

Schedule VI

Terms and Conditions for e-Cheques

- 1. e-Cheques Deposit Services provisions - applicability and definitions**
- 1.1 The provisions in this Schedule shall apply to the Bank's services relating to e-Cheques. This Schedule supplements and forms part of the Bank's Terms and Conditions for Bank Accounts and General Services, Specific Terms and Conditions for Renminbi Accounts and Services and other applicable terms and conditions, rules and regulations (collectively "Existing Terms"). The provisions of the Existing Terms which apply to paper cheques or generally to the Bank's services continue to apply to e-Cheques and the Bank's e-Cheques Deposit Services to the extent that they are relevant and not inconsistent with the provisions in this Schedule. The provisions of this Schedule prevail if there is any inconsistency between them and the provisions of the Existing Terms with respect to the e-Cheques Deposit Services.
- 1.2 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 the Bank from time to time for presentation 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 the Bank to customers from time to time for depositing e-Cheques.
"e-Cheque Drop Box" or "e-Cheque Drop Box Service" and "e-Cheque Drop Box Account" have 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 the Bank 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.
"Customer" means each customer to whom the Bank provide e-Cheques Deposit Services.
- 2. Nature and scope of e-Cheques Deposit Services**
- 2.1 The Bank may provide e-Cheques Deposit Services at the Bank's discretion. If the Bank provides e-Cheques Deposit Services to the Customer, the Customer may deposit e-Cheques. In order to use the e-Cheques Deposit Services, the Customer has to provide such information and documents and accept such terms and conditions which may be required or prescribed by the Bank and the Clearing House respectively from time to time. The Customer may also be required to sign forms and documents prescribed by the Bank from time to time.
- 2.2 e-Cheques Deposit Services allow the Customer and other persons to present e-Cheques (whether payable to the Customer and/or any other holder of the Payee Bank Account) for deposit with the Bank (as Payee Bank), using the e-Cheque Drop Box Service offered by the Clearing House or using the Bank's Deposit Channels, in accordance with Clause 3 below.
- 2.3 The Bank may provide e-Cheques Deposit Services relating to e-Cheques that are issued in any currency specified by the Bank from time to time, including Hong Kong dollars, US dollars or Renminbi.
- 2.4 The Bank has 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):
(a) the service hours of the e-Cheques Deposit Services (including cut-off times for presenting e-Cheques) ; and
(b) any fees and charges payable by the Customer for the e-Cheques Deposit Services.
- 3. e-Cheques Deposit Services**
- 3.1 The e-Cheques Deposit Services may allow presentation of e-Cheques for deposit with the Bank (as Payee Bank) using the e-Cheque Drop Box Service provided by the Clearing House or using the Bank's Deposit Channels.
- 3.2 e-Cheque Drop Box Service
(a) The e-Cheque Drop Box Service is provided by the Clearing House. The Customer is bound by the e-Cheque Drop Box Terms in relation to the Customer's use of the e-Cheque Drop Box Service. The Customer is solely responsible for performing the Customer's obligations under the e-Cheque Drop Box Terms.
(b) In order to use the e-Cheque Drop Box Service, the Customer is 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. The Customer is allowed by the e-Cheque Drop Box Terms to register an e-Cheque Drop Box Account with a Payee Bank Account that is the Customer's same-name account or an account other than the Customer's same-name account. The Customer is responsible for the presentation of all e-Cheques by the Customer or any other person using the Customer's e-Cheque Drop Box Account (including presentation of any e-Cheques to a Payee Bank Account other than the Customer's same-name account).
(c) 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. The Bank may (but has no obligation to) provide reasonable assistance to the

- Customer. In particular, the Bank does not have the electronic record or image of any e-Cheque deposited using the e-Cheque Drop Box Service. On the Customer's request, the Bank may (but has no obligation to) provide the date, e-Cheque amount, e-Cheque number, payee name and any other information agreed by the Bank relating to an e-Cheque deposited using the Customer's e-Cheque Drop Box Account.
- (d) The Bank gives 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, the Customer bears the responsibilities and risks relating to the use of the e-Cheque Drop Box Service. The Bank is not liable for loss, damage or expense of any kind which the Customer or any other person may incur or suffer arising from or in connection with the use of the e-Cheque Drop Box Service.
- 3.3 The Bank's Deposit Channels
The Bank 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 the Bank's liabilities**
- 4.1 Handling of e-Cheques
The Customer understands that the Bank 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 the Customer. Accordingly, the Bank is entitled to collect any e-Cheque payable to the Customer 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.
- 4.2 Restriction of the Bank's liability
Without reducing the effect of the provisions of the Existing Terms:
- (a) the Bank is not liable for loss, damage or expense of any kind which the Customer 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 the Customer or any other person using the Deposit Channels provided by the Bank to the Customer, except to the extent that any loss, damage or expense incurred or suffered is direct and reasonably foreseeable arising directly and solely from the Bank's negligence or wilful default or that of the Bank's officers, employees or agents;
- (b) in particular and for clarity, the Bank is not liable for loss, damage or expense of any kind which the Customer or any other person may incur or suffer arising from or in connection with the following (or any of them):
- (i) use of the e-Cheque Drop Box Service by the Customer or any other person, or the e-Cheque Drop Box Terms or download of the relevant mobile applications for the use of the e-Cheque Drop Box Service;
- (ii) the Customer's failure to comply with the Customer's obligations relating to the e-Cheques Deposit Services;
- (iii) presentment of any e-Cheque payable to the Customer in accordance with the Industry Rules and Procedures despite the provisions of the Bills of Exchange Ordinance;
- (iv) any failure or delay in providing the e-Cheques Deposit Services caused by or attributed to the payer and/or payee of the e-Cheque (including but not limited to any discrepancy of the name of the payee from the Bank's record, suspension of the Payee Bank Account, irregularity of the status of the Payee Bank Account or whatever reasons); and
- (v) 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 the Bank's reasonable control; and
- (c) in no event will the Bank be liable to the Customer or any other person for any loss of profit or any special, indirect, consequential or punitive loss or damages.
- 4.3 The Customer's confirmation and indemnity
- (a) The Customer accepts the restriction of liabilities and disclaimers imposed by the Bank and the Clearing House in relation to the e-Cheques Deposit Services and the services provided by the Clearing House respectively. The Customer accepts and agrees to bear the risks and the liabilities for depositing e-Cheques.
- (b) Without reducing the effect of any indemnity given by the Customer under the Existing Terms or any other rights or remedies that the Bank may have, the Customer will indemnify the Bank and the Bank's 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 the Bank or any of them and all actions or proceedings which may be brought by or against the Bank or any of them as a result of or in connection with the Bank's provision of the e-Cheques Deposit Services or the Customer's use of the e-Cheques Deposit Services.
- (c) 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 the Bank's negligence or wilful default or that of the Bank's officers, employees or agents.
- (d) The above indemnity shall continue to have effect after the termination of the e-Cheques Deposit Services.