

HSBC GENERAL TERMS AND CONDITIONS

Unless the context otherwise requires, words and expressions which are respectively defined or construed in this HSBC General Terms and Conditions shall have the same meanings when used or referred herein. Words importing the singular include the plural and vice versa while words referring to the masculine also refer to the feminine and neuter genders. Reference to a person includes reference to a sole proprietor, partnership, club, society or company including but not limited to a limited company and/or international business company. Reference to a Clause is to a clause in these terms and conditions and the headings to the Clauses have been inserted for guidance and reference only and shall not be deemed to form any part of the HSBC General Terms and Conditions and are not to be taken into consideration in the interpretation of these terms and conditions.



The world's local bank

Important Note: Although every effort has been made to furnish accurate and up-to-date information in this notice, the Bank does not accept liability for changes that may have taken place since publication.

A. GENERAL

The following HSBC General Terms and Conditions shall apply to every account / product / service / facility (other than Credit Cards) opened / provided by the Hongkong and Shanghai Banking Corporation Limited, Brunei from time to time unless otherwise stated. If you are using one or more of our Deposits / Facilities / Services, please read up the relevant sections on their Terms and Conditions as they are legal and binding.

1. Scope

1.1 The HSBC Account holder ("**the Customer**") agrees to be bound and limited by The Hongkong and Shanghai Banking Corporation Limited ("**the Bank**") general terms and conditions ("**HSBC General Terms and Conditions**") governing the use of all accounts, including but not limited to company and corporate accounts, (each an "**Account**") and related services which the Bank agrees to establish and provide in Brunei Darussalam made or to be made available to the Customer or at his request which may consist of but not limited to:

- (i) all Savings, Current and Time Deposit Account(s) in local and/or foreign currencies (to be referred to as "**Savings Account**", "**Current Account**" and "**Time Deposit Account(s)**") respectively; and collectively known as "**the Accounts**") from time to time maintained with the Bank and/or
- (ii) overdraft and/or Credit Facilities ("**Facilities**");
- (iii) one or more cards ("**the Cards**") which may be the HSBC Automatic Teller Machine Card ("**the ATM card**"), the HSBC Visa Card / MasterCard ("**Credit Cards**") or any other card which the Bank may issue as part of its services; and/or
- (iv) PhoneBanking Service available to the Customer either by the computer aided self-service telephone banking system ("**Automated Telephone Banking**") or by the personal phone banking system ("**Personal PhoneBanking**"); and/or
- (v) Any other facilities, accounts and/or services which the Bank may offer from time to time in its absolute discretion.

Where there are inconsistencies between this HSBC General Terms and Conditions herein and any other terms and conditions, the HSBC General Terms and Conditions shall apply.

1.2 The provision of facilities, accounts and related services which the Bank agrees to establish and provide in Brunei and the use and/or operation thereof shall be governed by the respective terms and conditions (each known as the "**respective terms and conditions**", as amended, varied, modified or supplemented from time to time and for the time being in force) relating to each of the same; and in the event of conflict between the provisions of this General Terms and Conditions and those of any of the respective terms and conditions, the provisions of the latter shall, unless otherwise stated, prevail and the provisions of this HSBC General Terms and Conditions shall be deemed to be modified, but only so far as is necessary to give full effect to the provisions of the relevant respective terms and conditions.

1.3 Each of the respective terms and conditions and the HSBC General Terms and Conditions is available for inspection at any of the Bank's branches in Brunei upon the Customer's request and the Customer is

deemed to have read and understood them and shall be accordingly bound thereby.

- 1.4 The Customer acknowledges that the opening, operation and maintenance of account(s) and all matters relating thereto are subject to the laws of Brunei Darussalam and any other applicable jurisdiction(s) and to regulations / notices / directives of the Ministry of Finance and any relevant authority (whether in Brunei Darussalam or any other applicable jurisdiction(s) as well as the Bank's terms and conditions herein or as hereafter amended.
- 1.5 "HSBC Group" will mean the Bank, branches, offices and subsidiaries of the Bank; the holding company of the Bank; subsidiaries of the holding company; associates, associate undertakings and affiliates of the Bank and its holding company.

2. Customer Information

- 2.1 To enable the Bank to provide or consider whether to establish the Account and provide the Customer with related services (hereinafter collectively referred to as "service" or "services" as the case may be), the Customer is required to supply to the Bank from time to time the Customer's personal details and information ("**Personal Data**") and failure to do so may result in the Bank's inability to provide such service. The Personal Data will be used for considering the Customer's request and subject to the Bank agreeing to provide such service, the Personal Data (which will thereafter include, without limitation, all details and information pertaining to any of the Customer's account(s) held with the Bank and any of the Customer's transactions or dealings with or through the Bank – collectively "**Personal Data**") will be used in connection with the purposes set out below in clause 2.2.
- 2.2 The Customer irrevocably and unconditionally agrees that the Bank may use, store, disclose, transfer, compile, match, obtain and/or exchange (all whether within or outside Brunei) such Personal Data to, from or with any person as the Bank may consider necessary, including without limitation any member of the HSBC Group, any service provider or third party, any bureaus or agencies established or to be established by the Ministry of Finance or by other authorities, the Brunei Association of Banks and/or any debt collection agencies that may be appointed by the Bank for any and all purposes including without limitation:-
- (i) in connection with such service and/or in connection with matching for whatever purpose (whether or not with a view to taking any adverse action against the Customer) any such Personal Data with out Personal Data concerning the Customer in the Bank's possession; and/or
 - (ii) for the purpose of promoting, improving and furthering the provision of other services by the Bank and any member of the HSBC Group to the Customer generally; and/or
 - (iii) for the purposes of fraud or crime prevention, audit and debt collection and in order that services may be processed for the Bank; and/or
 - (iv) for purposes of investigating, reporting, preventing or otherwise in relation to money laundering, terrorist financing and criminal activities generally; and/or
 - (v) for the purpose of processing of the Customer and the Customer's account information outside of Brunei Darussalam without reference to the Customer, as the Bank and/or the HSBC Group at its absolute discretion deems fit; and/or
 - (vi) any other purposes and to such persons as may be in accordance

with the Bank's general policy on disclosure of Personal Data as set out in statements, circulars, notices or other terms and conditions made available by the Bank to the Customer from time to time.

- 2.3 If the Customer has a joint account, the Bank may also disclose to any of the co-account holders information provided to the Bank in relation to the account.
- 2.4 The Customer warrants that all particulars given to the Bank are, to the best of the Customer's knowledge, accurate and undertakes to notify the Bank of any changes hereto in writing.
- 2.5 The Bank may transfer the Customer's Personal Data outside Brunei. However, all Personal data held by the HSBC Group or by its sub-contractors or agents will be afforded a high level protection against any unauthorized or accidental disclosure, access or deletion. The Customer agrees to the Customer's Personal Data being used as described and that it may be transferred as stated in clause 2.2 above.
- 2.6 The Customer understands that the Bank, or any member of the HSBC Group or any third party to whom the Bank has transmitted information about the Customer's Personal Data, may be obliged to disclose such information if legally compelled to do so (whether by Brunei law or the law of any jurisdiction to which such information is transmitted)
- 2.7 The Bank may use, analyse and assess information held about the Customer and the Customer's account, including the nature of the Customer's transactions, to give the Customer information about products and services from members of the HSBC Group and those of selected third parties which the Bank thinks may interest the Customer by telephone, electronic media, post or other means. The Bank may pass this information to other members of the HSBC Group so that they may do the same.
- 2.8 The Customer undertakes to promptly advise the Bank in writing, addressed to the **Officer-in-charge of Customer Accounts and Operations, Network Services Centre, HSBC Business Processing Centre, Unit C1-C6, Block C, Jerudong Centre Jalan Jerudong BG3122, Brunei Darussalam** of any changes in its / his / her address and/or its constitution (in the case of a company or firm), failing which the Bank shall be discharged from all liability upon sending any notices to the last known address.
- 2.9 The Bank may at its discretion and for any purpose (including for the purpose of fraud prevention, audit, the provision of services by any third party, debt collection, or if required by any competent government or regulatory body) share any information, details or data relating to you or your transactions with any member or associate member of the HSBC Group of Companies.

The Bank may transfer or sub-contract the provision of any part of the services provided to you or to any third party including to another member of the HSBC Group whether or not that third party operates in another jurisdiction or territory. The Bank shall remain liable to you for any recoverable loss or damage incurred or suffered by you as a result of the negligence, breach or default of any such third party, and will that any such third party maintain the confidentiality of any such information to the same extent as the Bank.

Your information may be processed offshore, outside the jurisdiction of Brunei Darussalam.

3. Communication, notices and service of documents

- 3.1 All notices, requests, instructions, demands and other communications may be served by personal delivery, ordinary post, facsimile transmission, short message service (“SMS”) or electronic mail to the Customer’s last known address (whether within or outside Brunei Darussalam and whether such address is a Post Office Box or is a place of residence or business) and/or facsimile or contact number as may be provided to the Bank and shall be deemed (as the case may be) to be effectively received by the Customer once posted through mail and/or sent by facsimile transmission or SMS. In this connection, the Bank shall not be liable in any way whatsoever to the Customer for any loss or damage in the event that the aforesaid communication is received by a third party.
- 3.2 The Bank may serve any document on the Customer in a court action or otherwise required by law by delivering it or sending it by post to the postal or residential address last known to the Bank. This does not prevent any other method of service.
- 3.3 If and when the Customer sends a notice, request, instruction or other communication to the Bank, the records of the Bank shall be conclusive evidence as regards to the nature of such communications and the time at which they were received by the Bank. Any ambiguities in the written instructions deposited shall be the total responsibility of the Customer.
- 3.4 The Customer may, at any time, choose not to receive direct marketing literature / information about the Bank’s products and services. The Customer needs to write to **Marketing Department, HSBC Chambers, Corner of Jalan Sultan / Jalan Pemancha, PO Box 59, Bandar Seri Begawan BS8670, Brunei Darussalam** with his request and the Bank will delete the Customer’s name from its direct mailing lists without charge.
- 3.5 Any statement, notice, communication or demand required to be in writing and not specifically provided for herein may be sent by the Bank to the Customer by personal delivery or ordinary post to the last address supplied to the Bank and shall be deemed (as the case maybe) received at the time of delivery or after posting notwithstanding its subsequent return.

4. Opening and Closing of Accounts

- 4.1 The Customer agrees that in the absence of any directions to the contrary, all Accounts subsequently opened shall be operated and dealt with upon the terms set out in the mandate given when first opening the Account. In the case of a partnership, the authority first given shall remain in force until revoked in writing notwithstanding any change in the constitution or name of the firm or any change in the membership of the firm by death, bankruptcy, and retirement or otherwise or the admission of any new partner or partners. The Bank shall be entitled to treat the surviving or continuing partner or partners for the time being as having full power to carry on the business and to deal with its assets if there had been no change in the firm.
- 4.2 The Bank reserves the right to close any Accounts with zero balance for two consecutive months or which remains inactive (credit entries of interest payment are not considered as customer activity) for such continuous period of time at the discretion of the Bank.
- 4.3 The Bank in its absolute discretion may in certain circumstances, without assigning any reason whatsoever, terminate or close the Account by written notice to the Customer by post to any address furnished by the Customer to the Bank and shall be deemed effective after posting notwithstanding its subsequent return. In such a case, the

Customer shall without delay or further demand :

- (i) return to the Bank all cards and cheque books issued to or at the request of the Customer; and
- (ii) pay to the Bank the full amount outstanding, including but not limited to the outstanding amount of any overdraft under any Facility granted by the Bank.

Notwithstanding such termination or closure, the Customer shall remain liable for all amounts owing (whether actually or contingently) in respect of any outstanding Facilities together with all related charges hereunder. Without limiting the generality of the foregoing, all such amounts shall become immediately due and payable (without further demand) in the event of the death, insanity, bankruptcy or other incapacity of the Customer.

5. Account statements

- 5.1 A consolidated statement of account (“**account statement**”) may be issued containing information relating to account(s) held in the Customer’s name at the Bank or third party products / services / investments marketed by the Bank and may be sent to any address furnished by the Customer to the Bank.
- 5.2 Account statements are sent, where applicable, at periodic intervals unless otherwise instructed.
- 5.3 The Customer agrees to examine each account statement (which includes any record of transaction / updated record) emanating from the Bank to see if there are any errors or discrepancies, entries arising from whatever cause, including, but without limitation, forgery, fraud, lack of authority or negligence of the Customer or any other person (“**the Errors**”). The said account statement shall be binding upon the Customer, who shall be deemed to have agreed to waive any rights to raise objections or pursue any remedies against the Bank in respect thereof unless the Customer notifies the Bank in writing of any such Errors within ninety (90) days of the date of the account statement. All account statements and records of transactions and requests (whether voice-recorded otherwise) shall be conclusive and binding on the Customer. All references to “**Available Funds**” in these HSBC General Terms and Conditions or specific terms and conditions shall mean those funds held in the Account(s) based on the Bank’s records less any cheques deposited but yet to be cleared, any hold on any sums and shall also include any unutilised overdraft limits, if any.
- 5.4 If the Bank is unable to send any such periodic statements of Account to the Customer, the Customer’s liability shall not be affected in any way and shall continue for the purpose of calculating interest or any other charges or establishing the date on which payment is due, the Bank in its sole discretion may select any date as the statement date.

6. Authorised Signatures

- 6.1 Customer shall supply the Bank with a list of the names and specimens of the authorised signatures and shall from time to time inform the Bank in writing of any change together, where applicable, with a certified true copy of a resolution, which shall be conclusive evidence. The Customer shall ensure that his signature on cheques, instructions and communication with the Bank corresponds to that given in the specimen signature, failing which the Bank has the sole discretion to decline acting on the same. Notwithstanding the foregoing, the Bank shall be entitled to act on a Customer’s cheque, instructions or communication although the Customer’s signature differs from that given in the specimen signature if the cheques, instructions or communication did, in fact, emanate from the Customer.

7. Customer Instructions

- 7.1 The Bank has the absolute discretion not to carry out any instructions or suspend the use of an account where the Bank in its sole opinion has reason to doubt its authenticity or considerate inappropriate to do so.
- 7.2 A Customer's instructions may be effected notwithstanding that:-
- (i) they conflict with or are inconsistent with other instructions received under any mandates given by the Customer to the Bank; and/or
 - (ii) such Account(s) which are for the time being on credit or overdrawn or may become overdrawn in consequence of such debit.

In any of the above cases, the Customer shall be responsible for the resulting advance or credit thereby created with interest at the prevailing rate as determined by the Bank, for which the Bank is authorized to set-off this sum from any Account(s) in credit in the name of the Customer. The Customer shall ensure that there are sufficient funds or prearranged credit Facilities in the Customer's Accounts to meet all payment instructions.

- 7.3 The Bank may in its absolute discretion conclusively determine the order of priority of payment by it of any monies pursuant to any cheque drawn on a Customer's Account or standing instruction or any instruction by the Customer (whether in writing or otherwise) or which the Customer had previously given or may hereafter give to the Bank.
- 7.4 All instructions by the Customer shall remain effective for the protection of the Bank in respect of payments made or instructions implemented in good faith notwithstanding the death or bankruptcy or the revocation of any such instructions by any means by the Customer until written notice with documents evidencing the death, bankruptcy or such revocation is received by the Bank.
- 7.5 Upon request by the Customer, the Bank is hereby authorized at its sole discretion to release information relating to the Customer's account, currency, exchange rates or interest rates (which are subject to alteration without notice) by telephone or facsimile. Such information / rates shall not be binding on the Bank unless subsequently confirmed in writing by the Bank.
- 7.6 The Bank is authorized to act on the instructions of the Customer given by the Customer by telephone or facsimile or other means of telecommunication ("**telecommunication instruction**") and the Customer agrees that the Bank is authorized to act on any telecommunication instructions which the Bank in its sole discretion believes emanate from the Customer and the Bank shall not be liable to the Customer for any loss or damage arising in the event such telecommunication instructions purportedly in the name of the Customer. The Customer hereby irrevocably agrees to indemnify the Bank and keep the Bank indemnified (which expression shall include the Bank's successors and assigns) against all actions, claims, demands, liabilities, losses, damages, costs and expenses of whatever nature that may result or which the Bank may sustain, suffer or incur as a result of the Bank acting on the Customer's verbal instructions / faxed / telecommunicated instructions in good faith, for which the Bank is hereby authorized to set-off or combine sums with any sum(s) standing to the credit of any account(s) of the Customer or debit sums into any account(s) of the Customer.

At the Bank's sole discretion, the Bank may introduce further security measures to ensure, as far as possible, that the instruction has been

authorized by the Customer.

- 7.7 The Bank may on such terms of indemnity or otherwise as the Bank may require, act on the Customer's oral instructions with respect to the operation of or any transaction in an Account. The Bank shall not be liable for any loss or damage suffered by the Customer if the Bank acts in good faith on such instructions.
- 7.8 The Customer agrees that until written notice has been received by the Bank revoking the terms set out in the mandate given when first opening the Account, or until such other event occurs which renders the Account holders or the Authorised Signatory (s) unable / incapable of performing the acts set out in the mandate, the Bank in its sole discretion is authorised to act on the authority or instructions given pursuant to the mandate without liability or prejudice. Upon receipt of contradictory instructions from more than one Authorised Signatory, the Bank in its sole discretion may refuse to act on any or all such instructions.

8. Accounts and Services

- 8.1 At the request of the Bank, the Customer shall execute such documents and/or perform such acts (including but not limited to documentation and/or identification to the satisfaction of the Bank) as the Bank consider expedient in connection with the provision of the Bank's products and services.
- 8.2 Where, for the purposes of the Customer's use of the Account, any sum is required to be converted into another currency, such conversion shall be effected at the Bank's then prevailing rate of exchange for such currency of any rate prescribed by any relevant organization involved in the administration of the Account.
- 8.3 In respect of any Account which is a foreign currency savings or current account, the Bank shall have the right to pay to the Customer on withdrawal by cash and/or cheque in the required and/or other currency at the Bank's absolute discretion. Withdrawals in foreign currency cash are further subject to seven (7) days' prior notice and availability of the currency in question.
- 8.4 Where the Bank has provided a special service / facility to receive cash and cheques, the Customer shall follow the prescribed procedures correctly. All other deposits of cash (other than through the ATMs) must be handed directly to the Bank's teller. The Customer agrees not to leave cash unattended until the Bank's teller has physically accepted it and further agrees to :
- (i) count all cash received before leaving the counter as the Bank cannot accept responsibility for any shortage once the cash has been dispensed to the Customer;
 - (ii) check all Debit / Credit transaction advices against counter transactions; failing which no liability shall attach to the Bank.
- 8.5 The Bank reserves the right to, without prior notice :
- (i) debit the Customer's Account with cheques and other monetary instructions credited but subsequently returned unpaid or which cannot be presented or cannot be cleared due to loss, destruction or misplacing of the cheques in the process of being presented or has been erroneously credited to the Customer's Account, for which no liabilities shall attach to the Bank;
 - (ii) amend / alter under advice, the pay-in-slip in case of errors, wrong addition, missing items or third party account payee cheques collected in error.

- 8.6 Any payment which is due from the Customer to the Bank in respect of any Accounts or Facilities failing on a non-Banking day shall be paid on the next Banking day.
- 8.7 Amounts outstanding in respect of Facilities granted by the Bank (including but not limited to the Overdraft Facility, the Personal Credit Line and Credit Cards) shall in any event be repaid by the Customer on demand. Payments made by the Customer to the Bank in respect of any Facility will be applied firstly towards payment of any outstanding interest, charges and fees and thereafter against any outstanding transaction / principal amount under such Facility.
- 8.8 The Customer understands that the credit and debit balances of any Account reflected on the video screen of the ATM against his account number(s) or reflected in any confirmation slip may be pending verification and/or clearance and agrees that the amount stated on the ATM video screen shall not for any purpose whatsoever be taken as a conclusive statement of his account(s) with the Bank.
- 8.9 The Customer hereby agrees that all Cards, Personal Identification Numbers (“PINs”), security devices, passwords, cheque books and any means of obtaining access to accounts issued to the Customer / created by the Customer, shall be kept under secure and sole / respective control and use of the Customer at all times, failing which no liability will attach to the Bank. The Customer must take precautions to prevent breaches of security. These include but are not limited to:
- (i) not changing the PIN / Password to a number and/or name which may be easy to guess such as dates of birth, telephone numbers, names, initials, etc;
 - (ii) not disclosing the PIN / Password to anyone (including the Bank’s staff) and not referring to it on any instructions given to the Bank whether verbally, in writing or by fax;
 - (iii) never making a record of the PIN / Password in a way that might be understood by someone else;
 - (iv) destroying any advice from the Bank concerning the PIN promptly after receipt; and
 - (v) informing the Bank immediately if the Customer knows or suspects that someone else knows the PIN / Password.
- 8.10 The Customer hereby agrees that all transactions performed with any Card / PIN / Password shall be deemed “authorized transactions” where:-
- (i) the Card and the corresponding PIN / Password was used and the security of the Bank’s fund transfer system was fully functional on that day; and
 - (ii) the officers or agents appointed by the Bank were not fraudulent or negligent in carrying out the said transaction.
- 8.11 The Customer shall always keep the Account in credit unless the Bank has expressly agreed to grant the Customer an overdraft. If, at its sole discretion, the Bank agrees to pay a cheque, bill or other instrument to allow any withdrawal and as a result the Customer’s Account becomes overdrawn or exceeds the agreed overdraft limit, this does not constitute an express agreement by the Bank to grant the Customer an overdraft or to increase the limit. Any overdrawn balance on any Account shall be repayable on demand by the Bank.

9. Cards

- 9.1 Any Card issued by the Bank shall remain the property of the Bank and must be surrendered by the Customer upon the Bank's request. The Bank has the right and sole discretion to withdraw the Card or limit or prohibit its use at any time without prior notice. Such limitation / withdrawal of the Card-related service will result in the Card being withheld in the ATM and not returned to the Customer. The Bank shall be entitled to the immediate return of any Card(s) in the event of the closure of the Customer's Account or the Customer's death.
- 9.2 The loss or theft of any Card or disclosure (or suspected disclosure) of any PIN / password must be notified to the Bank immediately and confirmed in writing as soon as possible. The Customer will be responsible for all transactions effected by use of the Card until such notification. The Bank may debit any Account with any cost incurred in issuing a replacement Card.
- 9.3 The Bank may, in its sole discretion permit any one party to the Joint Account to perform any Card related transaction, unless and until the Card relating to the party who has so ceased to have joint authority is surrendered to the Bank and duly acknowledged by the Bank in writing.
- 9.4 The Bank shall debit against the Customer's Account any withdrawal and transfer of any amount effected, processed or conducted through the use of the Card whether or not the Customer has actually authorized and/or has knowledge of the use of the Card. The Customer shall accept the Bank's records of all transactions effected, processed or conducted through the use of the Card as correct and conclusive and the Customer agrees to be bound by the Bank's records.
- 9.5 The Customer shall solely bear any loss and damage incurred or suffered by the Customer arising from or in connection with the use of the Card.
- 9.6 The Bank may replace or renew the Card on such terms as the Bank may impose.
- 9.7 Where the customer does not use the Card for a period of time to be determined by the Bank at its sole discretion, the validity of the Card will lapse and the customer will have to apply for a new Card to be issued to the Customer.
- 9.8 The Bank shall not be held liable for any transaction entered into prior to any notification of loss or theft of the Card or disclosure (or suspected disclosure) of the PIN / Password.
- 9.9 The Bank shall not be liable for any loss and damage suffered by the Customer if for any reason the Card cannot be used to affect process or conduct any transaction or if it is retained in an Automated Teller Machine.
- 9.10 With reference to ATM Card and BDC Card transactions and where the Bank's Credit Cards are used to carry out ATM, non-Credit Card transactions, which are effected in currencies other than in Brunei Dollars, will be debited to the Customer's account after conversion into Brunei Dollars at a prevailing rate as determined by the Bank on the day of conversion.
- 9.11 Where a Credit Card is issued to the Customer, the Customer shall be bound by the relevant Credit Cardholder Agreement and all such other terms and conditions relating to credit cards as the Bank shall introduce from time to time. Where an ATM facility has been incorporated in the Credit Card, the use of such facility will be subject to clause 1of Section B below governing the use of Automated Teller Machines, Cheque Deposit Machine and Bulk Cash Deposit Machines.

10. Charges, Fees and Expenses

- 10.1 The Bank reserves the right to impose and revise service fees, facility fees, tariffs, penalty charges levied for specific breaches of account-conditions and/or other charges from time to time as the Bank in its absolute discretion thinks fit, for which the Bank shall be entitled to debit any Account which the Customer maintains with the Bank. All fees, charges and credit and debit interest accruing in respect of the Account shall be calculated and credited or debited (as the case may be) in accordance with the Bank's usual practices and at such rates as the Bank at its sole discretion may from time to time prescribe for such purposes.
- 10.2 All interest and other rates, commissions, administration, handling, service and finance fees, tariffs and other charges and exchange rates are subject to change by the Bank without notice and the Bank may:
- (i) prescribe higher rates of interest, commissions and other fees or charges in respect of sums which remain unpaid on their due date; and
 - (ii) prescribe that any interest rates, commissions, administration, handling, service or finance fees, tariffs and other charges to be levied shall be subject to a minimum or maximum level, all such rates referred to in clause 10.2(i) shall apply after as well as before judgement.
- 10.3 All legal expenses incurred for the recovery of any indebtedness of the Customer facilities shall be borne by the Customer. The Customer agrees that any judgement sum obtained by the Bank shall carry interest at the prevailing interest rate(s) applicable to the respective credit facility or account from the date of the judgement order to the date of full settlement.
- 10.4 All expenses (including but without limitation legal costs on a full indemnity basis as between solicitor and client) associated with the preservation of the Bank's rights or the enforcement or attempted enforcement of the Customer's obligations under these HSBC General Terms and Conditions shall be for the account of the Customer and may be debited to any HSBC Account held by the Customer.

11. Joint Accounts

- 11.1 Where the account is opened and maintained in joint or more names, the Customers agree that in the event of death of any of the account holders, the Bank shall hold the monies in the account to the order of the survivor(s) notwithstanding the claims of any legal representatives without prejudice to any of the Bank's right arising out of any lien, mortgage, charge, pledge, set-off, counter-claim or otherwise howsoever. Payment to the survivor(s) shall be a complete discharge of the Bank.
- 11.2 In the event any party to the joint account withdraws his mandate for the other(s) to operate the account, the Bank will be discharged from all liability arising from placing a Hold on the account pending joint written instructions from all parties to the joint account.
- 11.3 The Customer agrees that in the absence of any directions to the contrary, all accounts subsequently opened shall be operated and dealt with upon the terms set out in the mandate given when first opening the account.
- 11.4 If any account is opened in the names of more than one Customer the provisions hereunder shall apply:-
- (i) each such person shall be deemed to be an Account holder for the purposes of these terms and conditions and the liabilities and

obligations of each of them shall be joint and several and notice to one shall be deemed as notice to each of them,

- (ii) the Bank is hereby authorized by each Joint Account holder to honour and comply all cheques, promissory notes, orders, bills, telephone instructions, directions, other instruments and transactions which are signed, sealed and/or chopped by any such persons, whether the related Account be in credit or overdrawn, and to comply with all instructions or such other directions given for or in connection with the Account and to accept and act upon all receipts or monies deposited with or owing by the Bank;
- (iii) the authorization in (ii) above may be revoked in writing by any of such persons or upon the mental incapacity of any of such persons;
- (iv) any advance to the Customer by way of overdraft or in any manner howsoever with or without security can be made at the request of any of such persons;
- (v) the Bank may credit an Account with items collected on behalf of any one or more Account holders,
- (vi) words denoting the singular will be deemed to include the plural & vice versa (including the signature of a customer shall be deemed to also refer to the respective signatures of authorized signatories);
- (vii) acceptance of any terms and conditions governing any services rendered by the Bank in respect of the Account by any one of such persons will be deemed acceptance by each and all of them and accordingly, such terms and conditions will be binding on each and all of such persons;
- (viii) each Customer shall be bound by these HSBC General Terms and Conditions even though any other person or any person intended to be bound hereby is not or these HSBC General Terms and Conditions may be invalid or unenforceable against any one or more of such persons by reason of fraud, forgery or otherwise (whether or not the deficiency is known to the Bank);
- (ix) the Bank shall be entitled to deal separately with a Customer on any matter, including the variation or discharge of any liability to any extent or the granting of time or other indulgence to or making other arrangements with any such person without prejudicing or affecting the Bank's rights, powers and remedies against any other Customer;
- (x) the Bank may, in its sole discretion permit any one party to the joint account to perform any Card related transaction, unless and until the Card relating to the party who has so ceased to have joint authority is surrendered to the Bank and duly acknowledged by the Bank in writing;
- (xi) where any facility is granted a PIN (and any subsequent PIN) issued or created on a joint account (even where it was applied for by only one of the joint account holders), all joint account holders shall be jointly and severally liable. In every case, the term "Customer" shall refer to individual persons of either gender or any legal entity and applied accordingly;
- (xii) the Bank is hereby authorised by each Joint Account holder to accept instructions from any one Account holder in relation to the operation of said Joint Account and all matters incidental thereto and relating to the Account (including, but without limitation, the deposit and withdrawal of all documents and

items deposited with or delivered to the Bank, whether by way of safe custody or otherwise);

(xiii) any notice given to one Joint Account holder shall be deemed sufficient notice to all Account holders; and

(xiv) if the Bank, prior to acting on instruction received from a Joint Account Holder, receives contradictory instructions from another Joint Account holder the Bank shall thereafter act only on the instructions of all the Joint Account holders.

12. Exclusion from Liability

12.1 The Customer shall not hold the Bank responsible for any loss or damage which the Customer may incur directly or indirectly arising out of or in connection with any service due to any reason whatsoever including but not limited to breakdown or malfunction of the computer, its terminal connection lines, data processing system or transmission line or any other equipment whether or not belonging to the Bank, (attempted) acts of terrorism, outbreak of epidemics, an act of God or any circumstances beyond the Bank's control.

12.2 The Customer shall discharge the Bank from all liability whatsoever and howsoever arising and shall keep the Bank fully indemnified on a full indemnity basis against all losses, damages, fees, costs, charges, taxes, duties, imposts and expenses (including legal costs) or otherwise which the bank may sustain or incur and which shall have arisen either directly or indirectly out of or in connection with the circumstances set out below, for which the Bank shall be authorized to debit / set off from any accounts standing in credit in the Customer's name :-

- (i) the maintaining of, any use or purported use whatsoever of the Bank's services / products / facilities and/or the Card / PIN / password by the Customer or any other person (the Customer shall in any event be liable for all transactions effected until the PIN has been cancelled by the Bank);
- (ii) any breach of or non-compliance with the terms and conditions herein or any applicable laws / regulations by the Customer;
- (iii) negligent acts or omissions of the Customer;
- (iv) the Bank accepting instructions from the Customer or which the Bank in good faith believes have emanated from the Customer (whether so authorized or not) and acting or failing to act thereon unless due to the negligence or fraud of the Bank;
- (v) enforcement by the Bank of its rights hereunder;
- (vi) any delay in payment or else any debit or credit into the Customer's Account as a result of complying with the terms of clauses 1.4 and 7.1 herein.

Such indemnity shall continue notwithstanding the termination of any service.

12.3 Unless due to willful default of the Bank, the Bank shall not be liable for any failure to provide any service or to perform any obligations or for any loss or damage howsoever caused or in any way whatsoever and whether such loss or damage is attributable (directly or indirectly) to any dispute or any other matter or circumstance whatsoever including but not limited to the failure of any computer, machine, data processing system or transmission link or the Cards or ATM, the withdrawal of ATM services in other countries (which services will be governed by local regulations), the temporary insufficiency of fund in such machines, the failure to carry out the Customer's instructions over the telephone.

- 12.4 The Customer will indemnify the Bank as collecting banker for any loss or damage the Bank may incur by guaranteeing any endorsement or discharges on a cheque, bill or other instrument presented for collection and such guarantee as given by the Bank shall be deemed to have been given in every case at the Customer's express request.
- 12.5 In the event of any failure to abide by the HSBC General Terms and Conditions / specific terms and conditions hereunder or any breach by the Customer of the HSBC General Terms and Conditions herein or any account-related documentation, the Bank shall be discharged from all liability.

13. Bank's Right of Lien and Set Off

- 13.1 The Customer agrees that the Bank's indebtedness to him shall not exceed the aggregate of all his liabilities to the Bank on any account, whether such liabilities be actual, present, future, deferred, contingent, primary, collateral, several, joint or otherwise. In addition to any general lien, right of setoff or other right by way of security which the Bank may have on any account whatsoever, the Customer agrees that the Bank shall have the right, at its sole discretion and without notice to the Customer, to refuse to repay when demanded or when the same falls due with respect to any of the Bank's indebtedness to the Customer if and to the extent that his aggregate liabilities at the relevant time are equal to or exceed the Bank's indebtedness to him at that time. If the Bank exercises such right with respect to any of its indebtedness to the Customer, such indebtedness shall remain outstanding from the Bank on substantially the terms and conditions in effect immediately prior to such exercise or on such other terms as the Bank may, at its discretion, consider appropriate in the circumstances.
- 13.2 The Bank may, at any time and without notice or liability to the Customer, combine or consolidate any or all credit balances or set off from all / any credit balances of the Customer with the Bank, all or any of the Customer's aggregate liabilities (where applicable, including any unpaid withholding tax), whether such liabilities be actual or contingent, primary or collateral, several or joint. The Bank is further authorized to, without notice; transfer any sum standing to the credit of any such account(s) or any sum in the Customer's name towards the satisfaction of any of the Customer's liabilities to the Bank in respect of any accounts held at any branch of the Bank in Brunei Darussalam or elsewhere (overseas). This is notwithstanding that the balance in the accounts is in a currency different from the sum demanded or held at a branch in a different jurisdiction or held by the Customer jointly with another person(s). The Bank's right hereunder shall not be affected by the death, bankruptcy, insolvency, composition with other creditors or if legal process is levied against the Customer.
- 13.3 The Bank reserves the right to assign any outstandings or overdue amount owed by the Customer in any part of the HSBC Group to any part of the HSBC Group. The Customer shall keep the Bank indemnified for costs and expenses including without limitation legal fees and other expenses which are of reasonable amount and which are reasonably incurred by the Bank in such assignment.
- 13.4 The Bank reserves the right to:
- (i) collect any outstandings or overdue amount for and on behalf of any HSBC Group member;
 - (ii) employ collection agent(s) and/or any third party to collect any outstandings or overdue amount owed by the Customer. The Customer shall keep the Bank indemnified for costs and

expenses including without limitation legal fees, costs of engaging collection agent(s) (and such other third parties) and other expenses which are of reasonable amount and which are reasonably incurred by the Bank in demanding, collecting, suing or recovering such outstandings or overdue amount;

- (iii) at any time and from time to time assign the whole or any part(s) of outstandings or overdue amount in favour of the Bank;
 - (iv) accept an assignment of the outstandings or overdue amount in its favour and exercise its right of set-off in pursuant to clause 13.2 above herein.
- 13.5 To the extent permitted by all relevant laws and regulations, the Customer waives all rights he may have in relation to any assignment of the outstandings or overdue amount and the Bank's rights to exercise its right of set-off against such assignment.
- 13.6 If the Customer is required by any applicable laws or regulations to make any deduction or withholding from any sum payable by the Customer, whether to the Bank or any member of the HSBC Group or to any authority wherever situated, then the liability in respect of that deduction or withholding shall be the liability of the Customer such that after the making of such deduction or withholding, the net payment shall be equal to the amount which the Bank or such other member of the HSBC Group would have received had no such deduction or withholding been made. It shall be the sole responsibility of Customer to effect payment of such deduction or withholding to the relevant authority within the applicable time limit and the Customer shall indemnify the Bank and other members of the HSBC Group for all consequences of the Customer's failure to do so.
- 13.7 The Bank cannot be held liable or responsible for any loss incurred by or inconvenience to a Customer as a result of any allocation or withdrawal of any products and/or services to or from a Customer or any variation of the products and/or services so allocated and this shall include, without limitation, any loss incurred by or inconvenience to a Customer as a result of any granting, termination or adjustment of any product or services in connection therewith.

14. Waiver

- 14.1 No act, delay or omissions by the Bank shall operate as a waiver or foregoing of all or any of its rights and powers hereunder save only by express written confirmation of the same.
- 14.2 No failure or delay on the part of the Bank in exercising any power, right or remedy under these terms and conditions shall operate as a waiver thereof, nor shall any single or partial exercise by the Bank of any power, right or remedy preclude any other further exercise thereof or the exercise of any other power, right or remedy.

15. Records

- 15.1 The Bank may at its discretion retain, destroy and/or decline to furnish copies of any cheque or other items / documents / recording relating to any account :-
- (i) after the Bank has completed the related transaction; or
 - (ii) after microfilming, scanning or storing (electronically or in any other medium) the same; or
 - (iii) upon closure of the account whether by the Customer or by the Bank,

provided always that where such documents are retained, they will be retained in accordance with the Bank's retention policy and/or relevant regulatory requirements binding on the Bank. The Customer accordingly agrees that no liability shall attach to the Bank for the unavailability of the aforesaid documents should the Customer request for the same.

- 15.2 In order that the Bank carries out Customer instructions accurately, to assist the Bank to continually improve its services and in the interests of security, the Bank may monitor and/or record customer telephone calls with the Bank. These recordings shall be and remain the Bank's sole property.

16. Law and Severability

- 16.1 Any provision or term herein which is prohibited or unenforceable by law shall be ineffective to the extent only of such prohibition or unenforceability without invalidating or affecting the remaining provisions or terms hereof.
- 16.2 The HSBC General Terms and Conditions, all deposits in whatever currency they may be made, the repayment and/or the withdrawal of such deposits and the operation of the Accounts are governed by and subject to the laws of Brunei Darussalam (including but not limited to Part IX of the Banking Order 2006 on Unclaimed Balances) and the by-laws, regulations and practices of any competent authority in effect for the time being brought to the attention of the Customer by way of the Bank's marketing / promotional materials or by advertisement in the press or via any other means or media as the Bank in its absolute discretion select.

17. Processing of Payment

- 17.1 Any payments made by the Bank to a person producing satisfactory identification and/or a withdrawal form purporting to be signed, sealed or chopped as authorized 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.
- 17.2 The Bank and other members of the HSBC Group are obliged to comply with laws, regulations and requests of public and regulatory authorities in various jurisdictions which relate to the prevention of financing of, amongst other things, named terrorists and sanctioned persons. The Bank may take, and may instruct other members of the HSBC Group to take, any action which it, in its sole and absolute discretion, considers appropriate to take in accordance with all such laws and regulations. Such action may include but is not limited to:
- (i) the interception and investigation of any payment messages and other information; or
 - (ii) Customer Instructions sent to or by the Customer or on its behalf via the Bank's systems or any other member of the HSBC Group's systems; and
 - (iii) making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity.
- 17.3 Notwithstanding any provision of this General Terms and Conditions, neither the Bank nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including without limitation loss of profit, data or interest) or damage suffered by any party arising out of any delay or failure by the Bank or any member of the HSBC Group in performing any of its duties under this General Terms and

Conditions or other obligations caused in whole or in part by any steps which the Bank, in its sole and absolute discretion, considers appropriate to take in accordance with all such laws and regulations or the exercise of any of the Bank's rights under this clause.

In certain circumstances, the action which the Bank may take may prevent or cause a delay in processing certain information and therefore neither the Bank nor any member of the HSBC Group warrant that any information on the Bank's systems relating to any payment messages and communications which are the subject of any action taken pursuant to the above is accurate, current and up-to-date at the time it is accessed whilst such action is being taken. Subject to the over-riding requirements of any applicable laws and regulations, the Bank will endeavour to notify the Customer of the existence of such circumstances as soon as is reasonably practicable.

18. Inconsistency of Versions

- 18.1 In the event of any inconsistency between the provisions in the English version and the Bahasa Melayu version of these terms and conditions specific to accounts / products / services, the provisions in the English version shall prevail to the extent of such inconsistency.

19. General

- 19.1 The Customer shall take all reasonable care and precaution to prevent loss and theft of any Cards, cheques, chequebooks, passbook and the disclosure (whether voluntary or involuntary) to third parties of the PINs provided by the Bank (or substituted by the Customer) for operating the Cards or effecting or conducting phone banking or other transactions and shall notify the Bank immediately in writing of such loss or theft of the Cards, cheques, chequebooks, passbooks or any written record of the PINs or of such disclosure. The Customer shall indemnify the Bank for all losses or damage howsoever caused by any unauthorized use of the Cards or PINs and shall be liable for all charges incurred by such use prior to the Bank's receipt of such written notification of loss, theft or disclosure. Where the Customer has given such notice verbally, the Customer shall immediately confirm the same in writing and only the written notification, when received by the Bank, shall be effective for the purposes hereof.
- 19.2 The Customer shall co-operate with the Bank and the police in trying to recover any losses which result from the Bank having acted on instructions which the Customer later tells the Bank were not given by the Customer or with the Customer's authority. The Bank may also disclose information about the Customer or the Customer's account to the police or other third parties if the Bank, in its absolute discretion, thinks will help prevent or recover losses.
- 19.3 The Bank may at any time and from time to time vary or entirely withdraw the use of any accounts, services and/or facilities from the Customer either at the request of the Customer or at the Bank's sole discretion. The allocation or withdrawal of the account, service and/or facility to or from a Customer or the variation of each so allocated, whether at the request of a Customer or at the Bank's sole discretion, will be made by reference to pre-designated criteria, subject always to the final decision of the Bank. These criteria may include; without limitation, the value of assets deposited by the Customer with the Bank and/or the amount of credit facilities granted by the Bank to the Customer from time to time and is subject to changes at the Bank's decision. The most updated criteria and other details concerning any account, services and/or facilities are available from the Bank upon request. For avoidance of doubt, the Bank may at the Bank's sole discretion at any time and from time to time vary or amend the accounts, service and/or facilities (without prejudice to liability for antecedent breaches of any conditions) through

- (i) notice on any of our internet websites; or
- (ii) notice in the periodic statement of account; or
- (iii) notice at ATM, or other electronic terminals; or
- (iv) notice at its branches; or
- (v) any other mode it deems suitable; or
- (vi) by sending a notice, in any form, to any address furnished by the Customer to the Bank

and shall be deemed to be effective after posting notwithstanding its subsequent return or the fact that the Customer's attention may not have been caught by the said notification. If the Customer does not the relevant and/or applicable account(s) and return all related Card(s) (where applicable) which must be duly acknowledged by the Bank prior to the expiration of such period stated in the notice, the Customer shall be deemed to have agreed to such amendments, deletions, suspension or additions. All notices for any purpose shall likewise be sent in the manner described herein. The Customer may request to terminate the use of any product or service by notifying the Bank in writing and delivered to the relevant department of the Bank. In all cases of termination, the Customer shall remain liable for all antecedent transactions.

- 19.4 In the event any services or facilities provided in relation to the Account is governed by any separate terms and conditions, those terms and conditions shall prevail over these General Terms and Conditions in the event of any conflict or inconsistency.
- 19.5 Whether the Bank exercises its discretion to allocate, vary or withdraw any accounts, services and/or facilities, it will notify the Customer of the same using such means as it shall deem reasonable. All accounts, services and/or facilities that the Customer enjoys will automatically be granted, terminated or otherwise adjusted unless the Bank shall at its sole discretion decide otherwise and the Bank is not obliged to provide any further notice in connection therewith.
- 19.6 Following a variation of the accounts, services, and/or facilities allocated to a Customer, the applicable provisions of this HSBC General Terms and Conditions and the respective terms and conditions governing the use of specific products and services terminated as a result of the said variation shall continue to bind the Customer to the Bank with respect to such products and services have been fully repaid and satisfied. All applicable provisions of the HSBC General Terms and Conditions and the respective terms and conditions governing the use of any new or additional products and services that the Customer shall enjoy as a result of the variation shall become binding on the Customer.
- 19.7 The Bank reserves the right to add, revise, amend or cancel, in whole or in part, any of the products and services provided to the Customer and the terms and conditions pertaining to any products or services hereunder. Any such addition, revision, amendment or cancellation will take effect and become binding on the Customer from such time as when the same is notified by the Bank either by display or advertisement or otherwise notwithstanding the fact that the Customer's attention may not have been caught by the said notification.

B. RESPECTIVE TERMS AND CONDITIONS FOR SPECIFIC ACCOUNTS / PRODUCTS

The General Terms and Conditions above will apply to all types of accounts / products / services / facilities and the specific terms and conditions set out hereunder shall form part of and be read with the General Terms and Conditions.

1. Current Account(s)

- 1.1 All cheques must be signed in conformity with the specimen signature registered with the Bank.
- 2.2 Cheque-books will only be issued for Brunei dollar current account. The Bank may impose initial deposit requirements in relation to any current account. The Customer agrees to abide by such initial deposit requirements failing which the Customer agrees to pay any penalty or service charge imposed and charged by the Bank from time to time without prior notice. The Customer also agrees to pay any stamp duty to the Brunei Government as required by the Brunei Government from time to time.
- 1.3 When drawing cheques, the Customer shall be bound by the conditions subject to which cheque-books are issued as printed on the inside cover of the cheque-book and the Customer shall:
 - (i) keep all cheques and cheque-books in a safe and secured place at all times;
 - (ii) draw cheques in Brunei dollars only;
 - (iii) clearly state the amount in words and figures in the spaces provided on the cheque;
 - (iv) write words and figures close to the left-hand margin so that other words and figures cannot be inserted and add the word “only” after the amount stated in words;
 - (v) countersign alterations to cheques with full signature and unless a full signature is presented, the Bank reserves the right to return the cheques that have been altered;
 - (vi) acknowledge the need to exercise care when drawing cheques and agree not to draw cheques by any means which may enable a cheque to be altered in a manner which is not readily detectable or facilitates fraud;
 - (vii) agree that cheques be written / printed in non-erasable ink only and not written or printed with erasable ball pens, pencils, electronic typewriter or any other instruments which may give rise to forgery, frauds or other unauthorized alterations;
 - (viii) not to pre-sign any incomplete cheques as this may lead to its fraudulent use;
 - (ix) draw cheques only when there is sufficient funds in the current account. Should the Bank return a cheque for reasons of insufficient or uncleared funds, the Bank shall impose a penalty charge as determined by the Bank and debit the Customer’s account;
 - (x) the cheque book shall be kept in a safe place, preferably locked. The Customer shall not leave cheques, whether signed or unsigned, unattended; and
 - (xi) ensure that spoilt cheques are destroyed completely.

- 1.4 The Customer agrees not to affix any notations (which are not part of the existing account signing instructions), appearing on the face of cheque(s) issued (including but not limited to cheque limits, alterations and validity periods). If such notations are made on any cheque(s) issued, the Bank will be entitled to disregard the notation and will be discharged from all liabilities for doing so.
- 1.5 The Customer undertakes to exercise care when drawing cheques and agrees that cheques will not be drawn by any means and/or in any manner which may enable a cheque to be altered or may facilitate fraud or forgery. The Customer shall 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. The word "only" should be added after the amount stated in words.
- 1.6 The Customer agrees to check his receipt of the correct number of cheque books, cheque leaves applied for as well as the account details printed thereon and read and comply with all conditions set out in the inside covers of cheque books, failing which no liability for loss / damage shall attach to the Bank.
- 1.7 The Customer must inform the Bank immediately in writing and/or through the Bank's telephone banking services should any cheque or cheque-book be lost, stolen or mislaid.
 - (i) The Customer shall promptly notify the Bank in writing of any variation in his signature or that of the authorised signatories, the authorised manner of signing or the signature requirements. The Bank shall be entitled to a reasonable period of time (of not less than seven (7) business days from receipt) to process such notification of change.
 - (ii) The Bank shall be entitled in its absolute discretion to dishonour any cheque bearing a signature different from the specimen signature of the Customer or authorised signatory (as the case may be) or not signed in the authorised manner or not drawn in accordance with the signature requirements prevailing at the time of presentation.
 - (iii) Any alterations on cheques must be confirmed by the full and complete signature conforming to the specimen signatures of the Customer or authorised signatory (as the case may be). The Bank shall be entitled, in its absolute discretion, to dishonour cheques where alterations are not so confirmed.
 - (iv) The Bank shall not be liable for paying an altered and/or forged cheque where the alteration and/or forgery could not be easily detected or where the alteration and/or forgery is due to the act, omission, negligence or willful default of the Customer.
- 1.8 Any cheque deposited (whether through the use of the Cards at ATMs or otherwise) shall be accepted for collection only and the proceeds shall not be available to the Customer until the cheque has been verified and cleared and the proceeds paid to the Bank by the paying bank and credited to the relevant account. The Bank shall have the right to recover monies already paid as cheque proceeds by directly debiting the relevant account or otherwise where the deposited cheque is returned by the paying bank for any reason.
- 1.9 Only unrepresented cheques may be countermanded. The Customer may countermand payment of an unrepresented cheque by giving written instructions to the Bank, by using the PhoneBanking Services or by calling the Bank directly and clearly identifying the cheque in question. Where a Customer calls the Bank directly to countermand an unrepresented cheque, the Customer will advise the Bank of this instruction in writing within two (2) working days following the issuance of the verbal instructions. However, PhoneBanking

Customers need not issue such written instructions. The Bank may at its discretion impose a service charge for countermanding an un-presented cheque.

- 1.10 The Bank will assign credit limits to facilities (including but not limited to the Overdraft Facility, the Personal Credit Line and Credit Cards), which must be strictly observed. The Bank has the right to change such credit limit at any time by notice to the Customer. In the absence of any special arrangement, the Bank is not required to honour any cheques drawn by the Customer if the credit limit of the Customer's Facility would be exceeded as a result. Without prejudice to the foregoing, if the Bank shall at its absolute discretion honour any cheque notwithstanding such excess, the Bank may do so without prior approval from or notice to the Customer and the Customer shall be responsible for the resulting overdraft, advance or credit thereby created and all related charges.
- 1.11 Amounts outstanding in respect of facilities granted by the Bank (including but not limited to the Overdraft Facility, the Personal Credit Line and Credit Cards) shall in any event be repaid by the Customer on demand. Payments made by the customer to the Bank in respect of any facility will be applied firstly towards payment of any outstanding interest, charges and fees and thereafter against any outstanding transactions / principal amount under such facility.
- 1.12 The Customer hereby authorizes the Bank to transfer to each of the Customer's current account from time to time during business hours on each banking day, sums to the credit of the Customer's savings account in the same or different currency to ensure that the balance in such current account is maintained at such minimum level as the Bank may specify at its discretion.
- 1.13 All uncrossed cheques (cash or bearer cheques) to be deposited in the Cheque Deposit Machines should be generally-crossed by drawing two (2) diagonal lines across the top left hand corner of the cheques. This is a safety measure and the Customer's omission to do so shall discharge the Bank from liability.
- 1.14 The Customer may only countermand payment of a cheque by giving written instructions to the branch of the Bank where the Account is established or using the Phone Banking services (the authenticity of which the Bank must be able to verify) to that effect, including complete and accurate details of the number of the cheque, the name of the payee, the Account and the date on which and the amount for which the cheque has been drawn. The Bank will only comply with such instructions if all details accord strictly with those of the relevant cheque and the cheque has not been presented, and remains unpaid, when such instructions are received by the Bank. However, if, in its absolute discretion, the Bank follows such an instruction notwithstanding that it does not include any of the requested details, the Bank will not be liable for any losses that the Customer may incur as a consequence.
- 1.15 If the Customer countermands payment of a cheque by means of an instruction which the Bank cannot verify (including but not limited to telephone or facsimile instructions), the Bank shall not be obliged to take any action. However if in its absolute discretion the Bank follows any such instruction, the Bank will not be liable for any losses that the Customer may incur as a consequence.

2. Savings Account(s)

- 2.1 A savings account may be opened with an initial minimum deposit of an amount determined by the Bank. If an account is closed within three months of the date of its opening the Bank may at its discretion impose a service charge for closing the Account.
- 2.2 Interest at such rates prescribed by the Bank from time to time is calculated on the minimum daily balances. Interest earned will

be credited to the savings account monthly but an account whose minimum daily balance falls below a specified amount, as set out by the Bank from time to time will not be credited with interest for that particular month.

- 2.3 Withdrawals from a savings account may be made at the counter by the Customer on demand during normal banking hours and any payment made by the Bank to a person producing the passbook saving, and a withdrawal form purporting to be signed by the Customer shall have the same effect as if made by the Customer personally and will absolve the Bank from all liabilities to the Customer or to Customer or to any other party. Withdrawals may not be made by means of cheques.
- 2.4 Every Customer who has been provided by the Bank with a passbook savings must present it for every withdrawal at the counter. No entries may be made in the passbook by the customer. Passbooks should be presented to the Bank as and when required by the Bank for any interest or unposted items to be entered. The passbook is neither transferable nor assignable and cannot be pledged as security. The Customer should examine the passbook after each deposit or withdrawal transaction, before leaving the counter, to ensure that appropriate entry has been made therein.
- 2.5 Passbook savings should be kept in a secured place. In the event of the loss of a passbook a police report may be required and immediate notice must be given to the Bank. The Customer must notify the bank on the loss of passbook in person. The Bank may at its discretion close the account and transfer the existing credit sum to a new or existing account. Customers are required to sign a letter of indemnity for the lost passbook. The Bank may impose a charge on the lost passbook.
- 2.6 The passbook is for the Customer's reference and does not necessarily indicate the correct balance of the account as deposits may have been made or items charged without entry in the passbook.
- 2.7 Savings accounts which are inactive (i.e. no withdrawal transaction) for one year will be transferred to "DORMANT" status with a service charge and saving accounts which are inactive (i.e. no withdrawal transaction) for four years will be transferred to "UNCLAIMED" status with a service charge. The Bank may impose a maintenance charge for accounts that are "DORMANT" or "UNCLAIMED". The Customer may reactivate the accounts with a "DORMANT" or "UNCLAIMED" status by notifying the Bank in person.

3. Time Deposit Account

- 3.1 All transactions relating to time deposits are accepted subject to the transaction hours set by the Bank from time to time for such deposits.
- 3.2 It is at the Bank's sole discretion that any expenses or additional costs (including payment of) incurred by the Bank in redeploying time deposit funds in the market may be deducted from the principal deposit sum before repayment of the time deposit balance.
- 3.3 Withdrawal of a time deposit before the due date shall be allowed only at the Bank's sole discretion. The Bank reserves the right to impose a penalty payment and forfeiture of accrued interest upon premature withdrawal by the Customer.
- 3.4 Unless prior written notice is received by the Bank from the Customer or his legal representatives (Executor/Administrators or equivalent), the Bank will automatically renew the deposit plus accrued interest for the same period on maturity date. Notwithstanding any instructions given, the customers still retain the right to amend their instructions before/on maturity date of their deposits.

- 3.5 The Customer understands and agrees that should the Maturity date fall on a Bank's non-working day, the maturity date will be automatically adjusted to the next working day.
- 3.6 All transactions relating to time deposits are accepted subject to the transaction hours set by the Bank from time to time for such deposits. Withdrawal of a time deposit before the due date will be at the Bank's sole discretion and shall be subject to the refund of any interest and expenses incurred by the Bank and the payment of any additional costs for redeploying funds in the market as the Bank may think fit and such amounts may be deducted from the principal deposit sum before repayment of the balance.

4. Foreign Currency Current Account

- 4.1 A Foreign Currency Current Account may be opened with a minimum initial deposit as determined by the Bank.
- 4.2 Any account may be opened solely at the discretion of the Bank and only upon reference and document of identity and account opening documentation fully and satisfactorily obtained and completed to the Bank's requirement.
- 4.3 No Chequebook will be issued. The depositor should examine the Debit / Credit advice in the case of Withdrawals / Deposits at the counter to ensure that an appropriate entry has been made, failing which no liability will attach to the Bank.
- 4.4 Interest is not paid on Foreign Currency Current Account credit balances.
- 4.5 All cheques and other monetary instruments accepted for deposit are credited subject to final payment. The Bank reserves the right to charge the account holder's account with items which are subsequently returned unpaid.
- 4.6 The Customer agrees that he cannot overdraw his account.
- 4.7 The Bank shall have the right to pay to the Customer on withdrawal by cash and/or cheque in the required and/or other currency at the Bank's absolute discretion. Withdrawals in foreign currency cash are further subject to seven days' prior notice and availability of the currency in question. Commission in Lieu or exchange may be applicable for withdrawals of cash in foreign currency.

5. Foreign Currency Statement Savings Account / Foreign Currency Time Deposit Account

- 5.1 A Foreign Currency Savings Account ("FCY SAV") / Foreign Currency Time Deposit Account ("FCY TMD") may be opened with a minimum initial deposit as determined by the Bank. If the FCY SAV account is closed within six (6) months of its opening, a minimum charge as determined by the Bank may be levied.
- 5.2 Interest on FCY SAV is calculated on daily balance at rates posted in the Bank's Foreign Currency Savings Section and/or advertised in the press. Interest on FCY TMD will be paid simple interest payable at maturity subject to the BAOB rules.
- 5.3 No interest will be paid if the monthly balance of FCY SAV falls below the minimum currency amount as set by the Bank.
- 5.4 Should the average monthly credit balance of FCY SAV fall below the required minimum balance then the Customer will be subject to a service charge at the Bank's sole discretion.

- 5.5 No Across Branch transactions are allowed on foreign currency accounts.
- 5.6 The Bank shall have the right to pay to the Customer on withdrawal by cash and/or cheque in the required and/or other currency at the Bank's absolute discretion. Withdrawals in foreign currency cash are further subject to seven days' prior notice and availability of the currency in question. Commission in Lieu of Exchange may be applicable for withdrawals of cash in foreign currency.
- 5.7 The Bank shall be entitled to levy a charge or commission for foreign currency notes deposited to / withdrawn from the Account.
- 5.8 FCY TMD: Early upliftments of deposits may be subject to a penalty charge and interest paid will be calculated pro-rata. The total replacement costs, penalty charge and any loss calculated at prevailing market interest rates will be borne by Customers.
- 5.9 Written disposal instructions on any Time Deposit must be received two (5) working days before maturity date, failing which the deposit (plus any accrued interest/ less interim interest whichever is applicable) will be automatically renewed for a similar period.

6. Foreign Currency Call Deposits Accounts

- 6.1 A Foreign Currency Call Deposit Account may be opened with a minimum deposit as determined by the Bank from time to time.
- 6.2 No interest shall be paid if the balance is below the set threshold amount, which may be changed from time to time at the sole discretion of the Bank.
- 6.3 Unless otherwise agreed with the Bank, the Customer agrees that monies deposited will be paid simple interest calculated on a daily basis and payable upon upliftment subject always to the Brunei Association of Banks ("BAOB") Rules and those of any other relevant authority.
- 6.4 All cheques and other monetary instruments accepted for deposit are credited subject to final payment. The Bank reserves the right to charge the Customer's account with items which are subsequently returned unpaid.
- 6.5 The amount deposited cannot be assigned, transferred or charged either by endorsement or otherwise without prior consent in writing from the Bank. Where any amounts deposited exceed the limit(s) approved or granted, the Bank reserves the right to retain and/or process it in any manner it deems fit.
- 6.6 Customers are advised that for their convenience, they are to provide disposal instructions for their Call Deposits, as all unclaimed deposits are subject to the Banking Order 2006 after six years. Unless prior written notice is received by the Bank, the Bank will automatically renew the deposit excluding accrued interest.
- 6.7 The Customer agrees and authorizes the Bank to deduct from the interest whatever withholding tax at the rate determined by the Government authorities from time to time.
- 6.8 The Customer agrees that under normal circumstances the Customer cannot deposit/withdraw foreign currency cash from the Customer's account except by prior written consent and in the sole discretion of the Bank. Commission in Lieu of Exchange may be applicable for withdrawals of cash in foreign currency.
- 6.9 The Bank accepts no responsibility for any loss or delay which may occur in the transfer, transmission and/or application of funds or (in

the case of remittance by telegraphic transfers) for error, omission or mutilation which may occur in the transmission of any message or for its misinterpretation when received and the Customer agrees to indemnify the Bank against any actions, proceedings, claims and /or demands that may arise in connection with such loss, delay, error, omission, mutilation and misinterpretation.

7. **Dual Currency Deposit**

7.1 In this section 7 and section 8 below, unless the context otherwise requires, the following terms shall have the following meanings:-

“BDC” is the Business Deposit Card and means the electronic teller card issued by the Bank for the purpose of depositing cheques and/or where the CDM allows, cash via the CDM and includes any replacement thereof and “BDCs” is the plural of such terms;

“Business Day” means a day (other than a Saturday or a Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Brunei and in the principal banking centers of the country of issuance of the Principal Deposit Currency and the Linked Currency;

“CDM” means the Bank’s Cheque Deposit Machine or the Bank’s Cash Deposit Machine where available;

“Confirmation” means each separate Confirmation issued by the Bank to the Customer in respect of each Deposit pursuant to these Terms and Conditions;

“relevant Confirmation” means, in relation to each Deposit, the Confirmation issued by the Bank pursuant to clause 7.5 in respect of such Deposit;

“Conversion Rate” means, in relation to each Deposit, the Relevant Rate specified as such in the relevant Confirmation;

“Customer” means any person or corporation making a Deposit and extends to the Customer’s successors and assigns. Where the Customer comprises two or more persons (persons to include individuals, associations, companies and partners of a named partnership),

- (i) reference to the Customer shall be deemed to refer to each such person individually;
- (ii) any act or omission of one shall be deemed the act or omission of them all,
- (iii) they shall be jointly and severally liable to the Bank for the obligations of the Customer under these Terms and Conditions;
- (iv) any communication required to be made to the Customer may be sent to the address last known to the Bank of any one or more of such persons;
- (v) any notice to be served on the Customer under these Terms and Conditions shall be validly served if served on any one of them. Where the Customer comprises a partnership, the expression shall include the person or persons from time to time carrying on the business of that partnership;

“Deposit” means each deposit lodged with the Bank pursuant to these Terms and Conditions and the Principal amount of which being set out in the relevant Confirmation;

“Principal Deposit Currency” means, in relation to each Deposit; the currency in which such Deposit is denominated when received by the Bank, as set out in the relevant Confirmation;

“Deposit Date” means, in relation to each Deposit, the date on which

such Deposit is made with the Bank in accordance with these Terms and Conditions, such date being a Business Day, as set out in the relevant Confirmation;

“Final Exchange Rate” means, in relation to each Deposit, the Relevant Rate as quoted by the Bank in good faith, as of approximately the Fixing Time on the Fixing Date;

“Fixing Time” means in relation to each Deposit, the time set out in the relevant Confirmation;

“Fixing Date” means, in relation to each Deposit, the date set out in the relevant Confirmation;

“Interest Period” means, in relation to each Deposit, the period from and including the Deposit Date to but excluding the Interest Period End Date relating to such Deposit;

“Interest Period End Date” means, in relation to each Deposit, the Maturity Date as specified in the relevant Confirmation (and for the purpose of this definition, no adjustment to the Maturity Date as contemplated in the definition of “Maturity Date” set out below shall be made);

“Interest Rate” means, in relation to each Deposit, the interest rate specified in the relevant Confirmation;

“Interest Year” means the number of days in a year for the purpose of calculating the accrual of interest determined by the Bank by reference to the current market practice in Singapore in respect of the Principal Deposit Currency;

“Linked Currency” means, in relation to each Deposit, such currency other than the Principal Deposit Currency selected by the Customer and agreed by the Bank in the relevant Confirmation;

“Maturity Date” means, in relation to each Deposit, the date of maturity of such Deposit as agreed by the Bank and the Customer and set out in the relevant Confirmation, or if such is not a Business Day the next following date which is a Business Day;

“Nominated Account” means the Customer’s current/savings/call account with the Bank which the Customer has designated and the Bank has agreed should be the account(s) in respect of which the cheque or cash(where available) deposit transactions are effected;

“Nominated Employee(s)” means any person(s) nominated and authorised by the Customer to receive and use the BDC(s);

“Relevant Rate” means in respect of a Table 1 Currency Pair, the amount of the relevant Linked Currency for one unit of the relevant Principal Deposit Currency; and

“Table 1 Currency Pairs” means the following Principal Deposit Currency for Linked Currency pairs (and a “Table 1 Currency Pair” means such a pair)

Principal Deposit Currency	Linked Currency
AUD	SGD
EUR	SGD
GBP	SHD
USD	SGD
SGD	AUD / EUR

7.2 These Terms and Conditions are supplemental to the Terms and Conditions governing Time Deposit (the **“Time Deposit Terms”**) in force from time to time. These Terms and Conditions and the Time Deposit Terms shall apply to all Deposit Plus deposits (the **“Deposits”**). In the event of any conflict between these Terms and

Conditions and the Time Deposits Terms, these Terms and Conditions will prevail for the purposes of the Deposits.

- 7.3 Deposits may be made in such currency as the Bank may agree at its absolute discretion. The Bank may impose such additional conditions in relation to any Deposit as the Bank thinks fit in respect of the Principal Deposit Currency and/or the Linked Currency, such additional terms to be contained in the relevant Confirmation.
- 7.4 Each Deposit must be of not less than a minimum amount specified by the Bank from time to time.
- 7.5 The terms of each Deposit shall be subject to the terms of each separate Confirmation to be issued in respect of each Deposit. The terms of each Confirmation shall be read with these Terms and Conditions and the Time Deposit Terms shall be deemed to form a single agreement between the Bank and the Customer. In the event of any conflict between these Terms and Conditions, the Time Deposit Terms and the Confirmation, the terms of the Confirmation will prevail.
- 7.6 Any repayment of a Deposit (whether on maturity or otherwise) shall be paid to the credit of an account with the Bank in Brunei unless the Bank shall at its sole discretion agree to the contrary.
- 7.7 In consideration of the Bank agreeing to accept instructions from the Customer by telephone, facsimile transmission or other electronic means the Customer agrees to indemnify the Bank against any loss, claim, proceedings, damages, costs and expenses incurred or sustained by the Bank arising out of or in connection with any telephonic or electronic communication from, or purportedly from, the Customer.
- 7.8 On the Maturity the Bank shall pay to the Customer for value on the Maturity Date, subject as provided below, for the credit of such account with the Bank as the Customer shall have nominated in any disposal instructions (or if the Customer has not nominated an account of the nominated account has been closed, such other account of the Customer as the Bank shall decide), the principal amount of the Deposit and interest thereon calculated in accordance with clauses 7.9 and 7.10 below.
- 7.9 Interest shall be calculated on the principal amount of the Deposit on the basis of the number of days in the Interest Period (or which have elapsed prior to any breaking of the Deposit for whatever reason) and the relevant Interest Year.
- 7.10 Interest shall accrue at the rate specified in the relevant Confirmation.
- 7.11 Where the Deposit placed involves a Principal Deposit Currency and a Linked Currency, the Deposit and interest payable thereon will be paid in either the Principal Deposit Currency or the Linked Currency according to your maturity instructions.
- 7.12 A deposit may not be withdrawn prior to its Maturity Date without the consent of the Bank. The Bank may at its absolute discretion refuse to give such consent, or impose such conditions as the Bank may determine for the withdrawal of such Deposit, such conditions to include (without limitation) the deduction of such breakage cost as the Bank shall determine conclusively acting in good faith. Such breakage costs shall include the costs, expenses, liabilities or losses incurred or suffered by the Bank as a consequence of breaking its hedge, or funding from other sources in respect of the Deposit and/or in respect of the Linked Currency and therefore the total amount repaid on withdrawal may be less than the principal amount of the Deposit.
- 7.13 There can be no automatic renewal of Deposits.
- 7.14 Any Customer which is a body corporate hereby represents and warrants that it has authority and power to enter into these Terms and Conditions to make the Deposit, that it has taken all necessary

corporate steps to authorise the execution hereof and the terms hereof are legally binding upon it and are fully enforceable against it.

- 7.15 No act or omission by the Bank shall affect its rights, powers or remedies hereunder or any further or other exercise of such rights, powers or remedies.
- 7.16 If the Bank is prevented from, hindered or delayed by reason of force majeure or act of State, in the performance of any of its obligation under these Terms and Conditions or any Confirmation, the Bank will not be under any liability to the Customer for any loss, damage, cost or expense incurred by the Customer due to the inability or failure of the Bank to perform such obligation.
- 7.17 The Bank's certificate as to the amount of any sum payable by the Bank or to the Bank pursuant hereto shall be conclusive save in the case of manifest error.
- 7.18 This Agreement shall be subject to, governed by and construed in accordance with the laws of Brunei and the parties submit to the non-exclusive jurisdiction of the Brunei courts.
- 7.19 Currency Code:
- AUD – Australian Dollar
 - GBP – Pound Sterling
 - EUR – Euro
 - SGD – Singapore Dollar
 - USD – United States Dollar
- 7.20 The net return on the Deposit will depend upon market conditions prevailing at the Fixing Time and at Maturity. You must be prepared to risk any loss as a result of depreciation in the value of the currency paid. You accept that there may be foreign exchange loss as a result and that such loss may offset the net return on the Deposit and may even result in losses to the principal Deposit.

8. Business Deposit Card (BDC)

- 8.1 Where the Bank has provided a special service / facility to receive cash and cheques including but not limited to a CDM, the Customer shall follow the prescribed procedures correctly.
- 8.2 The Bank reserves the right and without prior notice to:
- (i) Debit / Credit Customer's account with cheques / cash but subsequently returned unpaid or which cannot be presented or cannot be cleared due to loss, destruction or misplacing of the cheques in the process of being presented or has been erroneously credited to the Customer's account, for which no liabilities shall be attached to the Bank;
 - (ii) amend / alter under advice, the pay-in-slip in case of errors, wrong addition, missing items or third party account payee cheques collected in error.
- 8.3 Every deposit (whether made via ATM, at the counter or any other means) shall only be deemed to have been made if verified by two members of the Bank staff, duly cleared and such deposit is entered into the Bank's records. The Customer understands that the credit or debit balances of any account reflected on the video screen of the ATM against his/their account number(s) or reflected in any confirmation slip may be pending verification and/or clearance and agrees that the amount stated on the ATM video screen shall not for any purpose

whatsoever be taken as a conclusive statement of his/their account(s) with the Bank.

8.4 The Customer shall not hold the Bank responsible for any loss or damage which the Customer may incur directly or indirectly arising out of or in connection with any service due to any reason whatsoever including but not limited to breakdown or malfunction of the computer, its terminal connection lines, data processing system or transmission line or any other equipment whether or not belonging to the Bank, (attempted) acts of terrorism, outbreak of epidemics, an act of God or any circumstances beyond the Bank's control.

8.5 Any notice or other communication given by the Customer to the Bank pursuant to these terms and conditions by any means shall be confirmed in writing, delivered personally or by prepaid letter to:

The Hongkong and Shanghai Banking Corporation, Brunei
Attn: Relationship Manager

and (save as provided in clause 8.14 below herein) shall be effective only on receipt of such written notice.

Any notice or other communication required to be in writing by the Bank to the Customer shall be sent by prepaid letter (not being AR Registered post) to the Customer at the last address notified by the Customer to the Bank and shall be deemed received on the 3rd day after it has been put in the post (even if the Bank has actual notice of non receipt by the Customer).

8.6 The use of BDC's by Nominated Employee shall also be subject to the prevailing terms and conditions governing the operation of the Accounts. In the event of any inconsistency between these terms and conditions and those governing the Accounts, the prevailing terms and conditions governing the Accounts shall prevail.

8.7 In the event that the Customer is a partnership or other unincorporated body of persons the liability of all the partners or all the persons comprised in the relevant body of persons shall be joint and several.

8.8 All Nominated Employees act as agents of the Customer when using a BDC to carry out cheque deposit transaction using the CDM. The Customer will ensure that each Nominated Employee is aware of and complies with these terms and conditions.

8.9 The Customer shall be liable for all transactions processed by means of a BDC whether or not they are carried out by the relevant Nominated Employee(s).

8.10 The Customer hereby agrees that :

(i) A BDC may be sent to the Customer by courier or by registered post (not being AR registered post) or by normal post and may be regarded by the Bank as having been duly received by the Customer in good order;

(ii) The Bank shall not incur any liability to the Customer or be responsible for any loss or damage whatsoever suffered by the Customer howsoever caused if the BDC is not in fact so received or otherwise in connection with the method of delivery in clause 6.11(i) above;

(v) Where the BDC is to be collected by a person authorised by the Customer, it shall be deemed good delivery where the Bank delivers the BDC to such person(s) presenting valid identification documents;

- (iii) BDCs are not transferable and the Customer will ensure that each BDC is used only by the relevant Nominated Employee;
 - (iv) Customer shall provide the Bank with such documents and information regarding Nominated Employees, the Account and BDCs or otherwise as the Bank may from time to time request;
 - (v) Customer shall cooperate fully with the Bank in the event of any investigation or litigation relating to any BDC and its use, whether such investigation or litigation is a result of any action initiated by Customer or otherwise.
- 8.11 Each BDC will be assigned to a specific Nominated Account. A maximum of three (3) BDCs may be issued for each Nominated Account. There are no restrictions on the number of Nominated Account(s) per Customer.
- 8.12 The Customer shall, during office hours, notify the Manager of the branch of the Bank at which the Nominated Account is maintained or, if outside office hours, the Bank's ATM Centre, immediately by telephone (and provide written confirmation promptly thereafter) in the event that a BDC is lost, stolen or used by someone other than the appropriate Nominated Employee.
- 8.13 Upon receiving any such notification by telephone from a person purporting to be a representative of the Customer, the Bank shall cancel the relevant BDC without waiting for written confirmation. In such circumstances the Customer will be responsible for any transactions effected with the relevant BDC prior to actual cancellation of the BDC by the Bank. The Bank shall have no obligation to check that the person notifying the Bank is in fact an authorised representative of the Customer. Once telephone notification of such an event has been given to the Bank it may not be withdrawn. The Bank's record of the time of the Customer's telephone notification of any such event shall be conclusive evidence of the time at which the Bank was actually notified.
- 8.14 Without prejudice to the provisions of clause 8.13 above herein, the Customer shall notify the Bank in writing if it requires the Bank to cancel a BDC.
- 8.15 The Bank may at any time without assigning any reason thereof :
- (i) Withdraw, suspend or cancel any BDC; and
 - (ii) Vary the daily and monthly amounts that may be deposited with BDC;
without in any such case incurring any liability to the Customer.
- 8.16 In the event that a BDC is used in a CDM after it has been withdrawn, suspended or cancelled it will be automatically withheld by the CDM and will not be restored to the Customer.
- 8.17 All replacement BDCs and new BDCs issued at the Customer's request shall be issued at the Bank's discretion and shall be subject to the terms and conditions in force at such time. The Bank may charge such fee for issuing and replacing BDCs as it may determine from time to time as stated in the General Tariff and may debit such fees from the Nominated Account or any other account(s) of the Customer held with the Bank from time to time.
- 8.18 Any transaction statement issued on making deposit shall only represent what the Nominated Employee purports to have deposited and shall in no way bind the Bank as to its correctness.

8.19 Subject to clause 8.18 above herein, transaction records issued by the CDM shall be conclusive and binding on the Customer for all purposes save in the case of manifest error.

8.20 In the event that:

- (i) any application or petition shall be presented or any order shall be made by a competent court or other appropriate authority or any resolution shall be passed for bankruptcy, liquidation, winding-up or dissolution or for the appointment of a liquidator, receiver, judicial manager, trustee, official assignee or similar official of the Customer; or
- (ii) a distress or execution shall be levied or enforced or sued out against any of the Customer's chattels, properties or assets ;
or
- (ii) (in a case where the Customer is a firm) the Customer is dissolved; or
- (iv) the Nominated Account is closed;

the Customer shall forthwith return all BDCs to the Bank and the Bank shall cease to be bound by these terms and conditions without prejudice to its own rights against the Customer pursuant hereto.

C. RESPECTIVE TERMS AND CONDITIONS FOR SERVICES

The General Terms and Conditions above will apply to all types of accounts / products / services / facilities and the specific terms and conditions set out hereunder shall form part of and be read with the General Terms and Conditions.

1. **Automatic Teller Machines (“ATM”), Cheque Deposit Machines (“CDM”) and Bulk Cash Deposit Machines (“BCDM”)**

1.1 Self Service Machines are made available to the Customer subject to the HSBC General Terms and Conditions.

1.2 Cash withdrawals performed overseas through the HSBC Group’s ATM network through use of the Card (on any account of the Customer) will be subject to;

- (i) a minimum handling charge per transaction of which the charge shall be debited to the Customer’s transacting account as at the date the transaction is posted into the same account and
- (ii) the available balance in the account being sufficient to cover both the intended withdrawal amount and the said handling charge.

The Bank may vary the handling charge from time to time and at its absolute discretion as notified by the Bank from time to time.

1.3 Cash withdrawals performed on PLUS ATMs apart from those on the HSBC Group’s ATM Network will be subject to:

- (xii) a minimum handling charge per transaction of which the charge shall be debited to the Customer’s transacting account as at the date the transaction is posted into the same account; and
- (xiii) the available balance in the account being sufficient to cover both the intended withdrawal amount and the said handling charge.

1.4 Any advice of the Customer’s credit balance issued by a Self Service Machine after a transaction is not conclusive of the amount the Customer has in his Account unless the Bank has expressly verified it to be correct.

1.5 ATM Card(s) issued by the Bank or retained by HSBC ATM Machines will be destroyed by the Bank should the new ATM card not be collected within two (2) months from the date of notification or the retained ATM card not be collected within 1 month from the date of retention. Charges will apply for any new cards.

1.6 Any cash or cheque deposited by the Customer at a Bulk Cash Deposit Machine (“BCDM”) or a Cheque Deposit Machine (“CDM”) by the use of an ATM Card shall only be credited to the Customer’s Account after verification by the Bank (which shall be conclusive and binding against the Customer) and any statement issued by the Bank on the making of a deposit by the Customer shall only represent what the Customer purports to have deposited and shall in no way bind the Bank as to its correctness and the Bank shall be entitled in its absolute discretion to amend or rectify any inaccuracies or errors herein.

1.7 The Customer is responsible for informing the beneficiary of any cash or cheque deposited by the Customer at the BCDM or CDM.

1.8 Cash or cheque deposit instructions will be processed in a timely manner, after verification by the Bank, and at its convenience during

the Bank's normal business hours.

- 1.9 The Bank reserves the right to reverse any transaction made on the self service machines which have subsequently been verified as invalid.
- 1.10 The respective terms and conditions for Current Account(s) shall also apply.

2. Standing / Periodic Payment Instructions (SI)

- 2.1 In the event of any variations or amendments only in respect to the Amount specified, the Method of Payment and the Period of Payment as stated in the SI Form, the Customer shall notify the Bank in writing / by telebanking (via PIN)/by Internet Banking (via PIN) of such variations or amendments and subject to clause 7.4 of Section A herein, the Bank shall be authorised to effect the variations or amendments upon receipt of such written notice.
- 2.2 The Bank may at its absolute discretion terminate this instruction as to future payments at any time by notice in writing to the Customer or without notice at any time after receipt of written instructions from any named payee named in an SI that no further payment is required.
- 2.3 The SI will be affected provided there is sufficient fund in the account and the Bank will not be liable for any missed payment.

3. Telegraphic Transfer / Demand Draft

- 3.1 In the absence of any specific instructions to the contrary the Telegraphic Transfer / Demand Draft will be affected in the currency of the country in which payment is to be made.
- 3.2 All charges incurred outside Brunei Darussalam are for the account of the beneficiary with an option given for the overseas charge to be applied to the remitter.
- 3.3 The Bank reserves the right to draw the Telegraphic Transfer / Demand Draft on a different place from that specified by the remitter if operational circumstances so requires.
- 3.4 Telegraphic Transfer is to be dispatched entirely at the remitter's own risk and for a Demand Draft; the Bank will not be responsible for mail service if it is dispatched on behalf of the remitter.
- 3.5 Where the Bank is unable to provide a firm exchange rate quotation, the Bank shall affect the remittance on the basis of a provisional exchange rate which shall be subject to adjustment when the actual exchange rate is ascertained. Any difference between the provisional rate and the actual rate shall be debited / credited (as the case may be) to the Applicant's account.
- 3.6 The Bank is at liberty to send the Telegraphic Transfer either literally or in cipher and the Banker accepts no responsibility for any loss, delay, error, omission or mutilation which may occur in the transmission of the message or for its misinterpretation when received.
- 3.7 Applications received after 1500 hours may not be processed on the same day.
- 3.8 Applications for the same day value are subject to cut-off time related to the geographical location of the destination.

4. PhoneBanking Services

- 4.1 The PhoneBanking services ("the **PhoneBanking Service**") provided by the Bank is available to the Customer either by Automated Telephone Banking ("ATB") or by Personal PhoneBanking ("PTB").

4.2 ATB allows the Customer to:-

- (i) transfer funds between any of the HSBC Premier Account maintained with the bank;
- (ii) transfer funds from any Account of the Customer within any pre-defined transfer limits (if any so prescribed by the Bank) to any account designated by the Customer for the purpose of receiving funds under ATB;
- (iii) set up, renew or withdraw Time Deposits;
- (iv) enquire on the Accountholder's Account balances and/or HSBC Premier Account Balance, inclusive of loan account balances, last transactions, exchange rates and deposit rates;
- (v) request for account statements, new cheque books and stop cheques as well as status of a cheque;
- (vi) pay utility bills;
- (vii) make loan repayment(s);
- (viii) change PIN; and
- (ix) conduct such other types of banking or investment services as the Bank may from time to time introduce.

4.3 PTB allows the Customer to:-

- (i) enquire as to the balances of any or all personal accounts; transaction history; remittances; transfers; interest and exchange rates; loans; overdrafts and mortgages; cheque status; procedure to change PIN;
- (ii) transfer funds between accounts, both in Brunei dollar and foreign currency accounts within the predefined transfer limits which the Bank may specify in its absolute discretion from time to time;
- (iii) transfer funds from any HSBC Premier Account of the Accountholder within the predefined transfer limits which the Bank may specify in its absolute discretion from time to time to any account designated by the Customer for the purpose of receiving funds under PTB ("**the Designated Transferee Account**");
- (iv) transfer funds from any HSBC Premier Account of the Customer to any account other than a Designated Transferee Account ("**Non-Designated Transferee Account**") within the predefined transfer limits which the Bank may specify in its absolute discretion from time to time.
- (v) renew term/time deposits upon maturity and change such term/time deposit instructions;
- (vi) open new accounts with the Bank, such as current account, statement savings account, HSBC Premier account and term/time deposits account;
- (vii) conduct foreign exchange transactions;
- (viii) apply for all types of loans, overdrafts and mortgages;
- (ix) effect payments including utility payments and credit card payments;

- (x) effect remittances to overseas by telegraphic transfers;
 - (xi) purchase travelers cheques, cashier's orders and demand drafts with the Bank under instructions to mail them to the beneficiary or to the beneficiary's bank or to await collection;
 - (xii) set up, add or cancel standing instructions;
 - (xiii) report loss of any of the Cards;
 - (xiv) request replacement of any of the Cards;
 - (xv) stop cheques;
 - (xvi) request for Statements of Accounts;
 - (xvii) request for new Cheque Books;
 - (xviii) request the Bank to send facsimiles to the Customer with respect to various requests to the Customer's facsimile number on record with the Bank; and
 - (xix) conduct such other types of banking or investment services as the Bank may from time to time introduce.
- 4.4 The Bank is authorized to act on any telephone instruction given through the use of the PhoneBanking Service where such telephone instruction is given together with the PIN supplied to the Customer by the Bank or such number substituted by the Customer from time to time or such other personal data as the Bank acting reasonably in its discretion believes further and verifies the genuineness of the telephone instruction ("**telephone instruction**") and the Bank shall be entitled to treat such telephone instruction as valid and correct and given by the Customer and the Bank shall not be liable for any loss or damage, in the absence of malice or wilful default on its part, for acting in good faith upon such telephone instruction and the Bank shall not be under any duty to seek any verification other than the PIN and shall not be under a duty to verify the identity of the Customer.
- 4.5 The Customer shall keep the PIN strictly confidential at all times and agrees not to disclose the same to any third party under any circumstances and the Customer confirms that he will not keep any written record of the PIN in any place or manner which would enable a third party to have access to the same. The Customer is requested not to substitute the PIN supplied to him by the Bank with a number which corresponds with the Customer's telephone number, personal identity card or passport number, date of birth or other similar identification number which could facilitate an unauthorized person to effect a telephone instruction. In the event that any unauthorized person uses the Customer's PIN to effect a telephone instruction the Customer agrees to co-operate and provide reasonable assistance to the Bank, the police and to any other persons the Bank may consider appropriate for the purposes of conducting an investigation. The Customer understands and agrees that he shall be liable to the Bank for any amount transferred by the Bank pursuant to a telephone instruction if the transfer of the underlying funds was made through an instruction given together with the Customer's PIN before the Customer notifies the Bank in accordance with the provisions herein below in clause 4.6.
- 4.6 The Customer shall notify the Bank immediately by telephone to the Bank's Personal PhoneBanking Center in Bandar Seri Begawan (Tel No: 2 252 256) upon (a) the loss of the PIN, or (b) becoming aware that the PIN has or may have become known to any unauthorized person. The Bank will not be liable for any loss (direct or consequential) arising from the use of the PhoneBanking Service until such time as the Bank receives such notification.

- 4.7 The Customer must ensure that there are sufficient funds or prearranged credit facilities in the Customer's Account for the purpose of effecting the telephone instructions given from time to time and the Bank shall not be deemed to be under any obligation whatsoever to effect any telephone instruction whereby the amount to be transferred exceeds the balance in the Customer's Account and/or credit facilities available to the Customer nor shall the Bank be liable for any loss or damage (direct or consequential) or any consequence arising out of the Bank's failure to carry out such instructions due to inadequacy of funds and/or credit facilities. Should the Bank in its sole discretion decide to carry out the telephone instructions notwithstanding such shortfall or deficit in funds, it may do so without seeking prior approval from or notice to the Customer and the Customer shall be responsible for the resulting overdraft created thereby which shall be repayable on demand together with interest accruing thereon from the date such amount becomes owing until the date such amount is repaid in full at the rate for overdraft lending published by the Bank from time to time;
- 4.8 Any foreign exchange rate or interest rate quoted by the Bank in response to a telephone instruction is for reference purposes only and shall not be binding on the Bank unless confirmed by the Bank for the purpose of a transaction. Such confirmed foreign exchange rate or interest rate, if accepted by the Customer through the PhoneBanking Service, shall be absolutely binding on the Customer notwithstanding that a different foreign exchange rate or interest rate might have been quoted by the Bank at the relevant time through other means of communication.
- 4.9 The Customer's right to give telephone instructions pursuant to the PhoneBanking Service is at all times subject to the discretion of the Bank and the Bank may at any time revoke such right without prior notice and/or cancel the PIN at any time as the Bank deems appropriate for whatever reason without prior notice.
- 4.10 The Bank has the right to record telephone calls made between the Bank and the Customer for the purposes of resolving any disputes between them, and the Customer understands that the Bank may time to time monitor all telephone calls in order to maintain and improve the quality of PTB. The Bank is entitled to rely on any such recordings as well as any other equipment used in connection with the provision of PTB as conclusive evidence of the matters recorded therein. The tapes containing the records of telephone calls shall be kept by the Bank for no longer than one (1) year. After this period the Bank shall have the right to rely absolutely on its written records of the transactions, in case any dispute arises in relation with any previous transactions;
- 4.11 All accounts opened pursuant to a telephone instruction shall become operational with immediate effect and the Customer irrevocably and unconditionally agrees promises and covenants to be legally bound by the Bank's Terms and Conditions applicable to such respective accounts as herein contained. In consideration of the Customer's agreement, promise and covenant as aforesaid, the Bank hereby waives any or all underlying account documentations (including but without limiting the generality of the foregoing, signing new application forms, specimen signature cards and/or mandates) which the Bank would otherwise have required of the Customer to sign in opening such accounts;
- 4.12 The Customer shall notify the Bank in writing of any transaction or use of the PhoneBanking Service or telephone instruction which was not authorized by the Customer within 90 days from the transaction date which appears on the underlying Account statement. If the Customer fails to report within the said period, the transaction shown in the statement will be considered correct;
- 4.13 The Customer shall notify the holder of Designated Transferee

Account or Non Designated Transferee Account (as applicable) and any Joint Accountholder of the details of the transactions performed by the Bank pursuant to all telephone instructions given by the Customer to the Bank.

- 4.14 The Bank may, in its sole discretion require the Customer to confirm a telephone instruction in writing, signed by the Customer prior to the Bank acting on such telephone instruction. Notwithstanding any provision herein the Bank reserves the absolute right not to effect or act upon any telephone instruction which it deems in its sole discretion to be unclear, contradictory or seems to have been given by an unauthorized person.
- 4.15 The Bank reserves the right to add, delete or vary the scope of the PhoneBanking Service and/or any of the terms and conditions on which the PhoneBanking Service is offered from time to time as the Bank in its absolute discretion thinks fit. The Bank shall give notice of such amendments to the Customer and use by the Customer of the PhoneBanking Service after the date upon which such change is to have effect (as specified in the Bank's notice) will constitute acceptance without reservation by the Customer of such change and such change will be deemed an integral part of the terms and conditions. If the Customer does not accept any proposed change, the Customer is free to cancel the PhoneBanking Service by notifying the Bank in writing.
- 4.16 If the Customer wishes to cancel the use of the PIN allocated to him by the Bank or any of the PhoneBanking Service offered through ATB or PTB, the Customer must notify the Bank of such cancellation in writing.
- 4.17 The total sum to be transferred per day from any Account through PhoneBanking Service shall not exceed the following amounts:-
- (i) Br\$50,000 in respect of a transfer of funds to a Designated Transferee Account of the Accountholder held with the Bank at any of its branches in Brunei Darussalam.
 - (ii) Br\$10,000 in respect of a transfer of funds to a Designated Transferee Account of the Accountholder not held with the Bank at any of its branches in Brunei Darussalam, or of a person other than the Accountholder.
 - (iii) Br\$2,000 in respect of a transfer of funds to a Non-Designated Transferee Account of the Customer not held with the Bank at any of its branches in Brunei Darussalam, or of a person other than the Customer. The Bank reserves the right with or without notice to the Customer to change and revise such limits from time to time.
- 4.18 If the Customer wishes to instruct the Bank to freeze or stop the payment of a cheque or the transfer or payment of funds made through a telephone instruction through the PhoneBanking Service, he must notify the Bank at once, such request for the Bank to freeze or stop the payment of a cheque or the transfer of funds being either in writing and sent to the Bank or by way of a telephone instruction whereupon once the Bank has satisfied itself of the genuineness of such instruction according to the Bank's procedure, the Bank will immediately freeze or stop the payment of the cheque or the said transfer provided such payment or transfer (as the case may be) has not already been effected.
- 4.19 The Bank shall not be liable to the Customer for any failure to carry out any telephone instruction where such failure is attributable, whether wholly or in part, to any cause beyond the Bank's control including any act of God, governmental act or act of any governmental officer, war, flood, fire, disruption or failure in any communication facilities,

telecommunication breakdown, equipment malfunction or failure, loss of power, explosion, accident, civil commotion, industrial dispute or any other kind of force majeure and under no circumstances shall the Bank be responsible to the Customer for any indirect or consequential losses arising out of or in connection with carrying out or failure to carry out a telephone instruction.

- 4.20 The Customer undertakes not to use the PhoneBanking Service in any manner or to perform any transaction which is illegal, illicit or prohibited under the laws of Brunei Darussalam or any applicable country or territory.
- 4.21 The Bank may, from time to time, in its absolute discretion, arrange a collection / delivery service on behalf of the Customer in respect of cheques and/or other documentation designated from time to time by the Bank. The Customer hereby authorizes the Bank to select and appoint messengers, whether in the Bank's own name or the name of the Customer, to carry out such collection / delivery service and the Customer understands and agrees that the Bank shall not be responsible to the Customer for any losses incurred by the Customer including, but not limited to, any indirect or consequential losses arising out of or in connection with such collection/delivery service. The Customer further understands and agrees that the Bank has the right to charge such fees and/or other charges in respect of arranging such a service as the bank in its reasonable opinion from time to time deems fit.

D. RESPECTIVE TERMS AND CONDITIONS FOR FACILITIES

The General Terms and Conditions above will apply to all types of accounts / products / services / facilities and the specific terms and conditions set out hereunder shall form part of and be read with the General Terms and Conditions.

1. General

- 1.1 Facilities granted will be subject to our customary annual review. Notwithstanding this the Bank may at its absolute discretion review the Facilities at any time and may cancel the Facilities at any time without prior notice, or upon the happening of any of the events of default as hereinafter defined.
- 1.2 Availability of Facilities granted is subject to all legal documentation having been completed and the relevant documents having been received by the Bank.
- 1.3 If the effect of any, or a change in any, law or regulation is to increase the cost to us of advancing, maintaining or funding the Facilities or to reduce the effective return to us, the Bank reserves the right to require payment on demand of such amounts as the Bank considers necessary to compensate us therefore.
- 1.4 In accordance with normal banking practice, Facilities granted remain subject to the Bank's customary overriding right of repayment on demand including the right to call for full cash cover on demand for prospective and contingent liabilities.
- 1.5 The Customer shall furnish upon demand all documents in such form, shape and value as may be required by the Bank from time to time as a condition of the Bank granting the Facility to the Customer.
- 1.6 A certificate showing the amount due from the Customer to the Bank shall be accepted by the Customer as conclusive evidence of the amount due at any time and the amount so shown to be due shall not be questioned or disputed by the Customer.
- 1.7 If the Facilities are extended beyond the expiry date of the deposit(s), the deposit will be renewed automatically (inclusive of interest) each time it / they due and will remain as continuing security for so long as the Facility shall exist.

2. Assignment of Salary

- 2.1 Facilities are granted subject to the Customer agreeing to assign all of his monthly income including but not limited to salaries, pensions, rentals, allowances and commissions received in Brunei Darussalam to the Customer's current account / savings account with the Bank for the repayment of the said Facilities until the Facilities are fully settled.
- 2.2 The Customer agrees to prohibit any advances on the Customer's salary by the Customer's employer until the Customer's Facility with the Bank has been fully settled unless written approval is obtained from the Bank subject to the Bank's sole and absolute discretion.
- 2.3 The Customer agrees that the arrangement set forth in clauses 2.1 and 2.2 shall remain in force until such time that all financial obligations have been settled and this arrangement will not be altered and/or cancelled without the express consent of the Bank.

3. Employment

- 3.1 In the event the Customer shall cease to be employed in Brunei Darussalam, all Facilities or balance thereof plus interest accrued shall immediately become due and payable.
- 3.2 Should the Customer intend to leave his employment for whatever reason, the Customer agrees to inform the Bank one month before his resignation / termination of employment and to provide the Bank with his local / overseas contact details. Prior to any disbursements being made upon the Customer's resignation / termination, the Customer agrees to direct all monies due to him to settle any and all outstanding debts with the Bank.

4. Interest

- 4.1 The Customer agrees to pay interest for each Facility for a period of daily, fortnightly, monthly and/or annually as may be determined by the Bank at its sole discretion from time to time.
- 4.2 The Bank in its sole discretion may vary the interest rate at any time without notice to the Customer unless the Facility Offer Letter states that the interest rate is fixed at that time.

5. Payments

- 5.1 The Customer acknowledges that payments by the Customer and Guarantor shall be made to the Bank without any set-off, counter-claim, withholding or condition of any kind except that if the Customer / Guarantor is compelled by law to make such withholding, the sum payable by the Customer / Guarantor shall be increased so that the amount actually received by the Bank is the amount it would have received if there had been no withholding.
- 5.2 Payments made to the Bank will be applied in or towards payments in the following order:-
- (i) fees and administrative charges;
 - (ii) late interest;
 - (iii) interest accrued but yet uncollected; and
 - (iv) outstanding principal sums,
- or in such order as the Bank in its absolute discretion deems fit.

6. Facilities

6.1 *Loans*

- 6.1.1 In consideration of the Bank granting advances to the Customer by loan in the sum to be determined by the Bank, the Customer agrees to the following:
- (i) to repay the principal sum plus interest at a rate to be determined by the Bank from time to time, the commencement and end of which to be determined by the Bank at its absolute discretion;
 - (v) to pay monthly interest charged at a rate to be determined by the Bank from time to time at its absolute discretion;
 - (iii) in the event of default by the Customer in the payment of any monthly instalments on the principal money or interest as aforesaid, the whole loan or balance thereof plus interest accrued shall immediately become due and payable;

- (iv) the loan is repayable on demand at the Bank's absolute discretion;
- (v) to undertake to keep and maintain the Customer's current account and/or savings account with the Bank in credit at all times unless prior arrangements have been made throughout the term of the Facility(s);
- (vi) the Bank is authorised to return the Customer's cheques or request for payment drawn upon the Customer's current account / savings account for payment which if paid on presentation would reduce the Customer's balance below the agreed amount as determined by the Bank from time to time at its absolute discretion;
- (vii) the Bank is authorised at any time to debit the Customer's current account/savings account with the monthly repayment of principal and interest due and all legal and other expenses incurred by the Bank and should there be insufficient funds in the current account / savings account, the Bank is authorised to charge or debit the interest accrued and all legal and other expenses incurred to the loan amount; and
- (viii) it is a condition of the loan that the Customer's monthly income will be paid to the Customer's account with the Bank.

6.1.2 In the event of delayed payment of any loan instalment or instalments, additional interest in respect of the instalment(s) which are overdue will be charged at an additional interest rate of a percentage per annum over and above the prescribed rate for the loan to be determined by the Bank from time to time at its sole and absolute discretion.

6.2 *Overdraft*

6.2.1 In consideration of the Bank granting the Customer a loan by way of overdraft in current account of a sum to be decided by the Bank at its sole discretion and in such lesser or greater sum as the Bank in its sole discretion may grant to the Customer which sum or so much as may be desired by the Customer is to be advanced to the Customer upon the Customer's cheques drawn on the Bank or by debits initiated by the Bank itself the Customer agrees as follows:

- (i) the Customer shall pay the Bank interest at the rate as determined by the Bank from time to time above the Bank's prime rate for the time being or from time to time per annum upon the daily balances shown by the said current account which interest shall be calculated and shall be due and payable monthly on a date to be designated by the Bank and compounded if not paid when due. The Bank reserves the right from time to time at its sole discretion to increase and/or decrease the rate of interest;
- (ii) the Customer shall furnish upon demand as collateral such security in such form and value as may be required by the Bank from time to time in amounts and values sufficient at all times in the opinion of the Bank to secure the payment of the overdraft provided herein and any other obligations of the Customer to the Bank;
- (iii) in the event the Customer fails to pay when due any sum which the Customer may owe the Bank and the Bank has commenced legal proceedings to recover such sum, the Customer will further pay the Bank all advances charges, cost and expenses including all solicitors' and other legal costs on a solicitor and own client basis incurred or paid by the Bank in exercising any right, power or remedy conferred by this agreement or in the enforcement hereof and shall become part of the indebtedness

secured hereunder and shall be paid to the Bank by the Customer immediately and without demand;

- (iv) this is a continuing agreement and all rights, powers and remedies hereunder shall apply to all past, present and future obligations of the Customer to the Bank or its successor including those arising under successive transactions which shall either continue existing obligations increase or decrease them or from time to time create new obligations after any or all prior obligations have been satisfied and notwithstanding the death, incapacity or bankruptcy of the Customer or any other event or proceedings affecting the Customer; and
- (v) the Bank may at its own discretion and upon written notice to the Customer terminate the facility of overdraft herein granted and such notification by the Bank shall constitute sufficient notice of termination and thereupon all debts. Liabilities and other obligations of the Customer to the Bank including interest and other charges shall become due and payable immediately. The Customer may terminate the Facility only if the Customer serves fourteen (14) days' written notice thereof on the Bank and all the Customer's obligations to the Bank, absolute or contingent whether due or not are completely satisfied.

7. Events of Default

7.1 An event of default occurs where:-

- (i) the Customer fails to perform and observe any of his obligations under the terms and conditions for facilities contained herein and where applicable the Facility Offer Letter in particular with regard to the repayment of the Facilities and interest on the due dates as stated in the latter;
- (ii) if in the Bank's opinion the Customer has utilised the Facilities unsatisfactorily or has utilised the Facilities for any other purpose other than that for which the Facilities are granted;
- (iii) any representation or warranty made by the Customer pursuant to the Facility Offer Letter or if any statement delivered or made pursuant to it is incorrect when made;
- (iv) if in the Bank's sole discretion it is decided that the continuation of the Facilities would likely be detrimental to the Bank's position or that the safety of any security given for the Facilities granted are threatened or is in jeopardy;
- (v) a material adverse change occurs in the Customer's financial condition or business operation or changes occur in the financial and operating environment which in the Bank's opinion will adversely effect the Bank's interest or which may prejudice the Customer's ability to perform or discharge his obligations towards the repayment of the Facilities;
- (vi) that the Customer is subject to any legal process which in the Bank's opinion will adversely effect the Customer's ability to perform or discharge his obligations towards the repayment of the Facilities;
- (vii) if it becomes lawful or impossible for the Bank to make, maintain or fund the Facilities as contemplated by the Facility Offer Letter;
- (viii) non-payment of principal or interest of any obligation of the Customer to the Bank when due;

- (ix) any deterioration or impairment of the collateral or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated) which causes the collateral in the judgement of the Bank to become unsatisfactory as to character or value;
 - (x) the levy of any attachment, execution or other process against the Customer or any of the collateral; and
 - (xi) the death, insolvency or failure in business, commission or any act of bankruptcy composition with creditors, filing of any petition in bankruptcy or winding-up of by or against the Customer or any co-maker, accommodation maker surety or guarantor of any obligation of the Customer to the Bank or any endorses of any note or other document evidencing any obligation to the Bank.
- 7.2 No further drawing may be made after the occurrence of any event of default and the Bank shall be entitled at any time after the occurrence of an event of default, by notice in writing to the Customer, to declare the Facilities and all interest and commitment commission occurred and all other sums payable, pursuant to the Facility Offer Letter, have become immediately due and payable whereupon the same shall become immediately due and payable and the Customer shall immediately pay the same to the Bank.
- 7.3 In the event that the Facilities shall be declared immediately due and payable as stated above the Customer will reimburse the Bank for all losses and expenses incurred by the Bank in consequence of the event of default including all legal fees and expenses (on a solicitor and client basis) incurred or paid by the Bank in enforcing its right through any process of law.
- 7.4 The Bank shall apply any sums paid or recovered from the Customer in the following manner:-
- (i) towards any costs legal or otherwise incurred by the Bank in the recovery of monies owing to the Bank;
 - (ii) towards overdue interest;
 - (iii) towards interest; and
 - (iv) towards the outstanding principal amount,
- or in such other manner at the Bank's absolute discretion.

8. Modification and Indulgence

- 8.1 The Bank may at any time and without affecting the terms and conditions contained herein or of any security created for the Facilities:-
- (i) determine, alter, vary, amalgamate, restructure, renew or increase the Facilities;
 - (ii) grant to the Customer or to any other surety or guarantor any time or indulgence;
 - (iii) renew any bills, notes or other negotiable securities;
 - (iv) deal with exchange, release or modify or abstain from perfecting or enforcing any security or guarantees or rights it may now or at any time hereafter or from time to time have from or against the Customer or any other persons; and

- (v) vary, alter or amend the number and / or the amount of monthly instalments and /or such modes of repayments to be paid by you to the Bank.

9. Waiver

- 9.1 No failure or delay on the Bank's part to exercise any power rights or remedies hereunder shall operate as a waiver thereof, nor shall any single or partial exercise or waiver of any such power rights or remedies preclude its further exercise or the exercise of any other power right or remedy. The power rights and remedies hereby provided are cumulative and not exclusive of any power rights or remedies provided by law.

10. Penalty interest

- 10.1 Default interest will be charged at the Bank's absolute and sole discretion.
- 10.2 In the event that the agreed limit of the Facility shall be exceeded the Bank shall have the absolute right to levy or impose an additional penalty interest rate to be determined by the Bank at its sole discretion from time to time, for that portion of the outstanding which exceed the agreed limit of the Facility.
- 10.3 In the event of delayed payment of any loan instalment or instalments, additional interest in respect of the instalment which is overdue will be charged at an additional interest rate to be determined by the Bank at its sole discretion from time to time, over and above the prescribed rate of the loan.

11. Prepayment / Full Settlement

- 11.1 Advance / Partial payment for Facilities are permitted subject to a minimum amount and a fee set at a percentage of the prepaid amount at the Bank's sole discretion and amended from time to time. Any amount prepaid will be applied against outstanding instalments in inverse order of maturity and may not be redrawn. The rates in connection with Advance / Partial payment to be made available to the Customer by way of a Tariff of Charges and/or in the Facility Offer Letter (if applicable).
- 11.2 Early full settlement of Loan Facilities is permitted subject to a minimum amount and a fee set at a percentage of the loan outstanding at the Bank's sole discretion and amended from time to time. Any amount prepaid will be applied against outstanding instalments in inverse order of maturity and may not be redrawn. The rates in connection with Advance / Partial payment to be made available to the Customer by way of a Tariff of Charges and/or in the Facility Offer Letter (if applicable).

12. Assignment

- 12.1 The Facilities granted shall be binding upon and inure for the benefit of our successors and assignees but the Customer may not assign his rights hereunder.

13. Fees and expenses

- 13.1 The Customer will reimburse the Bank in full and on demand:
 - (i) all expenses (including legal expenses) incurred by the Bank in connection with the negotiation and preparation by the Bank's appointed lawyers of all security documents; and
 - (ii) all expenses (including legal expenses) incurred by the Bank in suing for or recovering any sum due to the Bank under the

Facility Offer Letter or otherwise in protecting or enforcing the Bank's rights under said letter.

- 13.2 The Bank reserves the right to pay such fees and expenses to the debit of the Customer's accounts.
- 13.3 The Bank reserves the right to impose arrangement fees for the Facilities and to debit from the Customer's account at the Bank's sole discretion.
- 13.4 The Bank reserves the right to introduce new fees and charges (and vary existing fees and charges) at any time without notice to the Customer. This may include new fees and charges as a result of regulatory change or the introduction or variation of government charges or duties.
- 13.5 The Customer authorises the Bank to debit fees and charges set out in the Facility Offer Letter and/or the terms and conditions for facilities contained herein to the Customer's account without first notifying the Customer.
- 13.6 If the Facility is cancelled for any reason whatsoever, the Customer agrees to pay the Bank on cancellation, the cancellation fee for that Facility to be determined by the Bank from time to time at its sole discretion.

14. Credit Reduction

- 14.1 The Bank in its absolute discretion is authorised to reduce any and/or all Facility limit(s) the Customer may have with the Bank and to settle the outstanding balance upon the Bank granting the Customer's application for a new Facility and in the case of a Home Loan, the drawdown of which.

15. Miscellaneous

- 15.1 Facilities granted are only offered to Expatriate(s) Customers who are working and residing in Brunei over the validity period of their Contract of Employment Pass only. The Facilities granted remain subject to our overriding right of repayment on demand, including the right to call for full cash cover on demand, upon expiry or termination of the validity period of the Expatriate(s) Customer's Contract of Employment Pass or upon notice of the earlier.
- 15.2 Upon renewal / expiry of the Expatriate(s) Customer's Contract of Employment Pass, the Expatriate(s) Customer must provide the Bank with a copy of his latest employment contract and employment pass for the Bank's records. Failure to do so may result in the immediate cancellation of the Facilities without prior notice to the Expatriate(s) Customer and a demand for full settlement.

16. Law

- 16.1 The Facility Offer Letter and the contract arising out of the Customer's acceptance of the Facilities on the General Terms and Conditions and the respective terms and conditions for facilities set out herein shall be governed by and construed in all respects in accordance with the laws of Brunei Darussalam.

