

General Information

We, at HSBC, believe in building and strengthening strong relationships with our customers by adding significant value through our product suite, range of services and global presence.

HSBC Account rules and Terms and Conditions

To be able to continually deliver on our commitments, we regularly conduct strategic reviews of all of our business operations and accounts. As part of the outcome of these reviews, we would like to inform you of some amendments in the HSBC Account Rules and Terms & Conditions, provided below for your ready reference. These changes had been communicated to you separately as and when became effective.

The revised Account Rules and Terms & conditions are available on our website at http://www.hsbc.co.in/1/PA_ES_Content_Mgmt/content/website/pdf/business/bbacrules.pdf

Amendments – Effective from October 01, 2014

1. General clause 26 - Amendment

The Bank and other members of the HSBC Group are required to and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ("Financial Crime Risk Management Activity") and act in accordance with the laws, regulations and requests of public and regulatory authorities operating in various jurisdictions which relate to Financial Crime. The Bank may take, and may instruct (or be instructed by) any other member of the HSBC Group to take, any action which it or such other member, in its sole and absolute discretion, considers appropriate to take in accordance with all such laws, regulations and requests.

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 you, or on your 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 your identity and status (e) share information on a confidential basis with such HSBC Group offices whether located in India or overseas in relation to prevention of Financial Crime.

Exceptionally, our Financial Crime Risk Management Activity may lead to us delaying, blocking or refusing the making or clearing of any payment, the processing of your instructions or application for Services or the provision of all or part of the Services. To the extent permissible by law, neither we nor any other member of HSBC Group shall be liable to you or any third party in respect of any loss (whether direct or consequential and including, without limitation, loss of profit or interest, however it arose) that was suffered or incurred by you or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

In certain circumstances, the action which the Bank may take may prevent or cause a delay in the processing of certain information. Therefore, neither the Bank nor any member of the HSBC Group warrants that any information on the Bank's systems relating to any payment messages or other information and communications which are the subject of any action taken pursuant to this clause is accurate, current or up-to-date at the time it is accessed, whilst such action is being taken.

For the purpose of the present clause:

"Compliance Obligations" means obligations of the HSBC Group to comply with: (a) laws or international guidance and internal policies or procedures, (b) any demand or request from authorities or reporting, disclosure or other obligations under laws, and (c) laws requiring us to verify the identity of our customers.

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

2. Tax Representation - Addition

Non Individual Accounts: Customer [and each Connected Persons] is responsible for fulfilling its own obligations with respect to the filing of returns or other required documentation in respect of reporting and payment of all relevant taxes, including, without limitation, all income, capital gains, wealth and estate taxes. The creation and continued operation of the account and/or the acquisition, holding or disposal of investments or assets in such account, as well as any income, distributions or losses realized in relation to the operation of the account may expose you [or any Connected Person] to tax consequences depending on a number of factors including, but not limited to, applicable domicile, place of residence, citizenship, place of incorporation or the type of assets held in the account. Certain countries may have tax legislation with extra-territorial effect regardless of place of domicile, residence, citizenship or incorporation. The Bank does not provide any legal or tax advice and you [and each Connected Person] should seek legal and/or tax advice from an independent legal and/or tax adviser. You acknowledge and agree that the Bank has no liability in respect of any of your tax obligations [or those of any Connected Persons] and/or any legal and/or tax advice provided to you by third parties.

3. Bearer Shares - Addition

If the account holder or a shareholder (whether direct, or indirect, legal or beneficial) of the account holder is a company incorporated in a country that permits issuance of bearer shares or bearer share warrants, the account holder confirms and warrants that neither it nor such shareholder has issued any bearer shares or bearer share warrants, and further undertakes that the account holder or such shareholder will notify the Bank if it issues or converts any of its shares to bearer form.

4. Know Your Customer/Due Diligence requirement - Addition

In line with the requirements of the Bank's policy, the Know Your Customer (KYC) documents along with other documentation need to be submitted at the time of opening a new account or as and when requested by the Bank. The Bank reserves a right to allow/restrict operations in a newly opened/existing accounts maintained with the Bank, if the customer is not able to satisfy the due diligence requirements in line with the Bank's policy.

5. General clause 3 - Amendment

The Bank reserves a right to close/block the account or restrict operations in a newly opened/existing accounts maintained with the Bank, if the account deliverables/welcome letter/welcome pack/bank correspondences not limited to Account statements, etc., are returned undelivered and Bank is unable to contact the Accountholder at the address/contact number provided by them at the time of account opening/updated in Bank records.

6. Transaction in the Account - Addition

The Bank reserves a right to close/block the account or restrict operations in the account maintained with the Bank, where no transactions (either debit or credit) have been made by an accountholder or by a third party in the accountholder's account for a period of 12 months and above.

Amendments – Effective from 19th October 2015

Interest Payment for Term Deposit/Fixed Deposit Accounts - Amendment

The interest paid will be lower by the Penal Rate of 1% than the rate prevailing on the date of placement of the deposit for the period for which the deposit remained with the Bank or the contractual rate, whichever is lower.