

BUSINESS BANKING

TERMS AND CONDITIONS

COMMERCIAL BANKING

HSBC 

Business Banking Terms & Conditions

The Sole Proprietorship / Partnership / Company / Club / Society/ Association (hereinafter referred to as “the Customer”), agrees to be bound and limited by The Hongkong and Shanghai Banking Corporation Limited (“the Bank”) General Terms and Conditions and the following terms and conditions (“HSBC Business Current Account Terms and Conditions”) governing the use of the HSBC Business Current Account of products and services made or to be made available by the Bank to the Customer at the Customer’s request which may consist of, but is not limited to, the matters stated below.

1. Business Call Account (Local Currency)

- 1.1 Business Call Account will be opened with a minimum deposit as determined by the Bank from time to time.
- 1.2 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.
- 1.3 The Customer agrees that unless otherwise agreed with the Bank, monies deposited will be paid simple interest calculated on a daily basis and payable upon upliftment and shall be subject always to the Brunei Association of Banks (“BAOB”) Rules and those of any other relevant authority.
- 1.4 All cheques and other monetary instruments that are accepted for deposit by the Bank shall be credited subject to final clearance. The Bank reserves the right to charge the Customer’s account with items which are subsequently returned unpaid.
- 1.5 The Bank will accept for payment into the Customer’s account all cash, cheques, bills and other instruments payable to the Customer. The Bank reserves the right, at any time and without assigning any reason, refuse to accept any or part of such deposit and return all or any part of such deposit.
- 1.6 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.
- 1.7 The Customer shall be responsible for providing disposal instructions for their Call Deposits, as all unclaimed deposits are subject to Part IX of the Banking Order 2006 after a period of six years. Unless prior written notice is received by the Bank, the Bank will automatically renew the deposit excluding any accrued interest.
- 1.8 The Customer agrees and authorises the Bank to deduct from the interest whatever withholding tax at the rate determined by the Government authorities from time to time.
- 1.9 Cheque books issued for the Business Call Account will operate under the same terms and conditions for cheque books issued for HSBC Current Accounts. Please refer to the HSBC General Terms and Conditions.

2. Inactive accounts

Current accounts which are inactive (i.e. no withdrawal transaction) for one year will be transferred to “DORMANT” status with a service charge and all payment to/from the account will be blocked.

Current accounts which are inactive (i.e. no withdrawal transaction) for two 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. Business ATM Card

3.1 “Authorised Delegates” means persons nominated and authorized by the Customer to use the Business ATM Services (hereinafter referred to as “the BAC Service”) provided by the Bank, and each shall be referred to as an “Authorised Delegate”.

3.2 All Authorised Delegates act as agents of the Customer when using the BAC Services availed to carry out a Transaction. The Customer will ensure that each Authorised Delegate is aware of and complies with these terms and conditions.

3.3 The maximum number of Authorised Delegates for the BAC Services shall be determined by the Bank from time to time at its absolute discretion.

3.4 All Authorised Delegates named in the Application Form and in any subsequent Amendment Request Form shall be authorized to request to reset / replace their own Personal Identification Number (PIN) and their access to the BAC Service and that the Bank be instructed to act on and comply with all such requests made by any of the Authorised Delegates. (Applicable to BAC Services only.)

3.5 The Customer is fully liable for all Transactions processed whether or not they are performed by the Authorised Delegates and regardless of whatever signing arrangement and limit is stipulated on the Customer’s Account mandate, and will ensure that the Authorised Delegates adhere to the daily cycle limit defined by the Bank.

3.6 If a personal account of an Authorised Delegate is designated as a credit account, the Customer should be aware that amounts could be transferred from the Customer’s Account to the aforesaid personal account without the Customer’s knowledge beforehand. The Bank assumes no liability in acting on a transfer instruction emanating from the Authorised Delegate and is under no obligation to make any enquiries in relation thereto.

3.7 The Customer hereby agrees that:

3.7.1 an ATM Card and / or the ATM-PIN may be sent to the Customer or an Authorised Delegate by registered post and may be regarded by the Bank as having been duly received by the Customer or Authorised Delegate (as the case may be) in good order;

3.7.2 in the event an ATM Card and / or ATM-PIN is to be collected by or on

behalf of a Customer and / or Authorised Delegate, delivery of the ATM Card and / or ATM-PIN by the Bank to a person identifying himself as the relevant Authorised Delegate or the person authorised by the Customer to collect the ATM Card and / or ATM-PIN, shall be deemed good delivery to the relevant Authorised Delegate;

- 3.7.3 the Bank shall not incur any liability to the Customer or the Authorised Delegate or be responsible for any loss or damage whatsoever suffered by the Customer and / or the Authorised Delegate howsoever caused if the ATM Card and / or ATMPIN is not in fact so received or otherwise in connection with the despatch or delivery of the ATM Card and / or ATM-PIN by registered mail;
- 3.7.4 the Customer and the Authorised Delegate will safeguard the ATM Card and the Customer will ensure that the ATM-PIN is known only to the relevant Authorised Delegate and will procure that the Authorised Delegate safeguards the ATMPIN and does not reveal it in any circumstances to any other person;
- 3.7.5 ATM Cards are not transferable and the Customer will ensure that each ATM Card is used only by the relevant Authorised Delegate;
- 3.7.6 it will provide the Bank with such documents and information regarding Authorised Delegates, the Customer's Accounts and ATM Cards as the Bank may from time to time request;
- 3.7.7 it will cooperate fully with the Bank in the event of any investigation or litigation relating to any ATM Card or its use;
- 3.8 The Customer is responsible for providing the correct bill reference number for the purpose of Merchant Bill Payment and the Bank shall not incur any liability to the Customer if the wrong bill reference number is submitted or for any losses or damages incurred.
- 3.9 The Customer shall, during office hours, notify the Bank immediately by telephone (and provide written confirmation promptly thereafter) in the event:
 - 3.9.1 that an ATM Card is lost, stolen or used by someone other than the appropriate Authorised Delegate; or
 - 3.9.2 that an ATM-PIN is disclosed to anyone other than the relevant Authorised Delegate;
 - 3.9.3 of death, insanity, resignation or termination of employment of any Authorised Delegate;
 - 3.9.4 of commencement of Bankruptcy or other execution proceeding against any Authorised Delegate;
 - 3.9.5 of revocation by the Customer of any Authorised Delegate's authority to use the ATM service.

- 3.9.6 Upon receiving any such notification by telephone from a person purporting to be a representative of the Customer, the Bank shall be entitled to cancel the relevant ATM Card without waiting for written confirmation.
- 3.9.7 In such circumstances the Customer will be responsible for all Transactions effected with the relevant ATM Card prior to actual cancellation of that ATM Card by the Bank. The Bank shall have no obligation to check the event described in the notification is in fact true or 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.
- 3.10 The Customer shall be liable for all Transactions processed by means of an ATM Card whether or not they are carried out by an Authorised Delegate. The Customer agrees that when the ATM Card is used to effect, process or conduct any transaction, it is used with or deemed to be with the Customer's authority whether or not the Customer has actually authorised and/or has knowledge of the use of the ATM Card.

4. Business Deposit Card

- 4.1 Please refer to HSBC General Terms and Conditions section B8, pages 30-32 for Business Deposit Card Terms and Conditions.

5. Bearer Shares

- 5.1 If the Customer or a shareholder (whether direct or indirect, legal or beneficial) of the Customer is a company incorporated in a country that permits issuance of bearer shares, the Customer confirms and warrants that neither it nor such shareholder has issued any bearer shares and further undertakes that neither it nor such shareholder will issue or convert any of its shares or such shareholder's shares (as the case may be) to bearer form without the prior written consent of the Bank.

6. Collection and Use of Customer Information, Financial Crime Risk Management and Tax Compliance

6.1 Definitions

Capitalised terms used in these Terms shall have the following meanings, unless the context otherwise requires. Reference to the singular includes the plural (and vice versa).

“Authorities” means any judicial, administrative or regulatory body, any government, or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over any part of HSBC Group.

“Compliance Obligations” means obligations of any member of the HSBC Group to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to HSBC or a member of the HSBC Group (“Laws”), or international guidance and internal policies or procedures, (b) any [valid] demand from Authorities or reporting, regulatory trade reporting,

disclosure or other obligations under Laws, and (c) Laws requiring HSBC to verify the identity of our Customers.

"Connected Person" means a person or entity whose information (including Personal Data or Tax Information) is provided by, or on behalf of, the Customer to any member of the HSBC Group or otherwise received by any member of the HSBC Group in connection with the provision of the Services. In relation to the Customer, a Connected Person may include, but is not limited to, any guarantor [of the Customer], a director or officer of a company, partners or members of a partnership, any "substantial owner", "controlling person", or beneficial owner, trustee, settler or protector of a trust, account holder of a designated account, payee of a designated payment, representative, agent or nominee of the Customer, or any other persons or entities having a relationship to the Customer that is relevant to its banking relationship with the HSBC Group.

"controlling persons" [generally] means individuals who exercise control over an entity (for a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and any other individual who exercises ultimate effective control over the trust, and in the case of a legal entity other than a trust, such term means persons in equivalent or similar positions of control).

"Customer Information" means Personal Data, confidential information, and/or Tax Information of either the Customer or a Connected Person [(including accompanying statements, waivers and consents)].

"Financial Crime" means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any Laws or regulations relating to these matters.

"HSBC" or "Bank" means the Hongkong and Shanghai Banking Corporation Limited, a company incorporated in Hong Kong having its registered office at Corner Jalan Sultan/Jalan Pemancha, Bandar Seri Begawan, Brunei Darussalam BS8811

"HSBC Group" means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices, and "any member of the HSBC Group" has the same meaning.

"Loss" means any claim, charge, cost (including, but not limited to, any legal or other professional cost), damages, debt, expense, tax, liability, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment, however calculated or caused, and whether direct or indirect, consequential, punitive or incidental.

"Personal Data" means any data relating to an individual (and corporate entities, in those countries where data privacy law applies to corporates), from which the individual can be identified, including, without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status.

"Services" means, without limitation, (a) the opening, maintaining and closing of the Customer's bank accounts, (b) the provision of credit facilities and other banking products and services to the Customer (including, for example, securities dealing, investment advisory, broker, agency, custodian, clearing or technology procuring services), processing applications, ancillary credit

assessment and product eligibility assessment, and (c) the maintenance of HSBC's overall relationship with the Customer, including marketing or promoting financial services or related products to the Customer, market research, insurance, audit and administrative purposes.

“substantial owners” means any individuals entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly.

“Tax Authorities” means domestic or foreign tax, revenue, fiscal or monetary authorities.

"Tax Information" means any documentation or information (and accompanying statements, waivers and consents) relating, directly or indirectly, to the tax status of a Customer (regardless of whether that Customer is an individual or a business, non-profit or other corporate entity) and any owner, “controlling person”, “substantial owner” or beneficial owner of a Customer, that HSBC considers, acting reasonably, is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any Tax Authority. “Tax Information” includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).

“Tax Certification Forms” means any forms or other documentation as may be issued or required by a Tax Authority or by HSBC from time to time to confirm the tax status of an account holder or the Connected Person of an entity.

6.2 Collection

6.2.1 HSBC and other members of the HSBC Group may collect, use and share Customer Information (including relevant information about the Customer, the Customer's transactions, the Customer's use of HSBC's products and services, and the Customer's relationships with the HSBC Group. Customer Information may be requested from the Customer (or a person acting on the Customer's behalf), or may also be collected by or on behalf of HSBC, or members of the HSBC Group, from other sources (including from publically available information), generated or combined with other information available to HSBC or any member of the HSBC Group.

6.3 Processing

6.3.1 HSBC and/or members of the HSBC Group will process, transfer and disclose Customer Information in connection with the following Purposes: (a) providing Services and for any transactions requested or authorised by the Customer, (b) meeting Compliance Obligations, (c) conducting Financial Crime Risk Management Activity, (d) collecting any amounts due from the Customer, (e) conducting credit checks and obtaining or providing credit references, (f) enforcing or defending HSBC's, or a member of the HSBC Group's, rights, (g) for internal operational requirements of HSBC or the HSBC Group (including, without limitation, credit and risk management, system or product development and planning, insurance, audit and administrative purposes), (h) maintaining HSBC's overall relationship with the Customer (including marketing or promoting financial services or related products to the Customer and market research) (the “Purposes”).

6.4 Sharing

6.4.1

By using the Services, the Customer agrees that HSBC may (as necessary and appropriate for the Purposes) transfer and disclose any Customer Information to the following recipients (who may also process, transfer and disclose such Customer Information for the Purposes):

- a) any member of the HSBC Group;
- b) any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);
- c) in response to any requests from any Authorities;
- d) anyone acting on behalf of the Customer, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the Customer has an interest in securities (where such securities are held by HSBC for the Customer);
- e) any party acquiring an interest in or assuming risk in or in connection with the Services;
- f) other financial institutions, credit reference agencies or credit bureaus, for obtaining or providing credit references;
- g) in connection with any HSBC business transfer, disposal, merger or acquisition;
- h) provision of 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 without Personal Data concerning the Customer in the Bank's possession,
- i) promoting, improving and furthering the provision of other services by the Bank and any member of the HSBC Group to the Customer generally,
- j) fraud or crime prevention, audit and debt collection and in order that services may be processed for the Bank,
- k) investigating, reporting, preventing or otherwise in relation to money laundering, terrorist financing and criminal activities generally,
- l) 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,
- m) 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 ("the Purposes").

wherever located, including in jurisdictions which do not have data protection laws that provide the same level of protection as the jurisdiction in which the Services are supplied.

6.5 Customer Obligations

6.5.1

The Customer agrees to inform HSBC promptly, and in any event, within

thirty (30) calendar days in writing if there are any changes to Customer Information supplied to HSBC or a member of the HSBC Group from time to time, and to respond to any request from, HSBC, or a member of the HSBC Group.

6.5.2 The Customer confirms that every Connected Person/person whose information (including Personal Data or Tax Information) they have provided to HSBC or a member of the HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms. The Customer shall advise Connected Persons/such persons that they may have rights of access to, and correction of, their Personal Data.

6.5.3 Where:

6.5.3.1 a Customer fails to provide Customer Information that HSBC reasonably requests, or

6.5.3.2 a Customer withholds or withdraws any consents which HSBC may need to process, transfer or disclose Customer Information for the Purposes, or

6.5.3.3 HSBC or a member of the HSBC Group has suspicions regarding the possible commission of Financial Crime or a Customer presents a potential Financial Crime risk to a member of the HSBC Group,

HSBC may:

a) be unable to provide new, or continue to provide all or part of the, Services to the Customer [and reserves the right to terminate its business relationship with the Customer];

b) take actions necessary for HSBC or a member of the HSBC Group to meet the Compliance Obligations; and/or

c) block, transfer or close Customer account(s).

In addition, the failure of a Customer to supply their, or their Connected Person's, Tax Information and accompanying statements, waivers and consents, may result in HSBC making its own decision with respect to the Customer's status, including whether to report such Customer to a Tax Authority, and may require HSBC or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to any Tax Authority.

6.6 Data Protection

6.6.1 Whether it is processed in a home jurisdiction or overseas, in accordance with data protection legislation, Customer Information will be protected by a strict code of secrecy and security which all members of the HSBC Group, their staff and third parties are subject to.

6.6.2 Under relevant data protection legislation, an individual has the right to request copies of certain categories of Personal Data which may be held and to request that any errors in such data are corrected.

6.7 Financial Crime Risk Management Activity

6.7.1 HSBC, and members of the HSBC Group, are required, and may take any action they consider appropriate [in their sole and absolute discretion], to meet Compliance Obligations in connection with the detection, investigation and prevention of Financial Crime (“Financial Crime Risk Management Activity”).

Such action may include, but is not limited to:

(a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by the Customer, or on its behalf,

(b) investigating the source of or intended recipient of funds

(c) combining Customer Information with other related information in the possession of the HSBC Group, and/or

(d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming a Customer’s identity and status.

6.7.2 To the extent permissible by law, neither HSBC nor any other member of HSBC Group shall be liable to the Customer or any third party in respect of any Loss whether incurred by the Customer or a third party in connection with the delaying, blocking or refusing of any payment or the provision of all or part of the Services or otherwise as a result of Financial Crime Risk Management Activity.

6.8 Tax Compliance

6.8.1 The Customer and each Connected Person acting in their capacity as a Connected Person (and not in their personal capacity) acknowledges they are solely responsible for understanding and complying with their tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group. Certain countries may have tax legislation with extra-territorial effect regardless of the Customer’s or Connected Person’s place of domicile, residence, citizenship or incorporation. HSBC and/or any member of the HSBC Group does not provide tax advice. The Customer is advised to seek independent legal and/or tax advice. HSBC and/or any member of the HSBC Group has no responsibility in respect of a Customer’s tax obligations in any jurisdiction which they may arise including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Services provided by HSBC and/or members of the HSBC Group.

7. Miscellaneous

7.1 In the event of any conflict or inconsistency between the Terms set out in Clause 5 and those in any other service, product, business relationship, account or agreement between the Customer and HSBC, the said Terms shall prevail. Any consents, authorisations, HSBC requested waivers and permissions that already exist from the Customer in relation to Customer Information shall continue to apply in full force and effect, to the extent permissible by applicable the laws of Brunei Darussalam.

7.2 If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.

8. Survival Upon Termination

8.1 The Terms set out in Clause 5 and 6 above shall continue to apply notwithstanding their termination, any termination by HSBC or a member of the HSBC Group of the provision of any Services to the Customer or the closure of any Customer account.