

E.Sun Commercial Bank, Ltd., Hong Kong Branch

TERMS AND CONDITIONS FOR BANK ACCOUNT

PART I GENERAL PROVISIONS

1. DEFINITIONS AND INTERPRETATIONS

1.1 In these Terms and Conditions, unless the context otherwise requires, the following words and expressions shall have the following meanings: -

“Account”	means any one or more or all of the bank account and/or other forms of accounts now or hereafter maintained in the Client’s name with the Bank.
“Account Mandate”	means the Account Opening Form, the Agreed Signing Arrangement, signature card(s) and all other documents for corporation, partnership, sole proprietorship, individual or joint account in the form prescribed by the Bank in relation to giving instructions of the opening, operation, maintenance or closing of the Account and/or the Banking Service.
“Account Opening Form”	means the documents in the form prescribed by the Bank from time to time for opening account(s) with it.
"Agreed Signing Arrangement"	means the signing arrangement of a particular set of Authorized Person(s) stipulated by the Client and accepted by the Bank for or in connection with the Account, including such changes as may be agreed by the Bank from time to time.
“Agreement”	means the agreement for the Banking Service entered into between the Client and the Bank in writing as varied, modified, amended or supplemented from time to time, including, without limitation, the Account Mandate, the Account Opening Form, these Terms and Conditions and any authority given and all other documents signed by the Client to the Bank in respect of the Banking Service.
"Applicable Regulations"	means all laws, rules and regulations in Hong Kong and elsewhere, and all rules, regulations, codes, circulars, guidelines, judgments, orders and directives (whether or not having the force of law) issued by any regulator, authority, exchange, clearing house, market and/or governmental agency in Hong Kong or elsewhere.
“Associate”	means a company or body corporate which is the Bank’s direct or indirect holding companies, subsidiaries or affiliated companies, in Hong Kong or elsewhere.

“Authorized Person”	means, in addition to the account holder(s), the person(s) appointed by the account holder(s) and accepted by the Bank for or in connection with the opening, operation, maintenance or closing of the Account or using the Banking Service subject to such change as may be agreed by the Bank from time to time.
“Bank”	means E.Sun Commercial Bank, Ltd., Hong Kong Branch and its assignee and successor.
“Banking Service”	means the banking services provided or to be provided by the Bank to the Client from time to time subject to Applicable Regulations.
“Business Day”	means a day when banks are generally open for business in Hong Kong but excluding Saturdays and Sundays and any day on which typhoon signal No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon.
“China”	means the People’s Republic of China.
“Client”	means the person maintains the Account(s) with the Bank now or hereinafter whose particulars are set out in the Account Opening Form.
“HKMA”	means the Hong Kong Monetary Authority.
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China.
“Hong Kong Dollars”	means the lawful currency for the time being of Hong Kong.
“Hong Kong Resident”	means an individual who is a holder of a Hong Kong Identity Card despite that he may also hold an identity proof of residency or citizenship of another jurisdiction.
“Non Hong Kong Resident”	means an individual who is not a Hong Kong Resident.
“Renminbi”	means the lawful currency of the People’s Republic of China for the time being.

- 1.2 The clause headings in these Terms and Conditions are for convenience only and shall not affect the interpretation or construction of these Terms and Conditions and have no legal effect.
- 1.3 References in these Terms and Conditions to clauses and sub-clauses are, except where the context otherwise requires, to be construed respectively as references to clauses and sub-clauses to these Terms and Conditions.
- 1.4 References in these Terms and Conditions to the singular shall include references to the plural and vice versa and references to the genders shall include the other and the neutral genders as the context requires.

- 1.5 References in these Terms and Conditions to any party hereto shall be deemed to be references to or to include their respective successors or permitted assigns.
- 1.6 References in these Terms and Conditions to “these Terms and Conditions” or any other documents shall, except otherwise expressly provided, include references to these Terms and Conditions or such other documents as amended, extended, novated, replaced and/or supplemented in any manner from time to time and/or any document which amends, extends, novates, replaces and/or supplements these Terms and Conditions or any such other documents.

2. BANKING SERVICE

- 2.1 The Bank shall provide the Client with one or more or all of the Banking Service upon and subject to these Terms and Conditions in accordance with Applicable Regulations.
- 2.2 The Banking Service shall be provided to the Client within the office hours as determined by the Bank from time to time in the Bank’s absolute discretion.
- 2.3 Subject to the Applicable Regulations, the Bank is at liberty to withdraw, cancel or revoke the Banking Service at any time in whole or in part.

3. INSTRUCTIONS

- 3.1 The Client agrees to give instructions to deal with all the matters in connection with the Account and the Banking Service in accordance with the Account Mandate and the Agreed Signing Arrangement from time to time provided to the Bank by the Client.
- 3.2 The Bank shall be entitled to act upon instructions the Bank reasonably believes to be from the Client or from the Authorized Person on the Client’s behalf. The Bank reserves the right to require the Client to sign a form prescribed by the Bank to confirm the Client’s verbal instruction where the Bank considers fit. Once given instructions may only be cancelled, withdrawn, altered or amended in whole or in part with the Bank’s consent.
- 3.3 The Bank reserves its right to refuse to accept or act in accordance with any instruction without any obligation to give any reason therefor. If the Bank declines an instruction the Bank will take all reasonable steps to notify the Client promptly of this but subject to this will not be liable for any failure to do so.

4. AUTHORIZED PERSON

- 4.1 In the event that the Client determines to appoint the Authorized Person, the Client is obliged to notify the Bank in writing and provide the Bank with the Authorized Person’s particulars and specimen signature(s) together with all other information as prescribed by the Bank. The Authorized Person is authorized to open (where applicable) operate, maintain, close or deal with all other matters in connection with the Account or the Banking Service in accordance with the Signing Arrangement and the specimen signature(s) for and on behalf of the Client except for:-

- (i) the application for opening of new account or new services unless otherwise provided;
 - (ii) any change of the Authorized Person and/or the Agreed Signing Arrangement; and
 - (iii) any change of the correspondence address, contact number or other personal particulars of the account holder(s).
- 4.2 Unless otherwise agreed between the Client and the Bank in writing, any change in, addition to or revocation of the Authorized Person and/or the specimen signature(s) and/or the Signing Arrangement shall not be operative unless and until the Bank shall have actually received such documents and/or authorizations in the form and substance satisfactory to the Bank and reasonable opportunity to respond such change, addition or revocation.
- 4.3 Unless otherwise agreed between the Client and the Bank in writing, any effective change in, addition to or revocation of the Authorized Person and/or the specimen signature(s) and/or the Signing Arrangement shall apply to all of the Account or the Banking Service.
- 4.4 When any one or more or all of the account holders or the users of the service die(s), any act, thing, deed or matter made or done by the Bank pursuant to the requests, instructions or directions of the Authorized Person or any of them after such death but before the actual receipt of notice in writing thereof by the Bank shall be absolutely and conclusively binding on the account holder or the user of the service, his estate and personal representative and any party or parties claiming through or under the account holder or the user of the service or any one or more of them.
- 4.5 The Client agrees to ratify at all times all acts, things, deeds, directions, orders or instructions given by any or all of the Authorized Person in accordance with sub-clause 4.4 above and acknowledge that the same shall be at all times be absolutely and conclusively binding on the Client.

5. EXTENT OF LIABILITY

- 5.1 To the fullest extent permitted by laws, in no circumstances, shall the Bank be held liable for any loss or damage suffered or sustained by the Client directly or indirectly arising out of or in relation to:-
- (i) the cancellation or termination of all or any of the Account and/or the Banking Service (as the case may be);
 - (ii) the cancellation, withdrawal, revocation or suspension of the Client's transactions or any failure to execute or effect transactions or order from the Client where it is attributable to any circumstances or events beyond the Bank's control;
 - (iii) any interruption, suspension, delay, loss, damage or other failure or inaccuracy in transmission of the Client's instructions or other

information howsoever caused;

- (iv) leakage of instruction or information relating to the Client by any telecommunication company, equipment, device of intermediary through which the instruction or information is communicated to or from the Bank or the Bank's agents or any other third party;
 - (v) any mechanical failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation in connection with the service, Acts of God, government act, flood, fire, civil commotion, strike, war or any other causes beyond the Bank's reasonable control; and
 - (vi) any transaction effected as a result of a forged instruction or any other fraudulent conduct.
- 5.2 Unless the act or omission is due to gross negligence, wilful default or fraud of the Bank, the Bank shall not be liable to or responsible for any loss or damage the Client sustain or suffer directly or indirectly arising out of any act or omission of any counter-party, custodian, sub-custodian, professional advisor, broker, dealer or agent or of any party contracted or retained for the purposes hereunder.

6. WAIVER

- 6.1 No failure to exercise or enforce and no delay in exercising or enforcing on the part of the Bank of any right, remedy, power or privilege under the Agreement shall operate as waiver thereof, nor shall any single or partial exercise or enforcement of any right, remedy, power or privilege hereunder operate as a waiver thereof, nor shall any single or partial exercise or enforcement of any right, remedy, power or privilege preclude any other further exercise or enforcement thereof, or the exercise or enforcement of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative to and not exclusive of any right, remedy, power and privilege provided by law or other documents held by the Bank.

7. FORCE MAJEURE

- 7.1 While the Bank shall use the Bank's best endeavour to comply with the Bank's obligations in a timely manner the Bank will incur no liability whatsoever for any partial or non-performance of any of the Bank's obligations by reason of any cause beyond the Bank's reasonable control including but not limited to any communication, systems or computer failure, market default, suspension, failure or closure, or the imposition or change (including a change of interpretation) of any law or governmental or regulatory requirement and the Bank shall not be held liable for any loss the Client may incur as a result thereof.

8. LIABILITY AND INDEMNITY

- 8.1 Even if the Bank could have reasonably foreseen, the Bank's liability to the Client for any neglect or default on the part of the Bank shall not extend to any indirect, consequential or exemplary damages, expenses, losses or costs and any damages for loss of profit.

8.2 The Client represents and warrants that: -

- (i) the Client has full power and authority to execute and deliver the Agreement, and any other documentation relating thereto, and to perform the Client's obligations under the Agreement and each transaction and have taken all necessary actions to authorize such execution, delivery and performance;
 - (ii) any such execution, delivery and performance will not violate or conflict with any law applicable to the Client, any provision of any constitutional documents or any charge, trust deed, contract or other instrument or any contractual restrictions applicable to, binding on or affecting the Client or any of the Client's assets or oblige the Client to create any lien, security interest or encumbrance;
 - (iii) all governmental, regulatory and other consents that are required to have been obtained by the Client in relation to the Agreement have been so obtained and are in full force and effect and all conditions of any such consents have been compiled with;
 - (iv) the obligations under the Agreement constitute the Client's legal, valid and binding obligations, enforceable in accordance with their respective terms;
 - (v) the Client will comply with all laws, rules, regulations, guidelines, circulars, codes of conduct and disclosure requirements of any relevant jurisdiction, Exchange, market or regulatory authority which apply in respect of the Client and the Bank from time to time;
 - (vi) the Client will promptly give (or procure to be given) to the Bank such information and assistance as the Bank may require to enable the Bank to assist or achieve compliance with any of the obligations under the Agreement; and
 - (vii) where the Account is a client account, the Client has put in place reliable system to verify client identity and proper systems and controls to allocate funds in the pooled account to the individual underlying clients. In addition, the Client is satisfied as to the source of the funds used to open the Account or passing through the Account.
- 8.3 The Client warrants and undertakes to ratify and confirm at the Bank's request any act, deed, thing or matter lawfully done or caused to be done by the Bank in the proper performance of the Bank's duties or obligations hereunder.
- 8.4 The Client warrants and undertakes to keep the Bank and the Bank's agents and employees fully and effectively indemnified against all loss, damages, costs, charges, liabilities and expenses whatsoever incurred by the Bank pursuant to or in connection with the Bank's acts hereunder unless due to the Bank's gross negligence, wilful default or fraud.

9. CURRENCY EXPOSURE

- 9.1 For any transaction effected under the Account or in respect of the Banking Service in currencies other than Hong Kong Dollars, the Client acknowledges that there may be profits or losses arising as a result of a fluctuation in exchange rates, which shall be entirely for the Client's account and at the Client's own risk.

10. COMPLIANCE ACTION

- 10.1 Notwithstanding the provisions contained herein to the contrary, the Bank is, in its absolute discretion, entitled and empowered to take or omit to take any action as the Bank shall consider appropriate (the "Compliance Action") for the purpose of complying with the Applicable Laws and Compliance Rules as well as the Bank's internal policies and procedures with respect to prevention of money laundering and terrorist financing activities, other crimes and fraudulent activities; or non-provision of banking services to any persons or entities under sanction (whether the United Nations sanction or otherwise). The Compliance Action includes, without limitation:
- (i) declining the application or refusing to handle or process, or refusing to accept payment in or make payment out in connection with, any order, direction, Instruction or Transaction contemplated under this Agreement;
 - (ii) suspending the Account or putting a hold on the Account's operations (whether in whole or in part);
 - (iii) (if in accordance with the Bank's reasonable opinion that any payment made to, or at the request of, the Client contravenes the applicable rules) immediately recouping such payment from the Client, irrespective of any other agreement with the Client to the contrary;
 - (iv) the interception and investigation of any payment messages and other information or communications sent to or by the Client via the systems of the Bank or other systems; and
 - (v) making further enquiries as to whether a name which might refer to a sanctioned party actually refers to that party.
- 10.2 For the avoidance of doubt, the Bank will not be liable for any loss (whether direct, indirect or consequential), including, without limitation loss of profit or interest or any damage suffered by the Client or any party arising out of or in connection with:
- (i) any delay or failure by the Bank in processing any payment messages or other information or communication or any request from the Client, or in performing any of its duties or other obligations in connection with any order, direction, Instruction or Transaction, triggered by the Compliance Action in whole or in part; or
 - (ii) the exercise of any of the Bank's rights under, or any action taken or non-action made by the Bank, pursuant to this clause.

11. TERMINATION AND SUSPENSION

- 11.1 Without prejudices to the generality of the other provisions herein, the Bank may in its absolute discretion terminate one or more or all of the Account and/or the Banking Service at any time without prejudice to the continuation of the operation of any or more of the Account and/or the use of any or more of the Banking Service provided always that the Bank shall serve the Client a written notice of the Bank's intention to terminate not less than 30 days prior to the intended date of termination.
- 11.2 The Bank reserves its right to suspend the Account and/or the Banking Service with immediate effect when any one of the following events occurs:-
- (i) the Bank has notice of irregularity (either actual, constructive or otherwise) in connection with the operation, maintenance or closing of the Account;
 - (ii) the Bank receive conflicting instruction(s) from the Client or the Authorized Person;
 - (iii) the arising of any notice of dispute within the Client and/or between the Authorised Person and/or, where the Client is a corporate Client (whether a sole proprietorship/partnership firm/limited company), the directors/shareholders/partners of the Client;
 - (iv) no reactivation is performed within 3 months from the date when the account is an Inactive Account with zero balance under Clause 16;
 - (v) for new accounts, no transaction is carried out for a period of 3 months since the date of completion of the account opening; or
 - (vi) the arising of any types of disputes involving interest of the Account.
- 11.3 Termination or suspension of the Account and/or the Banking Service pursuant to this Clause 11 shall be:-
- (i) without prejudice to the completion of any transaction or transactions already initiated and any transaction or all transactions outstanding at the time of termination or suspension will be completed settled and delivery made;
 - (ii) without prejudice to and shall not affect any accrued rights, existing commitments or any contractual provision intended to survive termination; and
 - (iii) without penalty or other additional payment save that the Client will pay:
 - (a) all outstanding fees and charges under the Agreement;
 - (b) any expenses incurred by the Bank under the Agreement and payable by the Client;

- (c) any additional expenses incurred by the Bank in connection with termination; and
- (d) any loss or damage necessarily realized in settling or concluding outstanding obligations under the Account and/or the Banking Service.

11.4 The Client may terminate any of the Account and/or the Banking Service upon such prior written notice and in such manner and conditions as prescribed by the Bank from time to time and subject to payment of the handling fees or charges which the Bank may in its absolute discretion impose or levy provided always that the remaining Account and/or Banking Service shall continue to operate or use upon and subject to these Terms and Conditions.

11.5 Where the formalities or procedures for opening the Account or using the Banking Service as prescribed by the Bank in its absolute discretion remain uncompleted or outstanding, the Account or the Banking Service shall be suspended from operation or use until the completion of the formalities and procedures. Further, the sum of money deposited into the Account or paid under the Banking Service shall not be withdrawn, transferred or otherwise disposed of except with the Bank's consent.

12. PAYMENT WITH NO DEDUCTION

12.1 Any sums payable by the Client to the Bank under the agreement shall be paid to the Bank in Hong Kong Dollars or otherwise as the Bank may from time to time direct in full, free and clear of any of present or future taxes, levies, duties, charges, fees or withholding and without set off, counterclaim or deduction whatsoever.

13. LIEN AND SET-OFF

13.1 In addition and without prejudice to any general or banker's lien, right to set-off or similar rights to which the Bank is entitled by law, the Bank for itself or as agent for any of Associate may at any time and without notice to the Client:-

- (i) combine or consolidate all accounts including the Account or any other account of any nature whatsoever and either individually or jointly with others, maintained with the Bank and/or Associate and the Bank may set off or transfer any Securities, monies or other property in any such accounts to satisfy debts, obligations or liabilities on the Client's part due and owing to the Bank or any of Associate, whether such debts, obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several; and
- (ii) if any sum is due but remains unpaid hereunder, retain all or any securities, valuables or any other property whatever and wherever situate which may be deposited with or otherwise held by the Bank and/or Associate for or in the Client's name whether for safe custody or otherwise and sell the same or any part thereof at such price and in such manner as the Bank shall determine and the Bank may retain such agent or broker therefor and apply the proceeds thereof to set off any or all sums owing under the

Agreement after full deduction of all costs and expenses.

- 13.2 The Bank may at any time in its absolute discretion convert any sum in the Account or under the Banking Service into any currency by any lawful means at the Bank's disposal and at the prevailing rate of exchange as determined by the Bank on the day of passing the entry for the purpose of set off or transfer without reference to the Client.

14. FEES CHARGES COMMISSIONS AND INTEREST

- 14.1 The Bank has rights to impose or levy such fees, charges and/or commissions for the operation, maintenance or closing of any of the Account or provision of any of the Banking Service to the Client at such rate as prescribed by the Bank in any schedule of fees, charges and/or commission published by the Bank from time to time provided always that the Bank may vary, revise or amend the rate or the basis of calculation thereof upon not less than 30 days prior written notice to the Client. Such schedule of fees, charges and/or commission shall be made available to the Client upon the Client's request. Any such fees, charges and/or commissions shall be payable by the Client to the Bank on demand forthwith.
- 14.2 The Client shall pay to the Bank all interest accrued on all sums payable by the Client to the Bank calculated from the due date to the date of actual payment (before and after judgment) at such rate as prescribed by the Bank and for the actual number of days divided by 360 or 365 subject to all applicable law in accordance with the Bank's practice for the relevant currency.

15. STATEMENTS AND CONFIRMATIONS

- 15.1 The Client is obliged to examine and verify the correctness of each and every entry in any advice, statement or confirmation issued by the Bank to the Client in regard to any transactions and/or their incidental matters thereto and to notify the Bank immediately in writing of any entry which the Client considers wrongful, irregular and/or unauthorized. Unless the Bank actually receives the notice to dispute accuracy, regularity or authority within ninety(90) days of the date of issuance of the advice, statement or confirmation, the Bank shall deem all the entries demonstrated in such advice, statement or confirmation are correct, accurate, regular and authorized.
- 15.2 The Bank should not, however, avail itself of the right set forth in 15.1 in relation to:-
- (i) unauthorized transaction arising from forgery or fraud by any third party and in relation to which the Bank has failed to exercise reasonable care and skill;
 - (ii) unauthorized transaction arising from forgery or fraud by any of the Bank's employees or agents ; and
 - (iii) other unauthorized transactions arising from gross negligence or wilful default on the part of the Bank.

16. INACTIVE ACCOUNT

- 16.1 The total balance of the account within one year is less than an equivalent amount of USD 5,000 (inclusive), and no transaction is performed under the account for more than a year (excluding any calculation of fees and interest payment, etc.). From the date of inactivation, restrictions on all transactions will be applied (including inward remittance and internet banking) to the account. The Client should contact the Bank and provide any necessary document in order to reactivate the inactive account.

17. DEBT COLLECTION

- 17.1 The Bank is entitled to retain debt collection agent(s) to collect any sum due to be paid to the Bank but remains unpaid by the Client under the Agreement. The Client agrees and acknowledges that the Client has been warned that the Client shall indemnify and keep the Bank indemnified on a full indemnity basis from and against all costs, fees and expenses which the Bank may reasonably incur in retaining the debt collection agent(s).

18. CONCLUSIVE EVIDENCE

- 18.1 Save for manifest error, the books and records kept by the Bank (including, without limitation, tape recording and any handwritten information recorded by the Bank's employees or agents in the course of their dealing with the Client) in respect of the Account and/or Banking Service shall be conclusive evidence and binding on the Client, for all purposes and in all courts of law.

19. CONFIDENTIALITY DELEGATION AND OUTSOURCING

- 19.1 The Bank shall keep confidential all information relating to the Account or the Banking Service but may provide any such information to the regulators or law enforcement agency to comply with their requirements or requests for information and to any of the Bank's branches and/or Associate for the purpose of providing services to the Client from time to time without any consent from or notification to the Client.
- 19.2 Where the holder of Account and/or user of the Banking Service is an individual, the Bank is subject to the Personal Data (Privacy) Ordinance, which regulates the use of personal data.
- 19.3 The Client acknowledges and confirms that the Client has read the "Notice to Customers relating to the Personal Data (Privacy) Ordinance" annexed hereto and agrees to be bound by it.
- 19.4 Subject to all Applicable Regulations, the Bank is entitled to delegate any of the Bank's functions under the Agreement to Associate or the third party service providers for performance of such functions when the Bank considers fit without further notice to the Client.
- 19.5 Subject to all Applicable Regulations, the Bank has right to outsource any part of the Banking Service including, without limitation, data transmission and process,

backup support and all other such services to Associate, the Bank's agent or such other party in Hong Kong or elsewhere in the manner as the Bank shall consider appropriate provided that the Bank remains liable for such outsourced activities.

20. CONFLICT OF INTEREST AND DISCLOSURE

- 20.1 In relation to any transaction, the Bank and/or Associate may have an interest, relationship, arrangement, or duty which is material or which gives or may give rise to a conflict of interest with the Client's interest(s) in relation to transaction directly or indirectly (the "Material Interest"). The Bank shall take reasonable steps to ensure fair treatment for the Client in relation to any of such transaction subject to the Applicable Regulations.
- 20.2 Subject to the Applicable Regulations, the Bank shall be entitled to give advice or make recommendation to the Client or enter into transaction for or with the Client or act as the Client's agent or provide the Banking Service and any other service notwithstanding the Material Interest and shall not be under a duty to disclose to the Client any profit arising therefrom.
- 20.3 Subject to the Applicable Regulations, the Bank shall not be liable to account to the Client for or (save in respect of fees or commissions charged to the Client) to disclose to the Client any profit, commission or remuneration made or received (whether from any client or by reason of any of the Material Interest or otherwise) by the Bank by reason of any services provided for transaction.

21. TRANSACTION RECORDS AND NOTIFICATIONS

- 21.1 In the course of providing the Banking Service or entering into the transactions hereunder, the Bank or the Bank's agent may need (but not obliged) to record verbal instructions received from the Client and/or any verbal communications between the Client and the Bank in relation to any of the Banking Service.
- 21.2 The Bank may destroy any documents relating to the Account or the Banking Service after microfilming/scanning the same and destroy any microfilm, scanned records upon expiration of such period as the Bank shall consider fit.
- 21.3 In the event of loss of the identity document, seal or chop used for giving instructions to the Bank in respect of the Banking Service, the Client is obliged to forthwith notify the Bank in writing. The Bank shall not be responsible for any payment made or transaction executed against the above documents or seal/ chop prior to receipt of such written notice.

22. NOTICE

- 22.1 A notice or demand by the Bank under the Agreement may be served by post, personal delivery, cable, telex, electronic mail or facsimile transmission and shall be deemed to have been duly served if by post on the day following the day of posting (its subsequent return or non-delivery notwithstanding) and if by personal delivery, cable, telex, electronic mail or facsimile transmission at the time on the day of such personal delivery, cable, telex, electronic mail or facsimile transmission if addressed to the Client or the legal or personal representative(s)

of the Client at the last known address according to the Bank's record.

- 22.2 A notice by the Client or the Client's legal representative(s) or the Client's estate may be served by post, personal delivery, cable, telex or facsimile transmission at the registered office or last known address of the Bank but shall not be deemed to have been duly served unless and until actual receipt of such post, personal delivery, cable, telex or facsimile transmission by the Bank.

23. CHANGE OF INFORMATION

- 23.1 The Client and the Bank undertake to inform each other of any material change to the information provided in the Agreement. In particular, the Client and the Bank agree that: -

- (i) the Bank shall notify the Client of any material change to the Bank's business which may affect the Banking Service rendered to the Client by the Bank; and
- (ii) the Client will notify the Bank of any change of name, address, particulars and information and provide such supporting documents as reasonably required by the Bank.

- 23.2 The Client agrees that the Bank can use the contact information (including without limitation, address, email address, mobile phone number) that provided by the Client to communicate with the Client. If the contact information is also provided by other Client, the Client shall ensure the information is the latest, valid and carefully managed to avoid other person know the account information.

- 23.3 (i) The Client understands and ensures that the email address which agreed with the Bank to record or change is actually used by the Client, and agrees that the Bank may check whether the aforementioned e-mail address is the same as other client's, the Client agrees that the Bank may confirm the reason and request for relevant evidence. The Client also understands that some private information (including but not limited to transaction notifications, statement download notifications, etc.) the Bank sent to the aforementioned email address may be under the risk of being disclosed to others, and the Client should undertake all risks and responsibilities of using such e-mail address continuously.

(ii) The Client understands and agrees to cooperate with the Bank, the Client must complete the bank's e-mail address verification, and understands that the such e-mail address verification must be completed before the Bank complete the email address retention and change procedures. If Client does not complete the verification within a certain period, the Client may need to redo the e-mail address retention and change procedures.

24. SUCCESSORS AND ASSIGNS

- 24.1 The Agreement shall be binding upon, and endure to the benefit of, the parties to the Agreement and their respective successors and permitted assigns.

- 24.2 The Client will not assign any of the Client's rights, benefits, powers, obligations or liabilities under the Agreement.

24.3 The Bank may at any time assign all or any of the Bank's rights, benefits or powers hereunder and in that event the assignee shall have the same rights, benefits or powers against the Client as he would have had as if the assignee had been a party hereto and the Client waives and forgoes all the Client's rights, if any, to challenge the validity of any such assignment by way of this sub-clause 22.3.

25. SEVERABILITY

25.1 If at any time any provision of the Agreement is prohibited by law or becomes illegal, void, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the other remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

26. JOINT AND SEVERAL

26.1 Where the Client consists of more than one person, the representations, the warranties, the undertakings and the indemnities hereunder shall be given jointly and severally.

27. AMENDMENT

27.1 The Client agrees and accepts that the Bank may unilaterally amend or vary the terms and conditions of these Terms and Conditions upon giving the Client a notice of the changes in writing by way of displaying the same in a prominent position of the Bank's office premises or such other manner as the Bank shall in its absolute discretion consider fit.

28. VERISONS DIFFERENCE

28.1 In the event of any inconsistency in interpretation or meaning between the Chinese and English versions of these Terms and Conditions, the Client and the Bank agree that the English version shall prevail.

29. GOVERNING LAW AND JURISDICTION

29.1 The Agreement shall be governed by and construed in all respects in accordance with the laws of Hong Kong. The parties to the Agreement irrevocably submit to the non-exclusive jurisdiction of the Hong Kong Courts but the Bank shall be entitled to enforce the Agreement in courts of other competent jurisdiction as the Bank may select.

PART II

RULES AND ACCOUNT CONDITIONS – GENERAL (Applicable To All Accounts)

PLEASE READ AND UNDERSTAND THESE RULES

1. In connection with the opening, operation and closing of an account, the customer shall complete, sign and be bound by the terms of such documents as the Bank

may require and shall provide the Bank with such other documents as the Bank may require.

2. The Bank shall be entitled to prescribe
 - minimum and maximum amounts or balances in respect of the opening, operation and closing of accounts;
 - minimum balances required before interest becomes payable on interest-bearing accounts;
 - charges and commissions payable in respect of the operation of accounts (including, without limitation, any account carrying an unclaimed balance which has been transferred to the Bank's unclaimed balance account pursuant to Rule 15); and
 - the available periods in the case of term deposit accounts.
3. All payments or credits against monetary instruments are conditional on collection and if effected prior to collection shall be reimbursed on demand or reversed immediately in the absence of collection.
4. The Bank shall be entitled to pay or reject a cheque which would cause a current account to be overdrawn and if the Bank permits an overdraft, the amount overdrawn shall be payable on demand with interest.
- 5a. Withdrawals from any account other than a HKD or USD Current Account may not be made by cheque or other financial instrument but only by instructions given in such form as the Bank may prescribe
- b. In connection with any banking transactions denominated in United States dollars cleared or settled through the US Dollar Clearing System established in Hong Kong Special Administrative Region, the customer
 - (I) acknowledges that the operation of the US Dollar Clearing System will be subject to the US Dollar Clearing House Rules (including without limitation the USD Operating Procedures referred to therein);
 - (II) agrees that the Hong Kong Monetary Authority shall not owe any duty or incur any liability to the Customer or any other person in respect of any claim, loss, damage or expense (including without limitation, loss of business, loss of business opportunity, loss of profit, special, indirect or consequential loss) even if the Hong Kong Monetary Authority knew or ought reasonably to have known of their possible existence of any kind or nature whatsoever arising in whatever manner directly or indirectly from or as a result of:
 - (i) anything done or omitted to be done by the Hong Kong Monetary Authority bona fide or by the settlement institution of the US Dollar Clearing System, Hong Kong Interbank Clearing Limited or any member of the US Dollar Clearing House in the management, Operation or use (including without limitation, the termination and/or suspension of the settlement institution, the US Dollar Clearing facilities or any such member) of the US Dollar Clearing House or the US Dollar clearing facilities or any part of any of them;
 - (ii) without prejudice to (i) above, the giving of any notice, advice or approval in relation or pursuant to the US Dollar Clearing House Rules (including without limitation the US Dollar Operating Procedures referred to therein).

6. Alterations to financial instruments presented to the Bank will not be accepted unless they are authenticated by the signature of the drawer.
7. The Customer agrees that:
 - a. cheques drawn by [the Customer] which have been paid may, after having been recorded in electronic form, be retained by the collecting bank or Hong Kong Interbank Clearing Limited for such period as is stated in the rules relating to the operation of the Clearing House and after this, they may be destroyed by the collecting bank or HKICL as the case may be; and
 - b. the Bank is authorized to contract inter alia with collecting banks and HKICL in accordance with the terms in paragraph (a).
8. Withdrawals of cash from foreign currency accounts are subject to three days' prior notice and availability of the currency in question. As for large amount (determined by the Bank from time to time) of HK dollar cash withdrawal one day prior notice should be given.
- 9a. An inward remittance (whether in Hong Kong dollars or in any other currencies) to an account may not be credited to the account on the same day if the related payment advice is not received by the Bank before the relevant cut-off times specified by the Bank from time to time. No interest will accrue on any inward remittance before the funds are actually credited into the account.
- b. Interest on interest-bearing accounts shall accrue from day-to-day at such rates as the Bank shall from time to time determine, interest accrued shall be credited to the account at such intervals as the Bank may decide or as may be agreed with the customer. The last day shall be excluded in calculating interest accrued on closing an account.
10. The Bank shall be entitled to prescribe the foreign currencies in which an account may be denominated and the method of payment in respect of a foreign currency account. The Bank shall be entitled to effect payment in a currency other than that in which the account is denominated and, if it does so, the exchange rate shall be the rate determined by the Bank to be prevailing at the relevant time.
11. Any request for cancellation or reversal of payment instructions shall be at the entire discretion of the Bank and subject to such conditions as the Bank may prescribe.
12. Where a passbook is issued for an account, the passbook must, except where the Bank agrees otherwise, be presented for all withdrawals from the account. The passbook is for the customer's reference and does not necessarily indicate the most up-to-date balance of the account as deposits may have been made or items charged without entry in the passbook. The customer should from time to time present the passbook to the Bank to update the interest and unposted items onto the passbook. When the number of the unposted items reaches a certain volume as determined by the Bank from time to time, all the unposted items will be consolidated as one entry and the individual items will not be updated on the passbook. A copy of the consolidation statement listing each individual item within a certain period can be produced and provided to the customer upon request in writing and will be subject to the Bank's handling charge.

13. Any payments made by the Bank to a person producing a withdrawal form purporting to be signed, sealed and/or chopped as authorised by the customer shall have the same effect as if made to the customer personally and will absolve the Bank from all liabilities to the customer or to any other party.
14. The Bank shall be entitled to close an account if it considers that the account has not been satisfactorily operated or maintained and will give prior notice to the customer where required by any law, rules, regulations or codes of conduct or practice
- 15 Any unclaimed balance on a closed account may be transferred to the Bank's unclaimed balance account.
16. The Bank may specify from time to time any additional means or medium (including the telephone, the Internet or other electronic means or medium) through which instructions may be delivered or transmitted to the Bank subject to such terms and conditions (including any risk disclosure statements) as the Bank may reasonably prescribe. All such instructions given, as understood and acted on by the Bank, shall be irrevocable and binding on the customer whether given by the customer or by any other person purporting to be the customer. The Bank shall be under no duty to verify the identity or authority of the person giving any such instruction or its authenticity. Where the account is in the name of more than one person, the Bank is authorised to act on the instructions of any of them delivered or transmitted to the Bank through any means or medium specified by the Bank from time to time. Such instructions and any terms and conditions reasonably prescribed by the Bank with respect to the relevant means or medium of delivery or transmission shall be binding on all the account holders in all respects notwithstanding that any of the account holders does not use such means or medium.
17. The Bank shall be entitled to act in accordance with its regular business practice and procedure and will only accept the customer's instructions in so far as it is (in the Bank's opinion) practicable and reasonable to do so. For the avoidance of doubt, the Bank is authorised to participate in and comply with the rules and regulations of any organization which regulates the conduct of banking business and any system which provides central clearing, settlement and similar facilities for banks
18. Account statements shall be supplied to the customer at monthly intervals unless
 - (i) a passbook or other record of transaction is provided;
 - (ii) there are no entries covering the period which is the subject of the statement; or
 - (iii) otherwise agreed with the customer.
19. An account statement including the consolidation statement issued under clause 12 shall be accepted by the customer as correct except to the extent that the customer notifies the Bank, in writing, of alleged error or omission within 90 days of delivery of such statement or the Bank notifies the customer of an error. The Bank's records shall, in all other respects, be conclusive unless and until the contrary is established.
20. The customer shall not create any encumbrance over a credit balance in any account unless with the prior written consent of the Bank

21. The Bank may at any time and without notice apply any credit balance in any currency on a customer's account whether in the name of the customer or in the names of the customer and any other person(s), in or towards satisfaction of any indebtedness owed by the customer to the Bank in whatever capacity and whether actual or contingent or whether owed solely by the customer or owed by the customer and any other person(s). In the case of a joint account, the Bank may exercise the right in this clause and apply any credit balance on such joint account in or towards satisfaction of any indebtedness owed to the Bank by one or more of the holders of such joint account.
22. The Bank is authorized to exercise a lien over all property of the customer which is in the possession or control of the Bank, for custody or any other reason and whether or not in the ordinary course of banking business, with power for the Bank to sell such property to satisfy any indebtedness of the customer to the Bank.
23. The Bank shall not be liable for any losses which may be incurred by a customer as a result of a transaction carried out by the Bank in accordance with the instructions of the customer nor, in any other case, unless due to the negligence or willful default of the Bank, its officers or employees
24. The customer shall indemnify the Bank, its officers and employees against all liabilities and claims (including any expenses of reasonable amount and reasonably incurred) which they may incur as a result of a transaction carried out by the Bank on behalf of the customer unless due to the negligence or willful default of the Bank, its officers or employee.
25. The Bank may revise these Rules and/or introduce additional Rules at any time and from time to time. These Rules, any revision and/or addition to these Rules, any items prescribed under these Rules and any other information shall become effective subject to the Bank's notice (for a period of 30 days for any variation affecting fees and charges under the control of the Bank and the liabilities or obligations of the customer or such reasonable period as the Bank may prescribe in the case of any other variations) which may be given by display, advertisement or other means as the Bank thinks fit, and shall be binding on the customer if the customer continues to have an account with the Bank after the effective date thereof.
26. The Bank may appoint any other person as its agent to collect any or all indebtedness owed by the customer to the Bank and the customer shall be responsible for all costs and expenses of reasonable amount and reasonably incurred by the Bank for that purpose on each occasion.
27. The Bank may (but shall not be obliged to), and the customer expressly authorises the Bank to, record by tape or other means all instructions and requests given by the customer verbally to the Bank and all other verbal communications between the customer and the Bank in connection with any account and/or any services made available by the Bank from time to time including, without limitation, those given or communicated by telephone (collectively, "Verbal Communications"). The customer expressly agrees that if a dispute arises at any time in relation to the contents of any Verbal Communications, then the tape recording or such other records of such Verbal Communications, or a transcript of the same certified as a

true transcript by an officer of the Bank, shall be conclusive evidence between the Bank and the customer as to the contents and nature of such Verbal Communications unless and until the contrary is established and may be used as evidence in such dispute. The Bank reserves the right to refuse to act upon any Verbal Communications if, in its opinion, there are reasonable grounds for doing so. Furthermore, the Bank reserves the right to defer acting on any Verbal Communications and to require further information with respect to such Verbal Communications as the Bank may consider appropriate.

28. All communications sent by post to the last address of the customer registered by the Bank will be deemed to have been delivered to the customer 48 hours after posting if the address is in Hong Kong and 7 days after posting if the address is outside Hong. Kong Items sent to the customer or delivered to an authorised representative are supplied at the customer's risk.
29. Any specific terms agreed between the Bank and the customer in respect of any transaction shall prevail if they are inconsistent with these Rules.
30. These Rules, the account relationship between the Bank and the customer and the Bank's obligations to pay any amount standing to the credit of an account shall be governed by the laws of the Hong Kong Special Administrative Region. The operation of an account in a location outside the Hong Kong Special Administrative Region and payment in such a location shall be conditional on such operation and payment being lawful in that location. The Bank shall not be responsible for, or liable for any losses, taxes, costs and expenses as a result of complying with, any laws, regulations, governmental measures or restrictions which may be applicable in any location outside the Hong Kong Special Administrative Region to the operation of an account and/or payment thereunder and/or to the Bank's assets relating thereto.

Account Rules - Term (Time and Call) Deposits

1. Deposits are non-transferable and non-negotiable.
2. Interest is calculated up to but excluding the maturity date. Interest is payable on the maturity date but in the case of deposits of 15 months or more may be paid at agreed intervals.
3. Interest on time deposits is fixed for the entire deposit period. Interest on call deposits will be simple interest accruing from day to day at the call rate specified by the Bank on a daily basis.
4. Where instructions for automatic renewals of a deposit are given, the interest rate applicable to the relevant type of deposit prevailing on the maturity date will be the rate for the renewal. In the absence of renewal instructions, the Bank may pay interest on the deposit after maturity at such rate as it specifies.
5. At the request of the depositor, the Bank may allow a premature withdrawal of a deposit on such terms as the Bank may prescribe.
6. If a HKD deposit matures on a day on which the Bank is not open to the general

public in Hong Kong for business, the deposit shall be payable on the next succeeding day on which the Bank is so open and interest shall be paid up to but excluding that day.

7. If a foreign currency deposit matures on a day on which banks in either the country of the relevant foreign currency or in Hong Kong are not open to the general public for business, the deposit shall be payable on the next succeeding day on which all such banks are so open and interest shall be paid up to but excluding that day.

PART III

What is the DPS Coverage

All deposits denominated in Hong Kong dollars, Renminbi or any other currency deposits held with our bank are protected. The maximum protection is up to HK\$500,000 per depositor, including both principal and interest.

The following types of deposits are protected:

- ✓ Conventional deposits with Scheme members (e.g. savings deposits, current account deposits and time deposits with a term not more than 5 years)
- ✓ Deposits held by individuals (including joint account) or corporations
- ✓ Secured / pledged deposits

Deposits in separate accounts for the same depositor in the same bank will be combined for calculating the protected deposit amount.

The following types of deposits are not protected:

- ✗ Structured deposits (e.g. foreign currency linked deposits and equity link deposits)
- ✗ Time deposits with a maturity longer than 5 years
- ✗ Bearer instruments (e.g. bearer certificates of deposit)
- ✗ Offshore deposits (e.g. deposits with overseas / mainland China offices of a Scheme member)

Eligible deposits are protected by the DPS automatically. Also, depositors do not need to pay for the protection.

PART IV SPECIAL PROVISIONS FOR E-STATEMENT SERVICES

1. The Client may enroll for the service in which an electronic form of statement of account(s) ("e-Statement") will be made available by electronic means ("e-Statement Service"), upon enrollment of which the Client agrees not to receive monthly Statements in paper form. The Client agrees to abide by any and all laws, rules, regulations and official issuances applicable to the Service, now existing or which may hereinafter be enacted, issued or enforced, as well as terms and conditions governing the use of other facilities, benefits or services the Bank may from time to time make available to the Client in connection with e-Statement Service. The Client also agrees to pay any fee associated with the use of e-Statement Service as the Bank may prescribe from time to time.
2. The Bank has the discretion from time to time to modify, restrict, withdraw, cancel, suspend or discontinue the e-Statement Service without giving any reason or prior notice.
3. The Client understands that e-Statement Service is available to the Client provided that the Client has appropriate internet and telecommunication services

and equipment and software, and has provide the Bank with a valid email address to receive notification regarding the availability of the e-Statement by email. The Client shall keep such equipment used for e-Statement Service secure and shall prevent anyone else from accessing any confidential information.

4. The Client agrees that the Bank shall use reasonable effort to ensure that the e-Statement Service is secure and cannot be accessed by unauthorized third parties. However, the Client acknowledges that the Bank does not warrant the security, secrecy or confidentiality of any information transmitted via e-Statement Service. The Client confirms that the Client understands and accepts all possible risks involved in using the e-Statement Service including, without limitation, e-Statement Service being accessed, intercepted, monitored, amended, tempered with or being sent or disclosed to other parties without the Client's authorization. If there is any incident caused by information technology, please inform the Bank immediately.
5. The Client agrees that the Bank shall not be liable for any loss, damages or expenses that the Client shall incur, including without limitation, any loss or damage caused to the Client's data, software, computer, telecommunications equipment or other equipment in connection with the Client's use of e-Statement Service unless they are caused solely and directly by the Bank's gross negligence or willful default.
6. The Client agrees that the successful delivery of emails (if applicable) in connection with the e-Statement Service by the Bank to the Client's designated email address shall be deemed to be delivery of monthly Statements to the Client. The Bank may, at the Bank's sole discretion, send any Statement to the Client's last registered mailing address should the Bank fail to send emails in connection with the e-Statement Service at the Client's registered email address or for any other reason.
7. The Client agrees that an administration charge designated by the Bank and a mailing fee is charged for the purpose of replacing the e-Statement Service by requesting the Bank to provide monthly Statements in the form of paper. The designated administration charge and mailing fee is charged when client requests the Bank to provide monthly Statements in the form of paper in addition to applying e-Statement Service.
8. A password (as maybe designated by the Bank or the Client from time to time) is required to open, read or access the e-Statement provided by the Bank. The Client shall keep the password secure and confidential and shall not disclose to any other person.
9. With respect to the use of the e-Statement service, the Client undertakes that, upon the change of its email address, it shall notify and inform the Bank its most updated, true and accurate email address immediately.
10. To cancel enrollment for e-Statement Service, the Client shall at least five days before the date of the next Statement apply to the Bank any changes of statement providing preference. After the bank has received an application from the Client, the Bank will resume sending Statements in paper form to the Client.

11. The Bank will not assume any liability or responsibility for any failure or delay in transmitting information to the Client or for any error or inaccuracy in such information unless it results from any gross negligence or willful default on the part of the Bank. In particular, the Client understands that the Bank shall not assume any liability or responsibility for consequences arising from any cause beyond its reasonable control including, without limitation, failure of the Client's telecommunications equipment to receive information for whatever reason, any telecommunications breakdown, internet service provider failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation, act of God, government act, civil commotion, strike, war, fire, flood or explosion.

PART V SPECIAL PROVISIONS FOR JOINT ACCOUNT AND PARTNERSHIP

1. The provisions under this Part V shall apply only where the Client consists of more than one person such as joint account holders or joint service users, trustees or personal representatives.
2. The Client will be jointly and severally liable for all or any of the obligations or liabilities under the Agreement or in any other dealings between the Client and the Bank.
3. Unless otherwise agreed between the Client and the Bank in writing and until the Bank receives written notice signed by all of the Client withdrawing or varying the same so as to limit such authority to a specific named individual:-
 - (i) each joint account holder of the Account or joint user of the Banking Service will have sole authority on behalf of all the joint account holders or all the joint service users to deal with the Bank fully and completely as if he were the sole owner of the Account or user of the Banking Service without any notice to the other joint account holders or other joint service users (as the case may be);
 - (ii) any of the joint account holders or the joint service users may give the Bank an effective and final discharge in respect of any of the Bank's obligations; and
 - (iii) any notice or communication given to one of the joint account holders or the joint service users shall be deemed to be given to all.
4. On the death of any of the account holders or the service users, the Agreement will not terminate but remain binding on the other person(s) constituting the Bank's client and the Bank may treat such survivor(s) as the only party to the Agreement with the Bank. For the avoidance of doubt, it is hereby declared and agreed by the parties to the Agreement that all rights and interests of and in the Account or the Banking Service will be vested in the survivor(s) under the Account or the Banking Service upon death of the account holder(s) or service user(s) by operation of the rule of survivorship. This provision shall not apply to partnership account.
5. Notwithstanding the foregoing provisions, the Bank reserves its right:-

- (i) to require joint instructions from some or all of the joint account holders or the joint service users before taking any action under the Agreement; and
 - (ii) if the Bank receives instructions from any one of the joint account holders or the joint service user which are not consistent with other instructions in its reasonable opinion, to advise one or more joint account holders or joint users of the Banking Service of such conflict or inconsistency and/or take no action on any such instructions until the Bank receives further instructions in the form and substance satisfactory to the Bank.
6. If the Client is a partnership, the following provisions shall apply:-
- (i) unless otherwise agreed by the Bank, the Client's partnership agreement, if any, will not bind the Bank and the operation, maintenance or closing of a partnership account with the Bank or uses of the Banking Service by a partnership are governed by and subject to these Terms and Conditions;
 - (ii) all partners, whether general, special or limited, will be jointly and severally responsible for their obligations and liabilities under the Agreement;
 - (iii) notwithstanding any change in the Client's constitution, the remaining partners will have full power and authority to deal with the Account or the Banking Service in any way until the Bank shall have actually received the notice of change; and
 - (iv) unless otherwise agreed by the Bank, the Client will give the Bank a new mandate and open a new account upon any change of constitution.

PART VI SPECIAL PROVISIONS FOR NATURAL PERSON WHO IS UNDER THE AGE OF 20

1. This Part VI is only applicable to natural person who is under the age of 20 when applying for personal account opening. Kid account refers to account opened by natural person under the age of 16 ("Kid Account"); any natural person who is under the age of 20 when applying for account opening, continue to be subject to the restrictions imposed by the Bank as follows:-
 - (i) timely deposit under the account cannot be used for pledge; and
 - (ii) not allowed to apply for a checking account.
2. In the event of any conflict arising between this Part VI and "TERMS AND CONDITIONS FOR BANK ACCOUNT ", this Part VI shall prevail.

PART VII SPECIAL PROVISIONS FOR CURRENT ACCOUNT

1. Unless otherwise agreed between the Client and the Bank in writing, no interest is

payable on credit balance in a current account.

2. If temporary overdraft is granted by the Bank, the Client undertakes to refund to the Bank the whole amount so overdrawn together with accrued interest thereon calculated at such rate as determined by the Bank.
3. Cheque book will be issued to the Client upon the Client's opening a current account and first depositing a specified amount with the Bank. Cheque books should be kept in safe custody at all times and, where appropriate, under lock and key so as to be inaccessible to unauthorized persons.
4. Application for new cheque book may be made by presenting a duly completed and signed application form to the Bank or by any other means acceptable to the Bank. The Bank may in its absolute discretion refuse to issue a cheque book. The Bank may, unless otherwise agreed by the Bank, deliver the cheque book to the correspondence address registered with the Bank by mail or by any other means as determined by the Bank in its absolute discretion. The Bank accepts no liability for any delay or loss occasioned by any mode of delivery.
5. Upon receipt of a new cheque book from the Bank, the Client is obliged to verify the cheque serial numbers, account number and name of the client printed thereon as well as the number of cheques before use. Any irregularity in respect thereof should be promptly reported to the Bank.
6. Cheque should only be drawn in the form prescribed by the Bank subject to such terms and conditions as stipulated by the Bank and should only be used for the permitted account.
7. When a signed cheque or a cheque book is lost, stolen, or untraceable, the Client is obliged to forthwith report the same to the Bank in writing.
8. When cheques are delivered by way of post or other means, the word "OR BEARER" should be crossed out and the cheque should be crossed.
9. The Client should exercise due care when drawing cheques to ensure their correctness and accuracy agree that cheques shall not be drawn in a manner which will facilitate fraudulent alteration, fraud or forgery. In particular, without limitation:-
 - (i) the Client should write the amount, both in words and figures in the spaces provided on the cheque, as close to each other and to the left-hand margin as possible so as to leave no space for insertions or additions;
 - (ii) the word "only" should be added immediately after the amount stated in words and only Arabic numerals should be adopted for figures when drawing cheques; and
 - (iii) all cheques must be drawn in dark colour non-erasable ink, ball-point pen, printer or cheque writer in Chinese or English and be signed in conformity with the Account Mandate provided to the Bank.

10. Any alteration or addition to a cheque must be confirmed by the full signature of the drawer. The Client agrees and acknowledges that the Bank will not be responsible for losses arising from alterations or additions which cannot be detected by exercising reasonable care.
11. Cheques drawn against insufficient or unclear funds shall be returned unpaid by the Bank. The Bank may also return a cheque unpaid if it is not signed in accordance with the Account Mandate on the Bank's records, or is incorrectly completed, drawn with technical error, altered without confirmation by the Client's full signature, mutilated, post-dated or stale. Reasonable charges for cheque returned unpaid will be debited to the Client's current account.
12. Any instruction to countermand payment of drawn cheque to the Bank must be clear and unambiguous, suffice to identify the cheque drawn by reference to cheque number and reach the Bank prior to its payment. In the event that the Client identifies the cheque in question:
 - i) by reference to other particulars in addition to the cheque number, the Bank shall not be responsible to ensure that other particulars correspond with the particulars of the cheque in question identified by number; and
 - ii) by reference to other particulars instead of the cheque number, the Bank may not be obliged to take any action but the Bank may in its absolute discretion and without accepting any responsibility, follow such instruction.
13. Where the Client requests the Bank to countermand payment of a cheque drawn by means of an instruction which cannot be verified by the Bank, the Bank shall not be obliged to take any action in its absolute discretion. However the Bank may in its absolute discretion and without accepting any responsibility, follow any such instructions which are, the Bank believes in good faith, initiated by the Client and shall not be liable for having followed any such instruction which is false, incorrect or ambiguous.

PART VIII Renminbi Business Risk Disclosure and Applicable Rules

1. The Client acknowledges and understands that Renminbi is still not freely circulated and subject to restriction and the Client who conducts Renminbi business may be subject to the following risks:
 - (i) Client should be cautious that assets or liabilities denominated in Renminbi may be required to be paid or discharged by way of other currency as payment tool in the event that there is change in laws:
 - (a) Whilst the Bank shall use our best endeavour to seek practical solutions or methods, the Client, who is beneficially entitled to assets or carries liabilities denominated in Renminbi or liable to payment obligations in Renminbi by reason of concluded transactions, may be required to pay or receive by means of other currency which is exchanged at the prevailing exchange rate for

the reason that change in laws will have impact on the demand and supply of Renminbi in the market or settlement of the executed transactions.

- (b) Client to whom the banking facilities denominated in Renminbi is extended is advised to consider the ability to repay Renminbi upon maturity and exchange risk when the Client is not capable of making repayment in Renminbi.
 - (c) Despite that a specified loan amount or limit is provided in the consumer loan agreement between the Client to whom the banking facilities is granted and us, the Client is still subject to the risk that the loan will not be drawdown in Renminbi on account of the legal restriction and, thus, the Client is subject to risk of shortage of funding. If it is drawdown in other foreign currency, the Client may suffer or sustain exchange loss by reason of exchange rate fluctuation.
- (ii) The Client is advised to fully understand that the circulation of Renminbi is subject to restrictions imposed by local laws in Mainland China and those local laws may change from time to time and to ensure the Renminbi transactions comply with Mainland China local laws.
- (a) Reminibi remittance remitted to Mainland China will be rejected in the event that the same does not comply with the requirements and Renminbi is not freely circulated. Where the Client remits Renminbi remittance to Mainland China and the remittance is not effectively paid to the payee for the reason as aforesaid, we shall arrange the refund of the remitted amount provided that all cable, postage and other charges shall be borne by the Client and will be deducted from the remitted amount.
 - (b) The Client with banking facilities in Renminbi who is desirous of utilizing the banking facilities in Mainland China, should obtain the approval of the competent authority in Mainland China to permit the remittance of the Renminbi funding to Mainland China and make registration for complying with foreign debt administration rules in Mainland China. In the event that drawdown amount is not effectively remitted to Mainland China for payment or returned on the ground of the Client's failure to comply with the relevant laws in Mainland China, the accrued interest and expenses in connection therewith shall be borne by the Client.
- (iii) The Client should fully understand that Renminbi is subject to exchange rate fluctuation which will create risk to transaction and evaluation loss:-

The market movement is subject to numerous factors which will result in substantial exchange rate fluctuation. The Client who enters into Renminbi transaction is subject to transaction risk and evaluation loss as

a result of market turbulences or exceptional circumstances. Thus, the Client should assess his own financial condition and risk tolerance prior to entering into of the transaction. The Client is also advised to understand the financial, accounting, tax and legal rules relevant to the transactions; willing to undertake the transaction risk and absorb loss.

- (iv) Non-Hong Kong resident is required to, when opening Renminbi account, acknowledge that he does not hold Hong Kong Identity Card of any kind and check the box for the verification of identity in the Account Opening Form. If the Client obtains Hong Kong Identity Card at any time subsequent to the point of time of account opening, the Client should notify the Bank forthwith. Thereafter, the Bank shall provide the Client with the service in accordance with the rules for Renminbi business applicable to Hong Kong resident.
 - (v) It is a requirement for Hong Kong resident who opens Renminbi account with the Bank, to acknowledge that he does not open any Renminbi account as non-Hong Kong resident with other licensed banks in Hong Kong, and to check the box for the verification of identity in the Account Opening Form.
 - (vi) The Client is required to acknowledge that the Client fully understands the above important notes to and potential risks associated with Renminbi business before the Client conducts the same, and agrees that the Client is willing to pay expenses and absorb all losses in relation to the transactions under Renminbi business.
2. The Bank may take all necessary measures for the compliance with rules and regulations of the PBOC, the HKMA, any clearing bank, any clearing agent within China or any other supervisory or competent authorities. If required, the Bank may also provide any transaction and account information related to any holder of a Renminbi bank account to the clearing bank and supervisory or competent authorities.
 3. The Bank is entitled to set restrictions that apply only to Renminbi services and to amend and/or revise the terms and conditions applicable to Renminbi services from time to time.
 4. The Client confirms and declares that the Client fully understands all the rules and regulations applicable to Renminbi services announced by the supervisory or competent authorities. The Client agrees that all Renminbi services are to be bound by the applicable rules and regulations announced by the supervisory or competent authorities from time to time.

PART IX E-CHEQUES DEPOSIT SERVICES PROVISIONS

1. e-Cheques Deposit Services provisions - applicability and definitions

- (a) The provisions in this Part apply to our services relating to e-Cheques. This Part supplements and forms part of our “TERMS AND CONDITIONS FOR BANK ACCOUNT” (“Existing Terms”). The provisions of the Existing Terms which apply to paper cheques or generally to our services continue to apply to e-Cheques and our e-Cheques Deposit Services to the extent that they are relevant and not inconsistent with the provisions in this Part. The provisions of this Part prevail if there is any inconsistency between them and the provisions of the Existing Terms with respect to the e-Cheques Deposit Services.
- (b) For the purpose of the e-Cheques Deposit Services, the following terms have the following meanings:
- "Bills of Exchange Ordinance" means the Bills of Exchange Ordinance (Cap. 19, Laws of Hong Kong), as may be amended from time to time.
- "Clearing House" means Hong Kong Interbank Clearing Limited and its successors and assigns.
- "Deposit Channel" means any channel offered by us from time to time for presentment of e-Cheques for deposit.
- "e-Cheque" has the meaning ascribed to it in the e-Cheque Drop Box Terms.
- "e-Cheques Deposit Services" mean the services offered by us to customers from time to time for depositing e-Cheques.
- "e-Cheque Drop Box" or "e-Cheque Drop Box Service" has the meaning ascribed to it in the e-Cheque Drop Box Terms.
- "e-Cheque Drop Box Account" has the meaning ascribed to it in the e-Cheque Drop Box Terms.
- "e-Cheque Drop Box Terms" means all the terms and conditions prescribed by the Clearing House from time to time for governing the e-Cheque Drop Box Service provided by the Clearing House and the use of the e-Cheque Drop Box Service.
- "Industry Rules and Procedures" means the rules and operating procedures governing the handling of e-Cheques adopted by the Clearing House and the banking industry from time to time.
- "Payee Bank" means the bank at which a Payee Bank Account is held.
- "Payee Bank Account" means, in respect of each e-Cheque presented for deposit using the e-Cheques Deposit Services, the bank account of the payee of the e-Cheque maintained with us into which the e-Cheque is to be deposited which may be a sole name or a joint name account of the payee.

"Payer Bank" has the meaning ascribed to it in the e-Cheque Drop Box Terms.

"you" means each customer to whom we provide e-Cheques Deposit Services.

2. Nature and scope of e-Cheques Deposit Services

- (a) We may provide e-Cheques Deposit Services at our discretion. If we provide e-Cheques Deposit Services to you, you may deposit e-Cheques. In order to use the e-Cheques Deposit Services, you have to provide such information and documents and accept such terms and conditions which may be required or prescribed by us and the Clearing House respectively from time to time. You may also be required to sign forms and documents prescribed by us from time to time.
- (b) e-Cheques Deposit Services allow you and other persons to present e-Cheques (whether payable to you and/or any other holder of the Payee Bank Account) for deposit with us (as Payee Bank), using the e-Cheque Drop Box Service offered by the Clearing House or using our Deposit Channels, in accordance with Clause 3 below.
- (c) We may provide e-Cheques Deposit Services relating to e-Cheques that are issued in any currency specified by us from time to time, including Hong Kong dollars, US dollars or Renminbi.
- (d) We have the right to set or vary from time to time the conditions for using the e-Cheques Deposit Services. These conditions may include the following (or any of them):
 - (i) the service hours of the e-Cheques Deposit Services (including cut-off times for presenting e-Cheques); and
 - (ii) any fees and charges payable by you for the e-Cheques Deposit Services.

3. e-Cheques Deposit Services

- (a) The e-Cheques Deposit Services may allow presentment of e-Cheques for deposit with us (as Payee Bank) using the e-Cheque Drop Box Service provided by the Clearing House or using our Deposit Channels.

- (b) e-Cheque Drop Box Service
- (i) The e-Cheque Drop Box Service is provided by the Clearing House. You are bound by the e-Cheque Drop Box Terms in relation to your use of the e-Cheque Drop Box Service. You are solely responsible for performing your obligations under the e-Cheque Drop Box Terms.
 - (ii) In order to use the e-Cheque Drop Box Service, you are required by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with one or more Payee Bank Account for presenting e-Cheques. You are allowed by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with a Payee Bank Account that is your same-name account or an account other than your same-name account. You are responsible for the presentment of all e-Cheques by you or any other person using your e-Cheque Drop Box Account (including presentment of any e-Cheques to a Payee Bank Account other than your same-name account).
 - (iii) Any issue relating to the use of the e-Cheque Drop Box Service should be handled in accordance with the e-Cheque Drop Box Terms. We may (but have no obligation to) provide reasonable assistance to you. In particular, we do not have the electronic record or image of any e-Cheque deposited using the e-Cheque Drop Box Service. On your request, we may (but have no obligation to) provide the date, e-Cheque amount, e-Cheque number, payee name and any other information agreed by us relating to an e-Cheque deposited using your e-Cheque Drop Box Account.
 - (iv) We give no representation or guarantee, whether express or implied, relating to the availability, quality, timeliness or any other aspect of the e-Cheque Drop Box Service provided by the Clearing House. Unless otherwise stated in the e-Cheque Drop Box Terms, you bear the responsibilities and risks relating to the use of the e-Cheque Drop Box Service. We are not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with the use of the e-Cheque Drop Box Service.
- (c) Our Deposit Channels
- We may specify or vary from time to time (i) the available Deposit Channels without notice; and (ii) the terms governing the use of any

Deposit Channel.

4. **Handling of e-Cheques, associated risks and our liabilities**

(a) Handling of e-Cheques

You understand that we and other banks have to follow the Industry Rules and Procedures in the handling, processing, presentment, payment, collection, clearance and settlement of e-Cheques payable to you. Accordingly, we are entitled to collect any e-Cheque payable to you by presenting that e-Cheque to the Payer Bank in accordance with the Industry Rules and Procedures even if the Bills of Exchange Ordinance may not expressly provide for presentment of e-Cheques or may specify other manner for presentment of cheques.

(b) Restriction of our liability

Without reducing the effect of the provisions of the Existing Terms:

- (i) we are not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with the use of the e-Cheques Deposit Services or the handling, processing, presentment, payment, collection, clearance or settlement of e-Cheques presented by you or any other person using the Deposit Channels provided by us to you, except to the extent that any loss, damage or expense incurred or suffered is direct and reasonably foreseeable arising directly and solely from our negligence or wilful default or that of our officers, employees or agents;
- (ii) in particular and for clarity, we are not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with the following (or any of them):
 - (1) use of the e-Cheque Drop Box Service by you or any other person, or the e-Cheque Drop Box Terms;
 - (2) your failure to comply with your obligations relating to the e-Cheques Deposit Services;
 - (3) presentment of any e-Cheque payable to you in accordance with the Industry Rules and Procedures despite the provisions of the Bills of Exchange Ordinance; and
 - (4) any failure or delay in providing the e-Cheques Deposit Services, or any error or disruption relating to the e-Cheques

- Deposit Services, caused by or attributed to any circumstance beyond our reasonable control; and
- (iii) in no event will we be liable to you or any other person for any loss of profit or any special, indirect, consequential or punitive loss or damages.
- (c) Your confirmation and indemnity
- (i) You accept the restriction of liabilities and disclaimers imposed by us and the Clearing House in relation to the e-Cheques Deposit Services and the services provided by the Clearing House respectively. You accept and agree to bear the risks and the liabilities for depositing e-Cheques.
 - (ii) Without reducing the effect of any indemnity given by you under the Existing Terms or any other rights or remedies that we may have, you will indemnify us and our officers, employees and agents and hold each of them harmless against all liabilities, claims, demands, losses, damages, costs, charges and expenses of any kind (including legal fees on a full indemnity basis and other expenses reasonably incurred) which may be incurred or suffered by us or any of them and all actions or proceedings which may be brought by or against us or any of them as a result of or in connection with our provision of the e-Cheques Deposit Services or your use of the e-Cheques Deposit Services.
 - (iii) The above indemnity does not apply to the extent that it is proved that any liabilities, claims, demands, losses, damages, costs, charges, expenses, actions or proceedings are direct and reasonably foreseeable arising directly and solely from our negligence or wilful default or that of our officers, employees or agents.
 - (iv) The above indemnity shall continue to have effect after the termination of the e-Cheques Deposit Services.