

The Notification for the Revisions of HSBC General Terms and Conditions for Investment Products

Date: 22 July 2019

1. HSBC will revise the certain part of HSBC General Terms and Conditions for Investment Products. This change will be effective from 6 August 2019. The original one is still applicable before the effective date.
2. According to HSBC General Terms and Conditions for Investment Products, the Bank may, via a written notice, posted at visible area of the Bank's branches or announced on the Bank's Internet main page at least fourteen (14) days in advance, amend the terms and conditions of HSBC General Terms and Conditions for Investment Products. If the Customer disagrees with such amendments, he/she/it may notify the bank in written form within the 14-day notification period to terminate the previous terms and conditions as well as transactions and services with the Bank. The Customer needs to be cooperative with the Bank in account closing procedure. If the Customer fails to notify of termination within the 14-day notification period and continues to conduct transactions with or using services of the Bank, the Customer shall be deemed to agree with the amendments.
3. This amendment is announced via the disclosure of HSBC website, should you have any query, please do not hesitate to contact us via our branch networks or our 24-hour Call Center at (02)6616-6000.

Below please find the comparison table for your notification.

Original Terms and Conditions	Revised Terms and Conditions
I. General Terms and Conditions: (II) Investment	I. General Terms and Conditions: (II) Investment
<p>4.The Customer shall make its own judgment and shall not only rely on the documents or any other information provided by the Bank to make the investment, but shall decide whether to invest in the Product based on its own investigation. If there is any doubt in making investment in the Products, the Customer shall seek advices from its own financial, accounting, tax or legal consultants. The Customer hereby states that it does not rely on or accept the advice or recommendation of the Bank or any other member of HSBC Group when making the investment decision.</p>	<p>4.The Customer shall make its own judgment and shall not only rely on the documents or any other information provided by the Bank to make the investment, but shall decide whether to invest in the Product based on its own investigation. If there is any doubt in making investment in the Products, the Customer shall seek advices from its own financial, accounting, tax or legal consultants. The Customer hereby states that it does not rely on or accept the advice or recommendation of the Bank or any other member of HSBC Group when making the investment decision.</p>
<p>6.Citizens of the United States, residents of the United States or persons holding permanent residency in the United States, companies incorporated under the law of the United States, subsidiaries or subentities of foreign companies in the United States, any other persons of the United States (according to the interpretation of Regulation S of 1933 Securities Act of the United States), or a corporation partnership or limited liability company that regardless of place of creation or organization that was formed and/or owned by one or more U.S. Persons (hereafter as "USPs", with respect to which, one or more USPs, directly or indirectly, holds 10% or greater ownership, or where a USP is the general partner, managing member, managing director or other position with authority for directing the entity's activities, or any revenues</p>	<p>6.Status Restrictions as well as the Assertion and Certification made by the Customer: (1) Citizens of the United States, residents of the United States or persons holding permanent residency in the United States, companies incorporated under the law of the United States, subsidiaries or subentities of foreign companies in the United States, any other persons of the United States (according to the interpretation of Regulation S of 1933 Securities Act of the United States), or a corporation partnership or limited liability company that regardless of place of creation or organization that was formed and/or owned by one or more U.S. Persons (hereafter as "USPs", with respect to which, one or more USPs, directly or indirectly, holds 10% or greater ownership, or where a USP is the general partner, managing</p>

<p>obtained from the Investment Product subject to taxation according to tax laws of the United States, shall not invest in this product.</p> <p>A USP includes the persons listed below:</p> <p>(1) A US Citizen (including all person born in the US)</p> <p>(2) Was born in US Territories of American Samoa, Guam, Northern Mariana Islands, Puerto Rico or the US Virgin Islands</p> <p>(3) Was elected to be treated as a US Resident for US federal income tax purposes</p> <p>(4) A US Green Card holder</p> <p>(5) Has a US address</p> <p>(6) A Resident Alien (who has been in the US on required days during a certain period according to US regulations)</p>	<p>member, managing director or other position with authority for directing the entity's activities, or any revenues obtained from the Investment Product subject to taxation according to tax laws of the United States, shall not invest in this product.</p> <p>An USP includes the persons/entities listed below:</p> <p>(i) U.S. Citizen (including those person born in the U.S.)</p> <p>(ii) Person born in U.S. Territories of American, (including, but not limited to, Samoa, Guam, Northern Mariana Islands, Puerto Rico or the U.S. Virgin Islands.)</p> <p>(iii) Person was elected to be treated as a U.S. Tax Resident</p> <p>(iv) A U.S. Green Card holder</p> <p>(v) Person having a U.S. address</p> <p>(vi) A Resident Alien (who has been physically present in the U.S. exceeding certain days during a certain period according to U.S. regulations)</p> <p>(vii) Person who should be deemed as USP in accordance with relevant US regulations.</p> <p>(2) The Customer declares and certifies that he/she does not have the above-mentioned status as a USP at the time of the transaction. If the Bank has reason-to-know and believe that the Customer may or may have changed the status to the above-mentioned USP, the Bank shall contact the Customer to clarify, and the Customer shall inform the facts accordingly. The Trust Service may otherwise be terminated if the Customer fails to inform or falsely inform.</p> <p>(3)The Customer commits, upon becoming a USP, to immediately notify the Bank of such change. The Customer shall also present and provide the required documents to the Bank in accordance with the relevant US tax laws. If the Customer fails to fulfill the above obligations, then he/she agrees to the follows:</p> <p>(i) Compensation for any expenses, losses, fines or any other similar payments that may be incurred by the Bank for comply with the relevant US taxation laws;</p> <p>(ii) The Bank may suspend or terminate the Trust Services and redeem/dispose of the entire investment assets held by the Customer.</p> <p>(4) The Customer understands and explicitly agrees that the Bank will not allow the adoption of any tax treaty benefit on investment gains/interests/dividends/debt interest/profits upon tax reporting (regardless whether the Customers claim to be entitled to the benefit when the relevant form is provided or not) and the highest withholding rate of non-USP will always apply.</p>
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<p>7.The Undersigned represents that upon becoming a U.S. persons/entities (as defined in point 6), the Undersigned should immediately notify the Bank and redeem or sell the Investment Product or terminate this clause. If the Undersigned fails to notify, redeem or sell the Investment Product or terminate this clause after giving the notification, the Undersigned should be solely responsible for all liabilities arising herefrom.</p>	<p>Removed</p>
<p>III. Investing in Domestic and Foreign Securities Permitted by the Competent Authority through the Non-Discretionary Trust Service I. General Terms:</p>	<p>III. Investing in Domestic and Foreign Securities Permitted by the Competent Authority through the Non-Discretionary Trust Service I. General Terms:</p>
<p>5. Rules regarding the Issuer of the Investment Target: (3)Any return received by the Bank from each issuer for each investment in the Investment Target shall be the return of the trust fund according to the issuer's issuance, operational rules. In the event that investor's redemption is mandatory, the Customer hereby agrees to do so. All losses arising from the mandatory redemption shall be the responsibility of the Customer.</p>	<p>5. Rules regarding the Issuer of the Investment Target: (3) Any return received by the Bank from each issuer or custodian for each investment in the Investment Target shall be the return of the trust fund according to the issuer or custodian's issuance, operational rules, custody operation process and related regulations. In the event that investor's redemption or sale is mandatory, the Customer hereby agrees to do so. All losses arising from the mandatory redemption or sale shall be the responsibility of the Customer.</p>
<p>6. The Bank's Rules: (1)When handling this business, the Bank shall set forth the minimum amount and related procedures with respect to every subscription and redemption. Such rules and procedures shall come into effect once they have been notified by the Bank or publicly announced in the branch code of the Bank, the Customer agrees to fully comply with the same.</p>	<p>6. The Bank's Rules: (1)When handling this business, the Bank shall set forth the minimum amount and related procedures with respect to every subscription, redemption, buy, sale, cancel, etc. Such rules and procedures shall come into effect once they have been notified by the Bank or publicly announced in the branch code of the Bank, the Customer agrees to fully comply with the same.</p> <p>(7)The Bank may entrust a third party to handle the trust affairs on its behalf, and the Bank shall only be responsible for electing and supervising duties of the third party. The related expenses incurred shall be borne by the trust property.</p>
<p>8.Trust Assets and Custody; the Calculation and Distribution of Proceeds and Expenses: (5)Any return received from the Relevant Organization of the Investment Target with respect to the investment in the Investment Target by the Bank shall be the return of the Customer's trust fund account. The Customer understands and agrees that the calculation and allocation of the returns in respect to the Investment Target shall be made in accordance with the calculation formula set forth in the product prospectus or payment terms of the issuer of the Investment Target provided by the Bank. Unless the issuer of the Investment Target otherwise provides for or the Bank otherwise informs the Customer, the Bank shall, after receiving the proceeds from the issuer of the Investment Target and deducting the applicable taxes and relevant fees and costs from such proceeds, re-invest the remaining proceeds in the same Investment Target or deposit in the same demand deposit account of the Customer opened in the Bank. The Customer hereby agrees that the Bank shall have the right to conduct transactions</p>	<p>8.Trust Assets and Custody; the Calculation and Distribution of Proceeds and Expenses: (5)Any return received from the Relevant Organization of the Investment Target with respect to the investment in the Investment Target by the Bank shall be the return of the Customer's trust fund account. The Customer understands and agrees that the calculation and allocation of the returns in respect to the Investment Target shall be made in accordance with the calculation formula set forth in the product prospectus or payment terms of the issuer of the Investment Target provided by the Bank. In the cases where the return currencies are different from the investment currencies or the received currencies agreed by the Bank/ abided by regulations are different from the investment currencies, the Customer agrees that the Bank is authorized to execute foreign exchange transactions for different currencies. In addition, the Customer agrees the Bank to execute the transactions through its business department at the actual exchange rates during the operation hours, unless otherwise agreed. The Customer</p>

<p>without additional authorization from the Customer.</p>	<p>shall take the risk incurred by foreign exchange transaction(s). Unless the issuer of the Investment Target otherwise provides for or the Bank otherwise informs the Customer, the Bank shall, after receiving the proceeds from the issuer of the Investment Target and deducting the applicable taxes and relevant fees and costs from such proceeds, re-invest the remaining proceeds in the same Investment Target or deposit in the same demand deposit account of the Customer opened in the Bank. The Customer hereby agrees that the Bank shall have the right to conduct transactions without additional authorization from the Customer.</p>
<p>10.Charges for Trust Services: (1)The Customer agrees to pay subscription service charges upon subscription, trust custody fees upon redemption/sales at the redemption/sales price, and switching fees upon switching the Investment Target. The amount, currency or rate shall be paid based upon the service charge rate table as agreed by the Customer and the Bank. The Customer agrees that the Bank may offset the aforementioned charges and fees from the proceeds of redemption or sale.</p>	<p>10.Charges for Trust Services: (1) The Customer agrees to pay subscription/buy service charges upon subscription/buy and pay transaction fee and charges according to the relevant financial markets practice of dealing with various investment products or applicable regulations/market trading rules ; redemption fees and trust custody fees upon redemption/sales at the redemption/sales price, and switching fees upon switching the Investment Target. The Customer also agrees to pay the relevant fees of the custodian and all the fees charged by the Bank. The amount, currency or rate shall be paid based upon the service charge rate table as agreed by the Customer and the Bank. The Customer agrees that the Bank may offset the aforementioned charges and fees from the proceeds of redemption/sale or from Customer's accounts.</p>
<p>12. Mandatory Redemption: (1)In the event that, in compliance with the laws and regulations of the Customer's registration country, incorporation country, nationality, domicile country or resident country, the Customer may not invest or hold a certain Investment Target, or, in compliance with the rules or regulations issued by the competent authority in charge of the Bank, the Bank may not provide the non-discretionary trust service with respect to specific Investment Target, the Bank shall have the right to refuse executing the trade instruction of the Customer with respect to the investment in such Investment Target or inform the Customer to terminate the contract with respect to the investment in such Investment Target through Non-Discretionary Trust and/or redeem such Investment Target held by the Customer automatically. The Customer unconditionally agrees to such manner of handling. (2)If the Customer's instruction to the Bank to invest offshore products with trust funds is deemed a suspected money laundering</p>	<p>12. Mandatory Redemption / Mandatory Sale: (1)In the event that, in compliance with the laws and regulations of the Customer's registration country, incorporation country, nationality, domicile country or resident country, the Customer may not invest or hold a certain Investment Target, or, in compliance with the rules or regulations issued by the competent authority in charge of the Bank, the Bank may not provide the non-discretionary trust service with respect to specific Investment Target, the Bank shall have the right to refuse executing the trade instruction of the Customer with respect to the investment in such Investment Target or inform the Customer to terminate the contract with respect to the investment in such Investment Target through Non-Discretionary Trust and/or redeem / sale such Investment Target held by the Customer automatically. The Customer unconditionally agrees to such manner of handling. (2)If the Customer's instruction to the Bank to invest offshore products with trust funds is deemed a suspected money laundering</p>

<p>transaction, the Bank shall have the right to refuse to execute the Customer's instructions to trade the Investment Target, and may also inform the Customer to terminate the contract with respect to the investment in the Investment Target through Non-Discretionary Trust, and authorize the Bank to redeem all or part of the Investment Target held by the Customer.</p>	<p>transaction, the Bank shall have the right to refuse to execute the Customer's instructions to trade the Investment Target, and may also inform the Customer to terminate the contract with respect to the investment in the Investment Target through Non-Discretionary Trust, and authorize the Bank to redeem / sale all or part of the Investment Target held by the Customer.</p>
<p>15.Waiver: To the extent permitted by law, the Bank should not be held liable for any expenses, expenditures, indebtedness, obligations, penalties, demands, legal proceedings, litigation, losses or damages in any form arising from the Bank's subscription, holding, sales, switching or redemption of funds, investment units or securities or any in behaviors based upon the information of the Investment Target or other portfolio related to the Investment Target or arising from engaging in/refraining from other transactions.</p>	<p>15.Waiver: (1) The Bank is entrusted to invest in the Investment Target in accordance with the Customer's instructions. The Bank shall not be liable for any losses or damage arising from delivery, fluctuation of exchange rate or interest rate, or other market environmental factors and risks, or due to the acts or omission of act by the issuing company or its related institutions, such as domestic and foreign custodians, investment consultants, securities firms, securities certification agency, accountants, lawyers etc. (2) To the extent permitted by law, the Bank should not be held liable for any expenses, expenditures, indebtedness, obligations, penalties, demands, legal proceedings, litigation, losses or damages in any form arising from the Bank's subscription, holding, sales, switching or redemption of funds, investment units or securities or any in behaviors based upon the information of the Investment Target or other portfolio related to the Investment Target or arising from engaging in/refraining from other transactions. (3) The Customer agrees and understands, in the event that the Investment Target is foreign securities, the execution of transaction will involve international transactional agencies such as foreign securities brokers, clearance institutions, and custodian banks and the operation and notification thereof (including transaction confirmation, dividend distribution, etc.) may be delayed due to the factors attributable to such agencies. The Bank shall not be liable for any losses or damage arising from such delay.</p>
<p>16.Taxes: In accordance with the relevant tax laws and relevant laws and regulations applicable to the Customer, if there shall be a need to withhold or issue a withholding certificate, the Bank shall handle it accordingly.</p>	<p>16.Taxes: (1) In accordance with the relevant tax laws and relevant laws and regulations applicable to the Customer, if there shall be a need to withhold or issue a withholding certificate, the Bank shall handle it accordingly. The Customer understands that the withholding made by the bank does not mean that the Customer fulfills his/her/its tax obligation. The Customer is still obligated to make the tax declaration and make tax payment according to the law. (2) In order to comply with the tax regulations of the US Treasury, the Customer must fill in the US Tax Identity Document (W-8BEN, W-8BEN-E), which should be updated regularly with validity per the US tax law or the Bank's requirements. If the Customer incurs any change in circumstances (CiC) for the personal tax status, the Customer shall immediately notify the Bank and provide the latest US tax identity document (W-9, W-8BEN, W-8BEN-E). If the document provided by the Customer becomes invalid or expired, the Customer is obligated to provide the latest</p>

	<p>document to the Bank immediately upon notification. If the Customer fails to provide the updated document immediately, the Bank would impose maximum withholding rate according to the regulation.</p> <p>(3) Any damages and/or non-interests resulting from the inaccurate or inconsistent contents in the relevant document provided by the contractor shall be borne by the Customers. If the Bank suffers any losses due to foregoing reason, the Customer shall indemnify the bank.</p>
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