



# The Hongkong and Shanghai Banking Corporation Limited, Offshore Banking Unit Labuan ("HSBC")

## Specific Terms & Conditions

(September 2020 Edition)

### **EFFECTIVE DATE:**

[18 SEPTEMBER 2020] for all new customers of HSBC

[22 OCTOBER 2020] for all existing customers of HSBC as of [6 September 2020]

These Specific Terms & Conditions:

- are applicable to Commercial Banking accounts opened with, and certain services provided by, HSBC;
- form part of the Services Schedule of the Master Services Agreement under the Generic Terms and Conditions;
- shall be read together with Generic Terms and Conditions.

Both Specific Terms & Conditions and Generic Terms and Conditions are available on HSBC's website at [www.hsbc.com.my/1/2/offshore](http://www.hsbc.com.my/1/2/offshore).

Terms and Conditions for other products and services can be found on HSBC's website or will be made available upon request. Please contact your Relationship Manager for more details.

Please take time to read and understand these terms and conditions as they are binding on you. You may reach out to your Relationship Manager if you need any clarification.

Thank you for banking with HSBC.



## 1. Inward Remittances

- a. The Bank reserves the right:
  - (i) to debit the Customer's account with the same amount credited earlier, when the relevant draft, instrument, payment order or instruction is subsequently returned unpaid or cannot be presented or cleared due to loss or destruction or misplaced in the process of presenting or, if the amount was wrongly credited in the first place, and the Bank shall not be liable for any loss suffered by the Customer;
  - (ii) to amend under advice, the pay-in-slip due to errors, wrong addition, missing items or third party account payee drafts collected in error;
  - (iii) to stop any inward remittance in favour of the Customer if the originator's information received by the Bank is incomplete or if the originator does not furnish the Bank with the purpose of the remittance, and the Bank shall not be liable to the Customer for the delay or rejection of the inward remittance.
- b. The Customer agrees:
  - (i) that the Bank shall not be liable to the Customer for any loss, error, omission or delay by the correspondent, clearing or intermediary bank which may take place during the transfer or transmission of inward remittances into the Customer's account unless caused by the Bank's negligence or default; and
  - (ii) that the Bank can only credit the funds into the Customer's account upon receipt of the same from the correspondent, clearing or intermediary bank.

## 2. Outward Remittances

- a. The Customer acknowledges that:
  - (i) all applications for outward remittances (e.g. telegraphic transfers) are subject to the Bank's daily cut-off times;
  - (ii) applications for same day value are also subject to cut-off times based on the geographical location of the recipient;
  - (iii) applications for outward remittances received after the relevant cut-off time will only be processed on the next banking day; and
  - (iv) for remittances dependent on other institutions, the Bank will process the application according to the Bank's daily cut-off times and forward the same to the other institution for their processing and the Bank shall not be liable to the Customer for any delay and/or error in processing on the part of the other institution.
- b. The Customer agrees that:



- (i) the application for telegraphic transfers will be carried out by the Bank in the same currency in which the Customer pays the Bank, unless otherwise instructed by the Customer in writing;
  - (ii) if the Bank is unable to give a firm quotation for the rate of exchange for whatever reasons, the Bank shall carry out the remittance based on a provisional rate and when the actual rate is known, any difference between the provisional rate and the actual rate shall be debited or credited to the Customer's account; and
  - (iii) all charges for remittances are to be debited to the Customer's account.
- c. The Bank has the discretion to send the telegraphic transfer literally or in cipher. The Customer acknowledges that telegraphic transfers are sent at the Customer's sole risk.
- d. The Bank reserves the right to draw the telegraphic transfer on a different place from that specified by the Customer if the Bank's operational circumstances require it.
- e. The Customer must ensure that the recipient bank and beneficiary details are accurate and complete in the application form.
- f. The Customer agrees that the Bank shall not be liable to the Customer:
  - (i) for any delay or rejection by the receiving or intermediary party which may take place during the transfer, transmission and/or application of funds;
  - (ii) for any delay or rejection of telegraphic transfers (arising from inaccurate or incomplete payment details provided by the Customer), for any error, omission or mutilation which may take place during the transmission of the message (literally or in cipher) or for any misinterpretation by the receiving or intermediary party when received; or
  - (iii) for losses arising from any of the above.

### **3. Carrying Out Payment / Remittance Instructions**

- a. The Bank reserves the right to carry out the Customer's payment or remittance instructions by any method the Bank may reasonably see fit in spite of any specific instruction from the Customer, in the case where the instruction given by the Customer is unclear or for such other reasons which the Bank will notify the Customer.
- b. The Customer acknowledges that any request for cancellation of a payment or remittance instruction must be made in writing, and the Bank has the discretion whether or not to cancel the same in the case where such cancellation request is not given by the time required by the Bank or it is unclear or for such other reason as the Bank may notify the Customer. Any cancellation will be subject to the Bank's right to debit the Customer's account for all charges and foreign exchange losses (if any) arising from such cancellation.



- c. If the Customer's payment or remittance instructions need to be carried out via a payment or clearing system operated by a third party, the Customer agrees that the Bank may use any correspondent, agent, sub-agent, agency or any other financial institution (collectively, "**Intermediary**"), and the Customer consents to the Bank disclosing all necessary information to the Intermediary. The Customer acknowledges that such payment or remittance less any applicable charges, shall be credited to the beneficiary's account based solely on the account number given by the Customer.
- d. The Customer agrees that the Bank or the relevant Intermediary shall not be liable for any failure, delay, error, omission, interruption or misinterpretation or any other outcome due to the payment or remittance instructions being sent or received through whatever channels of communication where it is not caused by the negligence or default of the Bank or the relevant Intermediary.
- e. The Customer consents to the Bank disclosing the Customer's name and account number in the transaction details sent to the recipient financial institution and/or the payee.

#### 4. **Carrying Out Standing / Periodic Instructions**

- a. The Customer agrees to notify the Bank in writing or via channels made available by the Bank, of any changes or amendments to the:
  - (i) payment amount or payment limit;
  - (ii) method of payment; and/or
  - (iii) periodicity of payment;for standing or periodic payment instructions and subject to the Bank's right to determine the order of priority of payment from the funds of the Customer, the Customer acknowledges that such changes or amendments shall take effect 1 week after the Bank's receipt of such notice.
- b. The Customer agrees that the Bank may terminate the standing or periodic payment instructions with regard to future payments at any time (i) by written notice to the Customer, or (ii) after the receipt of written confirmation from the payee named in the standing or periodic payment instructions that no further payment is required.
- c. The Customer acknowledges that the standing or periodic payment instructions will be carried out provided there are sufficient funds in the Customer's account and the Bank shall not be liable to the Customer for any missed payment due to insufficient funds.
- d. If the standing or periodic payment instructions are given for a payment limit, the Customer acknowledges that the Bank does not have any responsibility to verify the correctness of the amount charged by the payee, and any dispute over the amount is to be settled by the Customer directly with the payee.