is limited to higher payout on the deposit less the principal amount, when exchange rate of currency pair at fixing moves in line with your anticipated direction.
- Not the same as buying the linked currency - Investing in Capital Protected Investment Deposit is not the same as buying the linked currency directly.
- Market risk - The return of Capital Protected Investment Deposit will depend upon the exchange rates of currency pair against trigger rate at the fixing time on the fixing date. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic factors. You must be prepared to take the risk of earning the lower payout/no return (if exchange rate performs against expectation) on the money invested.
- Liquidity risk – Capital Protected Investment Deposit is designed to be held until maturity. You do not have a right to request early termination of this product before maturity. Under special circumstances, the Bank has the right to accept your early redemption request at its sole discretion and on a case by case basis. The Bank will provide an indication of the redemption price upon such request. Your return upon such early redemption will likely be lower than that if the deposit were held until maturity and may be negative.

- Credit risk of the Bank – Capital Protected Investment Deposit is not secured by any collateral. When you invest in this product, you will be relying on the Bank's creditworthiness. If the Bank becomes insolvent or defaults on its obligations under this product, you can only claim as an unsecured creditor of the Bank. In the worst case, you could suffer a total loss of your deposit amount.
- Currency risk - If the deposit currency is not your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.
- Risk of early termination by the Bank - The Bank shall have the discretion to uplift a Deposit or any part thereof prior to the Maturity Date (subject to the deduction of such break costs or the addition of such proportion of the return or redemption amount, which may result in a figure less than the original principal amount of the Deposit) if it determines, in its sole discretion, that this is necessary or appropriate to protect any right of the Bank to combine accounts or set-off, or any security interest, or to protect the Customer's interests.
- Risks relating to RMB - You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency. The value of your RMB deposit will be subject to the risk of exchange rate fluctuation. If you choose to convert your RMB deposit to other currencies at an exchange rate that is less favourable than that in which you made your original conversion to RMB, you may suffer loss in principal. This product (if denominated in RMB) will be denominated and settled in RMB deliverable in Hong Kong, which is different from that of RMB deliverable in Mainland China.

### **Equity Linked Investments ("ELIs") Risk Disclosure**

The following risks should be read together with the other risks contained in the "Risk Warnings section in the relevant offering documents of the ELIs.

- ELI is a complex product and investors should exercise caution in relation to the product.
- You should note that the information contained in this material does NOT form part of the offering documents of our ELIs. You should read all the offering documents of our ELIs (including the programme memorandum, the financial disclosure document, the relevant product booklet and the indicative term sheet and any addendum to any of such documents) before deciding whether to invest in our ELIs. If you have doubt on the content of this material, you should seek independent professional advice.
- Not a time deposit - ELI is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.
- Not principal protected – ELIs are not principal protected: you could lose all of your investment.
- Limited potential gain – you may not receive any potential cash dividend amount - The maximum potential gain under this product is capped at an amount equal to the sum of the difference between the issue price and the nominal amount of the ELIs (if any) (less any cash settlement expenses) and the maximum periodic potential cash dividend amount(s) payable during the scheduled tenor (i.e the period from (and including) the issue date to (and including) the settlement date) of the ELIs. It is possible that you may not receive any potential cash dividend amount for the entire scheduled tenor of the ELIs.
- Re-investment risk - If our ELIs are early terminated, we will pay you the nominal amount of the ELIs (less any cash settlement expenses) and any accrued potential cash dividend amount calculated up to (and including) that call date. No further potential cash dividend amount will be payable following such early termination. Market conditions may have changed and you may not be able to enjoy the same rate of return if you re-invest these proceeds in other investments with similar risk parameters.
- No collateral – ELIs are not secured on any of our assets or any collateral.

- Limited market making arrangements are available and you may suffer a loss if you sell your ELIs before expiry - Our ELIs are designed to be held to their settlement date. Limited market making arrangements are available on a bi-weekly basis for all our ELIs. If you try to sell your ELIs before expiry, the amount you receive for each ELI may be substantially less than the issue price you paid for each ELI.
- Not the same as investing in the reference asset – Investing in our ELIs is not the same as investing in the reference asset. Changes in the market price of the reference asset may not lead to a corresponding change in the market value of, or your potential payout under, the ELIs.
- Not covered by Investor Compensation Fund – Our ELIs are not listed on any stock exchange and are not covered by the Investor Compensation Fund. There may not be any active or liquid secondary market.
- Maximum loss upon HSBC's default or insolvency – Our ELIs constitute general, unsecured and unsubordinated contractual obligations of HSBC as issuer and of no other person (including the ultimate holding company of our group, HSBC Holdings plc). When you buy our ELIs, you will be relying on HSBC's creditworthiness. If HSBC becomes insolvent or defaults on its obligations under the ELIs, in the worst case scenario, you could lose all of your investment.
- Risks relating to RMB - You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency. The value of your RMB-denominated ELIs will be subject to the risk of exchange rate fluctuation. If you choose to convert your RMB deposit to other currencies at an exchange rate that is less favourable than that in which you made your original conversion to RMB, you may suffer loss in principal. This product (if denominated in RMB) will be denominated and settled in RMB deliverable in Hong Kong, which is different from that of RMB deliverable in Mainland China.
- You may, at settlement, receive physical delivery of reference asset(s).
- Our ELIs may be terminated early by us according to the terms as set out in offering documents of our ELIs.
- Our ELIs are structured investment products which are embedded with derivatives.
- Investment returns (if any) not denominated in home currency are exposed to exchange rate fluctuations. Rates of exchange may cause the value of investments to go up or down.
- The Hongkong and Shanghai Banking Corporation Limited is the issuer and product arranger of our ELIs.

### **Private Placement Notes (PPN) and Structured Notes Risk Disclosure**

The following risks should be read together with the other risks contained in the "Risk Factors" section in the relevant offering documents of the PPNs and Structured Notes.

- PPN and Structured Notes are a complex product and investors should exercise caution in relation to the product.
- You should note that the information contained in this website does NOT form part of the offering documents of our PPNs and Structured Notes. You should read all the offering documents of our PPNs and Structured Notes (including the offering memorandum, and the indicative term sheet) before deciding whether to invest in our PPNs and Structured Notes. If you have doubt on the content of this website, you should seek independent professional advice.
- Not a time deposit - PPN and Structured Notes are NOT equivalent to, nor should they be treated as a substitute for, time deposit. They are NOT a protected deposit and are NOT protected by the Deposit Protection Scheme in Hong Kong.
- Not principal protected – some PPNs or Structured Notes are not principal protected: you could lose all of your investment.



- Investment Return Risk –It is possible that you may not receive any potential cash dividend amount for the entire scheduled tenor of the PPNs and Structured Notes.
- Re-investment risk - If our PPNs and Structured Notes are early terminated, we will pay you the nominal amount of the PPNs and Structured Notes (less any cash settlement expenses) and any accrued potential cash dividend amount calculated up to (and including) that call date. No further potential cash dividend amount will be payable following such early termination. Market conditions may have changed and you may not be able to enjoy the same rate of return if you re-invest these proceeds in other investments with similar risk parameters.
- No collateral – PPNs and Structured Notes are not secured on any of our assets or any collateral.
- Limited market making arrangements are available and you may suffer a loss if you sell your PPNs and Structured Notes before expiry - Our PPNs and Structured Notes are designed to be held to their settlement date. Limited market making arrangements are available on a bi-weekly basis for all our PPNs and Structured Notes. If you try to sell your PPNs and Structured Notes before expiry, the amount you receive for each PPN and Structured Note may be substantially less than the issue price you paid for each PPN and Structured Note.
- Not the same as investing in the reference asset – Investing in our PPNs and Structured Notes are not the same as investing in the reference asset. Changes in the market price of the reference asset may not lead to a corresponding change in the market value of, or your potential payout under, the PPNs and Structured Notes.
- Not covered by Investor Compensation Fund – Our PPNs and Structured Notes are not listed on any stock exchange and are not covered by the Investor Compensation Fund. There may not be any active or liquid secondary market.
- Maximum loss upon HSBC's default or insolvency – Our PPNs and Structured Notes constitute general, unsecured and unsubordinated contractual obligations of HSBC as issuer and of no other person (including the ultimate holding company of our group, HSBC Holdings plc). When you buy our PPNs and Structured Notes, you will be relying on HSBC's creditworthiness. If HSBC becomes insolvent or defaults on its obligations under the PPNs and Structured Notes, in the worst case scenario, you could lose all of your investment.
- Risks relating to RMB - You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency. The value of your RMB-denominated PPNs and Structured Notes will be subject to the risk of exchange rate fluctuation. If you choose to convert your RMB deposit to other currencies at an exchange rate that is less favourable than that in which you made your original conversion to RMB, you may suffer loss in principal. This product (if denominated in RMB) will be denominated and settled in RMB deliverable in Hong Kong, which is different from that of RMB deliverable in Mainland China.
- You may, at settlement, receive physical delivery of reference asset(s).
- Our PPNs and Structured Notes may be terminated early by us according to the terms as set out in offering documents of our PPNs and Structured Notes.
- Our PPNs and Structured Notes are structured investment products which are embedded with derivatives.
- Investment returns (if any) not denominated in home currency are exposed to exchange rate fluctuations. Rates of exchange may cause the value of investments to go up or down.
- For PPNs and Structured Notes linked to Risk Free Rate:

Risk Free Rates (RFRs) are not free of risk, hence they are considered "near risk-free". RFRs can rise or fall as a result of changing economic conditions and central bank policy decisions.

The Coupon for a Note based on an RFR may be calculated based on a series of overnight rates compounded over the relevant interest period. Therefore, the Coupon payable under such a Note may



only be known at or near the end of that interest period and it may be difficult for you to estimate reliably the amount of Coupon which will be payable.

The market continues to develop the use of, and alternatives to, RFR. Therefore, it is possible that market participants or a significant part thereof may adopt applications of, and /or methodologies for, the calculation of RFR which differ. In such circumstances the Coupon amount with respect to the Notes may differ over time and depending on the calculation and/or methodology used at that time.

Daily changes in the RFR may be more volatile than daily changes in comparable benchmark or market rates and, as such, the return or payments on a Note linked to an RFR may fluctuate more than in the case of a Note that is linked to a less volatile rate.

The RFR market is still developing. It is possible that future changes to market practice or conventions relating to the use of RFRs may result in the Issuer amending the definition and/or the use of RFR. It cannot be predicted how such future changes may impact the Notes and such changes may have an adverse impact in your investment in the Notes.

**The Hongkong and Shanghai Banking Corporation Limited is the issuer and product arranger of our ELIs.**

**HSBC Bank plc is the issuer and product arranger of our PPNs.**

**The information contained in this material and the content have not been reviewed by the Securities and Futures Commission of Hong Kong or any regulatory authority in Hong Kong.**

**Making available to you any advertisements, marketing or promotional materials, market information or other information relating to a product or service shall not, by itself, constitute solicitation of the sale or recommendation of any product or service. If you wish to receive solicitation or recommendation from us, please contact us and, where relevant, go through our suitability assessment before transacting.**

**The remuneration for sales staff is determined based on the staff's overall performance with reference to a wide range of factors, and is subject to review from time to time, for the purpose of encouraging the building of deep, long-lasting and mutually valuable relationships with customers. It is not determined solely on financial performance.**

**You should carefully consider whether any investment products or services mentioned herein are appropriate for you in view of your investment experience, objectives, financial resources and circumstances. The contents of this document have not been reviewed by the Securities and Futures Commission.**

**The information in this material does not constitute a solicitation or recommendation for making any deposit or an offer for the purchase or sale or investment in any products.**

Issued by The Hongkong and Shanghai Banking Corporation Limited

## Terms and Conditions of FX offers

### When can you enjoy the offers

1. Offer 1, 2 & 3 - The offer period is from 1 Oct 2023 to 31 Dec 2023 (both dates inclusive) only (the "Offer Period").

### What is the offer

#### **Offer 1: FX Welcome Offer**

Eligible customers can get **HKD100 cash reward** for every accumulated eligible FX transaction of HKD50,000 (or its equivalent), **up to HKD 400 cash reward** per customer during Offer Period.

#### **Offer 2: FX Digital Offer**

Eligible customers can get **HKD188 cash reward** for accumulated eligible FX transaction of HKD200,000 (or its equivalent) during the Offer Period via **HSBC Personal Internet Banking and Mobile Banking App**. Offer 2 can be used in conjunction with Offer 1.

#### **Offer 3: Foreign Exchange and Time Deposit Offer**

Enjoy a **bonus +1% p.a. time deposit interest rate** on top of the prevailing preferential time deposit interest rates of Foreign Exchange and Time Deposit Offer when making an exchange to designated currencies and placing **1-week time deposit** via HSBC Mobile Banking;

Offer 1 can be used in conjunction with Offer 2.

Offer 3 cannot be used in conjunction with Offer 1 and 2.

Terms and conditions apply.

### How can you enjoy the offers

#### **FX Welcome Offer (Offer 1) terms and conditions**

1. **Who can enjoy the FX Welcome Offer:** New FX customers who have made no FX transactions with HSBC during 1 Apr 2023 to 30 Sep 2023 are eligible for Offer 1 (the "Eligible Customers").

Eligible Customer shall be the primary account holder, and maintains a valid account (integrated account / current account / saving account) during the Offer Period and at the time of fulfilment. For joint accounts, only the principal account holder is entitled to the FX Offers.

2. **Offer 1:** Eligible customers can get HKD100 cash reward for every accumulated eligible FX transaction of HKD50,000 (or its equivalent), up to HKD400 cash reward per customer during Offer Period.

In case the eligible exchange transaction does not involve HKD, the transaction amount will be converted into HKD equivalent based on the prevailing rate determined by the bank on the transaction day for the calculation of the reward. ("Offer 1")



3. **Eligible FX Transaction:** The FX transaction is qualified for Offer 1 if it fulfils the below criteria (“Eligible Transaction”) –

- a. **Currencies:** Customers are entitled to cash reward by performing FX transaction to convert into Designated Currency below:

Currency Exchange from	Currency exchange to (“Designated Currency”)
All currencies acceptable by HSBC for currency exchange	Australian Dollar (AUD)
	Canadian Dollar (CAD)
	Swiss Franc (CHF)
	Euro (EUR)
	Pound Sterling (GBP)
	HK Dollar (HKD)
	Japanese Yen (JPY)
	New Zealand Dollar (NZD)
	Renminbi (RMB)
	Singapore dollar (SGD)
	Thai Baht (THB)
	US Dollar (USD)

- b. **Channels:** The exchange transaction must have been successfully executed by using the Eligible Customer's integrated account, saving account or current account during Offer Period via all channels

(i) Internet Banking / Mobile Banking:

Customers are entitled to cash reward by performing FX transaction to convert into Designated Currency within their same name account using “Exchange Now” via HSBC Mobile Banking or “Real time currency exchange” via HSBC Internet Banking

(ii) Branch / Phonebanking:

HSBC Jade and HSBC Premier customers can enjoy the offer by converting currencies via HSBC branches or HSBC’s 24 hour manned phonebanking services within their same name account at HSBC. Other customers can enjoy the offer by converting currencies via HSBC branches within their same name account at HSBC.

(iii) HSBC Mastercard® Debit Card

Exchange transactions conducted directly via HSBC Mastercard® Debit Card

- c. Exchange transactions involving notes exchange, cash deposit, notes withdrawal, inward/outward remittance, Global Transfers, FX Order Watch, and Deposit Plus, are not counted as Eligible FX Transactions and hence not entitled to Offer 1. Any foreign exchange occurred within the setting-up of a time deposit is not considered as Eligible FX Transaction.

4. **Frequency:** The transaction amount can be accumulated by one or more than one FX transaction(s) in the Offer Period. Eligible Customers is entitled to maximum of HKD 400 cash reward during the Offer Period.

5. The discounted exchange rate may vary from time to time according to the market rates, currency fluctuations, customers’ trading patterns and other factors. The Bank reserves the right to determine the discounted exchange rate of Eligible Transaction in the case of disputes.

6. The Offer under this promotion is provided subject to the prevailing Terms and Conditions of Currency Exchange.

7. **Fulfilment:** Cash reward will be credited to customer account within 3 months after the Offer Period if the rebate criteria is fulfilled.

8. Offer 1 can be used in conjunction with Offer 2.
9. **Other offers:** The Offer cannot be used in conjunction with other foreign currency exchange offers and time deposit interest rates offers respectively, unless stated the otherwise.

### FX Digital Offer (Offer 2) terms and conditions

1. **Who can enjoy the FX Welcome Offer:** All Wealth and Personal Banking customers of HSBC Hong Kong are eligible for the Offer for eligible transactions during Offer Period via **digital channel (HSBC Personal Internet Banking and Mobile Banking App)**. (the “Eligible Customers”).

Eligible Customer shall be the primary account holder, and maintains a valid account (integrated account / current account / saving account) during the Offer Period and at the time of fulfilment. For joint accounts, only the principal accountholder is entitled to the FX Offers.

2. **Offer 2:** Eligible customers can get **HKD188 cash reward** for accumulated eligible FX transaction of HKD200,000 (or its equivalent) during the Offer Period via **digital channel (HSBC Personal Internet Banking and Mobile Banking App)**. Offer 2 can be used in conjunction with Offer 1.

In case the eligible exchange transaction does not involve HKD, the transaction amount will be converted into HKD equivalent based on the prevailing rate determined by the bank on the transaction day for the calculation of the reward. (“Offer 2”)

3. **Eligible FX Transaction:** The FX transaction is qualified for Offer 2 if it fulfils the below criteria (“Eligible Transaction”) –
  - a. **Currencies:** Customers are entitled to cash reward by performing FX transaction to convert into Designated Currency below:

Currency Exchange from	Currency exchange to (“Designated Currency”)
All currencies acceptable by HSBC for currency exchange	Australian Dollar (AUD)
	Canadian Dollar (CAD)
	Swiss Franc (CHF)
	Euro (EUR)
	Pound Sterling (GBP)
	HK Dollar (HKD)
	Japanese Yen (JPY)
	New Zealand Dollar (NZD)
	Renminbi (RMB)
	Singapore dollar (SGD)
	Thai Baht (THB)
	US Dollar (USD)

- b. **Channels:** The exchange transaction must have been successfully executed by using the Eligible Customer's integrated account, saving account or current account during Offer Period via **HSBC Personal Internet Banking and Mobile Banking App**.
    - (i) **Internet Banking / Mobile Banking:**  
Customers are entitled to cash reward by performing FX transaction to convert into Designated Currency within their same name account using “Exchange Now” via HSBC Mobile Banking or “Real time currency exchange” via HSBC Internet Banking

- c. Exchange transactions involving notes exchange, cash deposit, notes withdrawal, inward/outward remittance, Global Transfers, FX Order Watch, and Deposit Plus, are not counted as Eligible FX Transactions and hence not entitled to Offer 2. Any foreign exchange occurred within the setting-up of a time deposit is not considered as Eligible FX Transaction.
4. **Frequency:** The transaction amount can be accumulated by one or more than one FX transaction(s) in the Offer Period. Each customer can enjoy the offer once during the promotion period.
5. The discounted exchange rate may vary from time to time according to the market rates, currency fluctuations, customers' trading patterns and other factors. The Bank reserves the right to determine the discounted exchange rate of Eligible Transaction in the case of disputes.
6. The Offer under this promotion is provided subject to the prevailing Terms and Conditions of Currency Exchange.
7. **Fulfilment:** Cash reward will be credited to customer account within 3 months after the Offer Period if the rebate criteria is fulfilled.
8. Offer 2 can be used in conjunction with Offer 1.
9. **Other offers:** The Offer cannot be used in conjunction with other foreign currency exchange offers and time deposit interest rates offers respectively, unless stated the otherwise.

#### Foreign Exchange and Time Deposit Offer (Offer 3) terms and conditions

1. **Who can enjoy the Offer:** All Wealth and Personal Banking customers of HSBC Hong Kong are eligible for the Offer for eligible transactions via HSBC Mobile during Offer Period. (the "Eligible Customers").

Eligible Customer shall be the primary account holder, and maintain a valid account (integrated account / current account / saving account) during the Offer Period.

2. **Offer 3:** Eligible Customers can enjoy a **bonus +1% p.a. time deposit interest rate** on top of the prevailing preferential time deposit interest rates of Foreign Exchange & Time Deposit Offer when making an exchange to designated currencies (as stipulated in table below) and placing 1-week time deposit via HSBC Mobile Banking during Offer Period. ("Offer 3")

Currency Exchange from	Currency exchange to (Designated Currency)
All currencies acceptable by HSBC for currency exchange	Australian Dollar (AUD)
	Canadian Dollar (CAD)
	Pound Sterling (GBP)
	New Zealand Dollar (NZD)
	Renminbi (RMB)
	US Dollar (USD)
	HK Dollar (HKD)

3. **Eligible channel:** The exchange and time deposit transactions must be conducted via 'Exchange and deposit' in 'Foreign exchange' page of **HSBC Mobile Banking**. (Please refer to Appendix I for illustration)
4. **Frequency:** Eligible Customers can enjoy Offer 3 for more than once during the Offer Period.
5. The time deposit amount must be no less than HKD10,000, RMB10,000, or 2,000 units in other currencies.



6. This offer is only available during Monday to Friday, 08:00 to 19:00 HKT (excluding public holidays in Hong Kong SAR or time deposit currency regions).
7. The Bonus Rate Offer under this promotion is provided subject to the prevailing Terms and Conditions of Foreign Exchange & Time Deposit Offer.
8. Offer 3 cannot be used in conjunction with Offer 1 and 2.
9. The Offer cannot be used in conjunction with other foreign currency exchange offers and time deposit interest rates offers respectively, unless stated the otherwise.

#### **General terms and conditions**

1. The Hongkong and Shanghai Banking Corporation Limited (and its successors and assigns) (the "Bank" or "HSBC") reserves the right to change these terms and conditions at any time and the offer may be withdrawn or terminated by the Bank at its discretion without prior notice.
2. No person other than the Eligible Customer (as defined above) and the Bank will have any right under the Contracts (Rights of Third Parties) Ordinance to enforce or enjoy the benefit of any of the provisions of these terms and conditions.
3. In the event of any dispute arising out of this promotion, the decision of the Bank shall be final and conclusive.
4. Where there is any discrepancy or inconsistency between the Chinese and English versions of these terms and conditions, the English version shall apply and prevail.
5. The offer under this promotion is provided subject to the prevailing regulatory requirements.
6. These terms and conditions are governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

#### **Risk disclosure**

Currency conversion risk - the value of your foreign currency and RMB deposit will be subject to the risk of exchange rate fluctuation. If you choose to convert your foreign currency and RMB deposit to other currencies at an exchange rate that is less favourable than the exchange rate in which you made your original conversion to that foreign currency and RMB, you may suffer loss in principal.

**Making available to you any advertisements, marketing or promotional materials, market information or other information relating to a product or service shall not, by itself, constitute solicitation of the sale or recommendation of any product or service.**

**The information in this material does not constitute a solicitation or recommendation for making any deposit or an offer for the purchase or sale or investment in any products.**

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