

Part B : Specific Terms and Conditions

Schedule I

Terms and Conditions For Bank Accounts

1. Incorporation of the General Terms and Conditions in Part A

1.1 The General Terms set out above in Part A of this "Terms and Conditions for Bank Accounts and General Services" (the "General Terms and Conditions") shall be incorporated as an integral part of this Schedule, as if the General Terms and Conditions are written in full herein. In case of conflict between the General Terms and Conditions and the terms and conditions expressly set out in this Schedule, the latter shall prevail.

1.2 The term "these terms and conditions" whenever used in this Schedule I shall mean the terms and conditions expressly set out in this Schedule I together with the General Terms and Conditions which are incorporated herein as aforesaid.

1.3 These terms and conditions shall apply to regulate the opening, continuance and operation of any of the Bank Accounts.

2. Operation Arrangement

2.1 The Bank shall be entitled and is authorized by the Customer: -

(a) to honour and to act on all instructions and/or orders for transfer of funds, remittance, withdrawal and/or payment and to debit the same to the Bank Account specified; and

(b) to act on all requests, instructions, orders and/or directions relating to the Bank Accounts, their operation and/or closing Provided That they are (i) signed as per the Agreed Signing Arrangement for the time being agreed and in force for the Bank Account concerned or (ii) given in such other manner or pursuant to such other arrangement as the Customer and the Bank may from time to time agree. No change shall be valid and effective unless agreed and accepted by the Bank.

2.2 Notwithstanding Clause 2.1 of this Schedule, save as otherwise expressly agreed by the Bank, no instruction for withdrawal, transfer or payment out of any Bank Account will be accepted unless there are sufficient funds in the currency concerned available in the Bank Account specified when the relevant instruction is being processed by the Bank and the rules and regulations of the Bank applicable are complied with, provided however that despite an instruction for withdrawal, transfer or payment out of any Bank Account has been accepted by the Bank, the Bank shall be entitled to reject such instruction if it subsequently transpires for whatever reason that there were or are or will be insufficient funds in the currency concerned available in the relevant Bank Account when the Bank intends to execute the instruction.

2.3 All operation of the Bank Accounts at the counter can only be made within such business hours determined absolutely by the Bank. The Bank Accounts may be operated by the Customer at the office or branch at which the Bank Account concerned is maintained and if so permitted by the Bank at its absolute discretion at any other office(s) or branch(es) of the Bank so permitted. All such operation permitted at places apart from the office or branch at which the Bank Account concerned is maintained shall be subject to such terms and conditions, limitations and/or restrictions as the Bank shall determine absolutely from time to time.

2.4 The Bank shall be entitled and without any liability to the Customer not to act on any request, instruction or order for countermending payment of cheques or other instruments unless the same is given in writing and duly signed in compliance with the Agreed Signing Arrangement currently effective for the Bank Account concerned and actually received by the Bank at the office or branch at which the Bank Account concerned is maintained. Further, the Bank does not have any duty to make enquiry with the Customer on such requests, instruction or order ("Irregular Stop Payment Instructions") not given in the above mentioned manner. However, notwithstanding the foregoing, in case of receipt of Irregular Stop Payment Instructions, the Bank shall have a discretion (but shall not be under any duty), if it deems fit so to do, to act on such Irregular Stop Payment Instructions without verification and/or duly signed written confirmation from or on behalf of the Customer and not to make payment for such items concerned until the Bank shall have actually received duly signed instructions specifically directing the Bank to resume payment and unless due to the negligence or wilful default of the Bank, the Bank's authorized officers, employees or agents, the Bank shall not be liable to the Customer whether for wrongful dishonour or otherwise or for acting or failing to act on an Irregular Stop Payment Instruction.

3. Authorized Signatory(ies)

3.1 In addition and without prejudice to Clause 2 in the General Terms and Conditions, the Authorized Signatory(ies) shall have the following powers and authorities (to be exercised by such Authorized Signatory(ies) in accordance with the Agreed Signing Arrangement) and the Bank shall be entitled to act thereon accordingly :-

(a) to withdraw, draw on and/or make payment transfer and/or remittance from the Bank Account concerned whether it is in credit or overdrawn or as a result thereof be overdrawn and for so doing, to sign and/or endorse all documents (including but not limited to cheques, bills, drafts, promissory notes, withdrawals, requests, directions, instructions, standing instructions and/or orders for payment, transfer and/or remittance of all kinds and/or receipts of all types) and to enter into with the Bank all agreements (including but not limited to agreements to sell or purchase currency or currencies) therefor and/or in connection therewith notwithstanding that :-

(i) the above is for payment, transfer and/or remittance to and/or for the purpose(s), use and/or benefit of the Authorized Signatory(ies) or any one or more of them; and/or

(ii) the above will result in the reduction, satisfaction and/or discharge of any or all of the debts and/or

- liabilities of the Authorized Signatory(ies) or any one or more of them to the Bank; and
- (b) to give all types of instructions to and/or to sign all types of documents and/or to enter into all types of agreements with the Bank in connection with and/or for the operation of the Bank Account concerned, including but not limited to the countermarking of payment, suspension and/or closing of the Bank Account, earmarking of funds in and/or facilities available on the Bank Account and/or application for cheques but excluding change in the Agreed Signing Arrangement; and
 - (c) to give all types of instructions to and/or to sign all types of documents (including but not limited to the endorsement and/or signing on any or all items for collection) and/or to enter into all types of agreements (including but not limited to indemnities, agreements to sell or purchase currency/ currencies and/or agreements for the discounting/purchase of and/or advance/drawing against any or all items for collection) with the Bank in connection with and/or for (i) the collection of cheques, drafts, bills, promissory notes, orders and/or any other items of whatsoever nature; and/or (ii) the placing, redeposit and/or renewal of deposits of all types with the Bank; and
 - (d) to receive, sign and/or verify (including certification of) the correctness of all documents, statements of account and/or information in relation to the Bank Account concerned.
- 4. Collection and Discounting of Payment Orders**
- 4.1 The Bank reserves the right not to accept for collection and deposit into the Bank Accounts any cheques, bills, drafts, promissory notes, orders and/or other instruments (collectively, the "Payment Orders"). All Payment Orders accepted for collection are credited subject to clearance (i.e. the Bank's actual receipt of freely remittable and immediately available and disposable funds therefor) and unless otherwise agreed by the Bank are not available for withdrawal until clearance. Further, whether or not the Bank permitted withdrawal prior to clearance, the Bank shall be entitled to charge or debit the Bank Account concerned with Payment Orders which are subsequently returned unpaid together with (i) interest thereon and (ii) any cost and expenses reasonably incurred.
- 4.2 All collection for Payment Orders payable outside HKSAR shall be (i) subject to and on the terms of the Uniform Rules for Collection (ICC Publication No.522) and its amendments and/or replacement currently in force at the material time save and except that collection orders in writing may be dispensed with unless required by the Bank and (ii) subject to the legal requirements and/or banking practice of the place of payment of the item concerned. The Bank has absolute and unfettered discretion to appoint one or more correspondent banks in presenting such Payment Orders for payment or acceptance (as the case may be) and in relation to any other matter arising out of the process of collection. The Bank will not be responsible for any error, neglect, default, omission, insolvency or failure in business of such correspondent banks. Further, protest on such Payment Order will not be made by the Bank unless specifically instructed by the Customer in writing and on terms and conditions as prescribed by the Bank.
- 4.3 All Payment Orders payable in HKSAR received for collection after normal clearing time on any date will be treated as received for the Bank Account concerned on the following Business Day other than a Saturday.
- 4.4 Notwithstanding any Payment Orders for collection and payment into a Bank Account has not been endorsed by the payee(s) thereof and whether such items bear an "Account Payee" or "Account Payee Only" crossing, the Bank shall be entitled and is authorized (but shall not be obliged) : (i) in case of joint account, to collect and pay into the Bank Account concerned any Payment Order payable to any one or more but not all of the account holders; and (ii) in case of a Bank Account in the name of a sole proprietorship or partnership, to collect and pay into the Bank Account concerned any Payment Order payable to the sole proprietor personally or payable to any one or more but not all of the partners (as the case may be).
- 4.5 The Bank may, at the request of the Customer and on the terms and conditions acceptable to the Bank, purchase or discount the Payment Orders from the Customer, provided that the Bank shall have absolute and unfettered discretion to refuse to purchase or discount the Payment Order without giving any reason therefor. If the Bank elects to purchase or discount any Payment Orders, the Customer shall be bound by the following terms and such other terms and conditions as the Bank may impose :-
- (a) The Bank shall not be responsible for any delay in the presentation of the Payment Orders for payment or acceptance (as the case may be), or for any failure or delay in the giving of notice of any claim which may be raised by the drawers of the Payment Orders or their drawee banks and any such duty imposed on the Bank by law to give any such notice of claim (if any) is hereby waived by the Customer absolutely.
 - (b) The Bank shall have the full and unfettered authority and discretion to deal with those Payment Orders in the case of dishonour or non-payment upon presentation, including without limitation whether or not to have any such Payment Orders protested or noted and when to do so, and that nothing done or omitted to be done by the Bank in respect of such Payment Orders shall in any way prejudice the Bank's right of full recourse to the Customer nor shall the Bank be made liable to the Customer for anything done or omitted to be done by the Bank.
 - (c) If, for whatever reason, the original Payment Order is not available, a photocopy of the Payment Order together with supporting documents (if any) will be accepted by the Customer as conclusive evidence for the unpaid/returned Payment Order. The Customer shall not require the Bank to produce and return to the Customer the original Payment Order.
- 4.6 In addition and without prejudice to Clause 4.5 above, the Bank shall have full recourse against the Customer in respect of any or all of the Payment Orders purchased or discounted by the Bank from the Customer and the Customer shall refund to the Bank on demand at any time, whether prior to the maturity of the Payment Order or otherwise, the sum paid to the Customer by way of the purchase or discount of the Payment Order together with interest thereon from the date of the Bank's payment to the Customer up to the refund by the Customer in full such rate of interest is to be determined by the Bank as the Bank may in its absolute discretion determine unless such interest rate has otherwise

- been agreed between the parties prior to the purchase or discount of the Payment Order.
- 4.7 The proceeds of collection and any sum payable by the Bank in purchasing and/or discounting the Payment Orders shall, after deduction of all costs, charges, interest and expenses (including those charges, interest and all reasonable costs and expenses to be incurred by the Bank in carrying out the payment instructions), be paid to the Bank Account nominated by the Customer. If the Customer fails to nominate such account, the Bank shall have the absolute and unfettered discretion to pay the above proceeds either to any of the accounts maintained by the Customer with the Bank or to a suspense account bearing no interest pending further instructions from the Customer.
- 4.8 The Customer acknowledges that foreign exchange transactions are settled by Hong Kong Dollars or such other currencies as agreed between the Bank and the Customer ("Settlement Currency") and converted at the then prevailing spot rate of exchange quoted by the Bank (as conclusively determined by the Bank) for purchasing the Settlement Currency with the currency of the relevant Payment Order.
- 4.9 For the Payment Orders presented by the Customer to the Bank for collection or otherwise for discount or purchase, the Customer warrants that he has a good title to the Payment Orders and that the Payment Orders are within the Customer's own disposition and control.
- 4.10 The Customer further agrees to indemnify and keep the Bank indemnified on a full indemnity basis from and against all actions, suits, proceedings, claims, demands, loss, damages, costs, fees, commissions, charges, expenses and or liabilities of whatever nature whether in contract, tort or otherwise which the Bank may suffer, incur or sustain, whether actual or contingent, by reason, arising out of or in connection with each and every collection, purchase and/or negotiation made for the account of the Customer from time to time or in connection with the defending by the Bank of any claim or proceedings made or taken out, or threatened to be made or taken out against the Bank in relation to such collection, purchase and/or negotiation including all legal and other costs, charges and expenses which the Bank may reasonably incur in connection with enforcement or attempted enforcement of the Bank's rights in respect thereof.
- 4.11 The Bank shall be entitled to charge the Customer fees and/or charges for and/or relating to any Payment Orders accepted for collection, purchase and/or negotiation (as the case may be) as specified in the schedule of fees/charges published by the Bank from time to time, provided that the Bank may vary the amount of fees or their basis of calculation upon 30 days' prior notice to the Customer displayed or posted on the Bank's banking halls or in such other manner as the Bank sees fit. Any fees, charges and/or commissions so imposed by the Bank shall be payable by the Customer on demand. For the avoidance of doubt, the aforesaid 30 days' prior notice is not applicable in case where the variation of fees/charges is beyond the control of the Bank. The Customer acknowledges that the Customer has full knowledge and information of the fees/charges chargeable by the Bank concerning dealings with payment orders. Such schedule of fees/charges shall be made available to the Customer at any time upon request or can be viewed on the Bank's website. Further and in addition to the above, the Customer shall indemnify and reimburse the Bank on a full indemnity basis on demand for all fees, charges, claims, liabilities, payment, reasonable costs and expenses (whether legal or otherwise) for any such Payment Orders.
- 5. Checking Accounts**
- 5.1 The following provisions shall only be applicable to and binding on any checking account(s) :-
- (a) withdrawals may be by cheques, in the prescribed forms supplied by the Bank, unless otherwise agreed and accepted by the Bank.
- (b) cheque books may only be issued on application by the Customer in compliance with the procedure prescribed and determined absolutely by the Bank from time to time. Cheque books may be delivered to the Customer in person or to bearer of application form for cheque books or by post or by such delivery bodies or channels as the Bank deems fit to the Customer at the Customer's address on record with the Bank at the cost and expense of the Customer. The Bank assumes no responsibility for delay or loss or mis-delivery if the cheque books are not collected by the Customer personally unless due to the negligence or wilful default of the Bank, the Bank's authorized officers, employees or agents.
- (c) cheque books must at all times be kept safely so that they are not available to unauthorized persons.
- (d) all cheques shall be written in non-erasable ink or ball-pen in Chinese or English and in a manner which does not allow the same to be easily altered by any unauthorized person.
- (e) any alteration on a cheque must be authenticated by the full signature of the drawer.
- 5.2 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 ("HKICL") for such period as is stated in the Clearing House Rules, and after such period, they may be destroyed by the collecting bank or HKICL as the case may be; and
- (b) The Bank is authorised to contract inter alia with collecting banks and HKICL in accordance with the terms in sub-paragraph (a) of this provision.
- 5.3 For the purpose of this provision, Clearing House Rules means the rules and/or operating procedures as enacted and amended from time to time by HKICL.
- 6. Savings Accounts**
- 6.1 The following provisions shall only be applicable to and binding on any savings account(s) :-
- (a) savings accounts may be passbook savings accounts or no-passbook savings account. For passbook savings accounts, a passbook will be issued to the Customer for operation of the Bank Account concerned. For no-passbook savings accounts, the Customer will make relevant withdrawals at the Bank by signing the withdrawal slip in the prescribed form of the Bank. Monthly statements will be issued to the Customer of the account status of the no-passbook savings accounts.

- (b) for withdrawal from passbook savings accounts at the counter, the passbook of the Bank Account concerned should be presented. However, the Bank may at its discretion without incurring any liability dispense with production of the passbook. Payments or transfers made by the Bank to, or pursuant to the instruction of, a person producing the passbook (if no waiver is granted by the Bank) and a withdrawal form purporting to be signed by the Authorized Signatory(ies) shall be an absolute discharge to the Bank Provided Always that the Bank shall be entitled (but not under any duty so to do), if deems fit, to require any of the Authorized Signatory(ies) to (i) make the withdrawal in person and produce such identification satisfactory to the Bank; or (ii) provide verbal or written confirmation to our Bank.
- (c) for withdrawal from no-passbook savings accounts at the counter, the Customer or the Authorized Signatory(ies) shall make cash withdrawal in person. However, the Bank may at its discretion without incurring any liability dispense with the requirement of making cash withdrawal by the Customer or the Authorized Signatory(ies) in person. Cash payments or account transfers made by the Bank to, or pursuant to the instruction of, a person producing a withdrawal slip in the prescribed form of the Bank purporting to be signed by the Authorized Signatory(ies) shall be an absolute discharge to the Bank Provided Always that the Bank shall be entitled (but not under any duty so to do), if deems fit, to require any of the Authorized Signatory(ies) to (i) produce such identification satisfactory to the Bank; or (ii) provide verbal or written confirmation to the Bank.
- (d) the Customer shall not tamper and/or meddle with the passbook and/or the entries therein and replacement passbook of any of the Bank Accounts lost or damaged will only be issued by the Bank on such terms and conditions and at such charges as the Bank may in its absolute discretion determine.
- (e) passbooks are the property of the Bank and are not transferable or assignable and cannot be pledged as security. Passbooks must at all times be kept safely so that they are not available to unauthorized persons.
- (f) for passbook savings accounts, the balances in the passbooks of the Bank Accounts are for reference only as there may be transactions without passbook and items not posted therein. The passbooks must be presented to the Bank regularly for updating of any unposted items. The Customer shall examine the passbooks and as appropriate present them for updating and/or request in writing for a statement showing the unposted items. The Customer warrants and shall have a duty to examine and verify the correctness of each and every entry in the passbooks and/or the unposted item statement and notify the Bank at the office or branch at which the Bank Account concerned is maintained immediately in writing if any of them is wrongful, irregular and/or unauthorized. Unless the Bank shall have actually received such notice within 90 days of the relevant transactions, the Customer shall be deemed to have conclusively confirmed and accepted such entries and shall not be entitled to raise subsequently any claims or dispute thereon on whatever grounds without prejudice to clause 3.2 of the General Terms and Conditions.
- (g) savings accounts may be for a specified currency or for multi-currencies. For a multi-currency account, only such currencies determined absolutely by the Bank from time to time will be permitted for deposit into such Bank Accounts.
- (h) interest on saving accounts shall be governed by the following provisions : -
 - (i) interest will accrue on the daily credit balances in such Bank Account at such minimum amount or in such multiples as the Bank may from time to time determines and at such rates determined absolutely by the Bank from time to time for the applicable currency in the same type of account as that of the Bank Account concerned. However, for items under collection, notwithstanding the posting of credit entries therefor, interest will only start to accrue as from the Bank's actual receipt of the funds therefor. No interest will be earned in respect of the days when the balance in the Bank Account falls below the minimum balance as from time to time determined by the Bank.
 - (ii) interest earned will be credited to such Bank Accounts at such intervals and in such manner as may from time to time prescribed by the Bank. Minimum deposit amount is subject to change with prior notice.
 - (iii) different rates of interest will be given by the Bank depending on the amount of balance maintained in the Accounts and the Bank shall have an absolute discretion to classify the amount of balance into tiers with different rates of interests allotted to different tiers.
 - (iv) the basis of a 360 days in a year will be used for calculation of interest for any currencies save and except Hong Kong Dollars and Sterling Pounds deposits, in which case, a 365 days in a year will be used for calculation of interest.
- (i) the amount of each withdrawal shall be in such amount as the Bank may in its absolute discretion from time to time determine.

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7.1

Deposit Accounts

The following provisions shall be applicable to and binding on all types of deposits account(s) (whether for a fixed term or on call or on demand) :-

- (a) the Bank reserves the right not to accept any deposit at its absolute discretion. All deposits accepted by the Bank shall be subject to and governed by these terms and conditions and the special terms and conditions particularly relating to the deposit concerned set out on the deposit confirmation or such other document(s) issued for such deposit and if there is any conflict, the latter shall prevail.
- (b) the Bank reserves the absolute right to require deposits to be made by immediately available funds in the same currency as that of the deposit. Any deposit accepted by the Bank if not made by immediately available fund (i) shall be subject to actual receipt of such funds by the Bank; (ii) may be cancelled by the Bank without notice if such funds are not subsequently received on the due date for same; (iii) in addition to other terms of

- the deposit, unless the Bank otherwise agrees, no withdrawal of the deposit concerned (whether principal or interest) will be allowed prior to such receipt; and (iv) the Customer shall on demand indemnify the Bank for all losses, payments, reasonable costs and expenses arising out or as a result of such non-receipt.
- (c) the Bank shall be entitled (but not under any duty) to require the production and surrender to the Bank of the deposit confirmation/certificate/receipts/advice concerned for the withdrawal of any deposit.
- (d) unless otherwise agreed by the Bank, fixed deposits can only be withdrawn on or after maturity and call deposits can only be withdrawn after the expiration of the prescribed notice for withdrawal duly given. Withdrawal may not be made by means of cheques, drafts, bills of exchange or other negotiable instruments.
- (e) for fixed deposits, interests will be calculated on the principal amount at the interest rate agreed for the number of days in the year determined by the Bank on a simple basis from the effective date up to but excluding the due date. For call deposits, interest will be calculated on the principal amount at the interest rate for the number of days in the year determined by the Bank on a simple basis. Interests for fixed deposits or call deposits will only be paid when the principal is withdrawn. Where applicable, interest shall accrue at the rate and for the period as set out in the deposit confirmation. Accrued interest is only payable on the due day and no interest is payable if the deposit is withdrawn prior to the due day. If on or after the due date for any particular deposit, the Customer fails to give any instructions regarding the disposal of the matured deposit, the Bank may at its absolute discretion either (i) renew the deposit together with its accrued interest for the same period as the last matured deposit and at the relevant interest rate applicable to the deposit as quoted by the Bank at the time of renewal; or (ii) place the deposit in a suspense account without any interest until the Bank receives further instructions; or (iii) allow the deposit to carry interest at such rate as the Bank may absolutely determine until the Bank receives further instructions provided that in such event interest on the due date and thereafter will accrue on the principal amount only and the interest accrue shall be calculated at the rate specified by the Bank from time to time. Unless otherwise agreed between the Customer and the Bank, if the date of maturity of a fixed deposit falls on a day which is not a Business Day, the fixed deposit shall be deemed to mature on the succeeding Business Day. Without prejudice to the foregoing, fixed deposits may not be withdrawn before maturity except otherwise permitted by the Bank at its sole discretion in exceptional circumstances. Fixed deposits so withdrawn may be subject to an interest penalty based on the market interest rates at the time of uplift. The Bank shall also be entitled to charge a handling fee in such amount as the Bank may from time to time determine.
- (f) the basis of a 360 days in a year will be used for calculation of interest for any currencies save and except Hong Kong Dollars and Sterling Pounds deposits in which case, a 365 days in a year will be used for calculation of interest.

8. Accounts in Foreign Currencies

8.1

The following provisions shall apply to all types of Bank Accounts and deposits in foreign currencies :-

- (a) the words "foreign currency" or "foreign currencies" mean all currencies other than the lawful currency of HKSAR and shall include units of accounting internationally accepted as equivalent to currencies.
- (b) accounts in foreign currencies may be foreign currencies telegraphic transfer – T/T accounts ("T/T accounts") or foreign currencies notes accounts ("notes accounts"). Unless expressly stated as notes accounts, all Bank Accounts in foreign currencies are T/T accounts. For T/T accounts, the Bank reserves the absolute right not to accept bank notes for payment into or withdrawals from the Bank Account concerned and in case of such acceptance, bank notes will only be accepted or withdrawn subject to payment of the difference in exchange and/or such other fees commissions or charges as specified in the schedule of fees/charges published by the Bank from time to time and to be made available to the Customer upon request or can be viewed on the Bank's website, provided that the Bank may vary the amount of fees or their basis of calculation upon 30 days' prior notice to the Customer displayed or posted on the Bank's banking halls or in such other manner as the Bank sees fit. Any fees, charges and/or commissions so imposed by the Bank shall be payable by the Customer on demand. For the avoidance of doubt, the aforesaid 30 days' prior notice is not applicable in case where the variation of fees/charges is beyond the control of the Bank.
- (c) for withdrawals from Bank Accounts in foreign currencies, the Bank shall be entitled to pay the Customer by any one or a combination of two or more of the following methods as absolutely determined by the Bank :-
- (i) for T/T accounts, subject to any fee schedule published by the Bank from time to time by telegraphic transfer of the amount withdrawn in the currency concerned to such account or accounts with a financial institution acceptable to the Bank but designated by the Customer or by issuing to the Customer a cheque or draft payable in the currency of the amount withdrawn drawn on such bank at such place as the Bank may determine absolutely; and/or
 - (ii) for notes accounts, subject to availability of such bank notes to the Bank, by cash payment in the currency concerned; and/or
 - (iii) for all accounts, by payment in Hong Kong Dollars being the equivalent of amount withdrawn converted at the T/T buying rate for T/T accounts or at the notes rate for notes accounts (as the case may be) of the currency concerned quoted by the Bank at the time of such withdrawal.

In the case of (i) above, however, the Bank will act subject to the laws and regulations in the relevant country, and to the Government's measures and restrictions of the government of the relevant country, if any, concerning the assets of the Bank in that relevant country or concerning the particular cheque to be issued by the Bank to the Customer, and the Customer accepts all the risks of or arising from any such laws, regulations, measures and restrictions. The Bank shall have an absolute discretion in the choice of correspondent(s). The Bank is entitled to debit the Customer's account for the amount of its charges and expenses and, as appropriate, those of its correspondents.

9. Statements of Accounts

9.1 The Customer warrants and shall have a duty to examine and verify the correctness of each and every statement of account sent by the Bank to the Customer and notify the Bank immediately in writing, if any entries are wrongful, irregular and/or unauthorized. Unless the Bank shall have actually received such notice above mentioned within 90 days of the date of sending by the Bank of the statement of account concerned, the Customer shall be deemed to have conclusively confirmed and accepted all entries therein and estopped from raising subsequently any claims or dispute on such entries, except in relation to the transactions set out in Clause 3.2 of the General Terms and Conditions.

9.2 In cases of checking accounts, statement savings accounts and any other accounts for which monthly statements will be issued by the Bank, if the Customer shall not have received a statement of account of the Bank Account concerned for any monthly period (i.e. the usual monthly periods for which monthly statements in relation to the Bank Account concerned are issued) in which a transaction or transactions has/have been carried out on or in relation to such Bank Account within 15 days from the end of such a monthly period, the Customer shall have a duty to notify the Bank immediately of such non-receipt in writing. Unless such notice of non-receipt has actually been received by the Bank, the Customer shall be conclusively deemed to have received the statements of account covering the period concerned and the Customer shall be estopped from alleging the non-receipt of such statement of account. Further, upon expiration of 90 days from the date of sending of the statement by the Bank, the Customer shall be estopped from raising any claims or dispute on any entries therein, except in relation to the transactions set out in Clause 3.2 of the General Terms and Conditions.

9.3 In cases of checking accounts, statement savings accounts and any other accounts for which monthly statements will be issued by the Bank, if there is no transaction on the Bank Account concerned in any month, the Bank shall be entitled not to send any statement of account of the Bank Account concerned to the Customer for the period concerned.

9.4 In cases of checking accounts, statement savings accounts and any other accounts for which monthly statements will be issued by the Bank but with specific instructions from the Customer to retain the statements for collection, the same shall be deemed to have been received by the Customer 3 days after the date of issuance of such statements.

10. The Bank's Right to Correct Accounts and Records in Case of Error

10.1 Notwithstanding any provisions to the contrary, whether express or implied, the Bank reserves the right and the Customer authorizes the Bank with the absolute right at any time (whether before or after issuance of statement to the Customer and/or entries to the passbook of the Bank Account concerned) upon discovery of (a) any entry made by mistake; and/or (b) any omission of entry; and/or (c) any error in calculation in relation to any of the Bank Accounts and/or transactions thereon or in connection therewith, to rectify its books and records and to make corrective entries (whether credit or debit) to the statement of accounts and/or passbooks of the Bank Account concerned.

11. Closing and/or Suspension of the Bank Accounts by the Banks

11.1 The Bank shall be entitled to close any of the Bank Accounts by giving to the Customer a 30 days' notice in writing hereof. Thereafter, the Bank Account concerned shall be deemed closed and the Bank shall be entitled to hold any credit balance therein in a non-interest bearing suspense account pending withdrawal by the Customer.

11.2 In addition to the above, as of right and without liability to the Customer, the Bank shall be entitled in its absolute discretion and immediately without any prior notice to or consent of the Customer to suspend the operation of any of the Bank Accounts (including but not limited to suspension of payment or withdrawal) for such period as the Bank deems fit where (i) where there is any irregularity in the operation of the Bank Account concerned as the Bank may absolutely determine; and/or (ii) conflicting instructions are received by the Bank in relation to the Bank Account concerned; and/or (iii) any proposed change to the Agreed Signing Arrangement for the time being of the Bank Account concerned is not acceptable to the Bank; and/or (iv) the Bank shall have received claims from third party or parties on the fund or any part thereof in the Bank Account concerned.

12. Charges, Interests and Others

12.1 The Bank hereby reserves the right to levy deposit charges to the Customer in accordance with the determinations of the Hong Kong Association of Bank's Rules on Interest Rates and Deposit Charges where applicable against the credit balance held for the Customer in Hong Kong Dollars.

12.2 The Bank shall have the right to levy handling charge(s) for the Bank Account in which the credit balance is less than such minimum deposit amount as from time to time determined by the Bank.

12.3 The Bank shall have the right to levy a service charge payable semi-annually if the Bank Account remains inactive for a continuous period of more than one year.

12.4 The Bank is authorized to debit cheques, orders, bills, notes, drafts and withdrawals of the Customer and any other charges or expenses payable by the Customer to the Customer's account or accounts whether the account or accounts be for the time being in credit or overdrawn or may become overdrawn or may cause any overdraft to be thereby increased in consequence of such debit and the Customer shall repay on demand of such debit balance or overdraft balance together with interests thereon and other costs, cheques and expenses. Notwithstanding the aforesaid, the Bank shall have an absolute right not to honour or pay such cheques etc. as aforesaid if the account or accounts do not have sufficient funds to meet it PROVIDED FURTHER that if the Customer overdraws the account or accounts without prior agreement or exceed an agreed borrowing limit, the Bank shall be entitled to charge interest at the overdraft rate adopted by the Bank at the material times on the overdrawn amount or at such other rate as from time to time prescribed by the Bank whichever is higher and the basis of a 360 days in a year will be used for calculation of overdue interest for any currencies save and except Hong Kong Dollars and Sterling Pounds, in which case, a 365 days in a year will be used for calculation of overdue interest.

- 12.5 The Customer shall keep the withdrawal slips, passbooks, chops and seals in a place of security under lock and key. In the event of loss of the withdrawal slips, passbooks, chops and seals for operating the account or accounts, the Customer must immediately report to the Bank in writing. The Bank will not be responsible for any payments made prior to receipt of such written notice.
- 12.6 In the event that the Customer shall use a personal seal for withdrawals, such withdrawals can only be made at the accounts opening branch or any other branch(es) where the signature card is maintained.
- 12.7 The Bank may require the production of identification documents from the Customer or the persons over the counter where the withdrawals are made.
- 13. Rules and Regulations**
- 13.1 The rules and regulations ("the Rules and Regulations") of the Bank applicable to accounts of the same type as that of the Bank Account concerned for the time being currently in force from time to time shall be absolutely binding on and have contractual effect against the Customer Provided Always That :-
- (a) the Bank shall be entitled to add, delete and/or amend the Rules and Regulations from time to time in accordance with Clause 16 of the General Terms and Conditions; and
 - (b) if there is any conflict between any of the Rules and Regulations (including its addition, deletion and/or amendment currently in force) on the one hand and these terms and conditions on the other hand, the latter shall prevail.
- 14. Treatment of Original/Copies of Documents**
- 14.1 The Bank may at its discretion destroy the originals and/or copies of any or all cheques, bills, notes, drafts, orders and/or any other documents relating to the Bank Accounts after the same have been processed by micro-film or other recording devices.
- 15. Rules of the Hong Kong Association of Bank ("HKAB")**
- 15.1 All Bank Accounts shall be subject to the Rules of HKAB which are binding on the Bank for the time being at the material time. The terms and conditions of the Bank Accounts shall be deemed automatically varied and effectively amended to enable the Bank to comply with such Rules including but not limited to the Rules on Interest Rates and Deposit Charges which Rules of HKAB shall be effective and conclusively binding on the Customer once notice of such amendments is given to the Customer.