



Account Rules

The key to complete banking





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Current Account

Opening an Account

Current Accounts can be opened by Sole Proprietorship concerns, HUFs, Partnership firms, Limited Liability Partnership firms, Private/Public Limited companies, One Person Company (as per the provisions of Companies Act, 2013) Associations, Clubs, Societies, Trusts or other institutions or entities as permitted by the Bank (Hereinafter referred to as "Accountholder"), upon being introduced in a manner satisfactory to the Bank and subject to the account opening formalities and policies of HSBC (which may be revised from time to time). The Accountholder in case of Sole Proprietorship or Partnership firm can also authorise any person to operate an account on behalf of the Sole Proprietorship or Partnership firm either by providing a mandate or a Power of Attorney (POA). The opening of Current Accounts or Overdraft (OD) Accounts is also subject to the provisions contained in the Reserve Bank of India (RBI) circular "Opening of Current Accounts by Banks - Need for Discipline" dated 6 August 2020 and other related circulars/ notifications. The Accountholder undertakes to inform the Bank immediately in case of material changes in total exposure or where new cash credit (CC) / overdraft facilities are sanctioned from the banking system.

In case of Companies/Trust/Association of Persons/LLP/ One Person Company or other body corporate by the mode of resolution 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. In addition to the same, the Bank is required by law to obtain Permanent Account Number (PAN), Corporate Identification Number (CIN) or alternatively a declaration in Form No. 60 or 61 as specified under the Income Tax Act, 1961/Rules. The Bank will intimate the prospective Accountholder about the requirement of documents at the time of account opening. The complete list of documents as applicable to the respective type of Accountholders is also available on the Bank's website www.hsbc.co.in for ready reference.

1. **Customer Number:** The Bank allocates a unique Customer ID number to each Accountholder and the Accountholder is requested to quote this Customer ID number for every additional account opened with any branch of the Bank.
2. **Account Proposition:** The Bank may from time to time designate one or more Account Proposition(s) with different features, which may include enhanced services, preferential terms, and/or special promotions on other accounts. The Bank may allocate (but without any obligation to do so) an Account Proposition to an Accountholder holding an account at the request of the Accountholder. Where the Bank allocates an Account Proposition to an Accountholder at the time of opening the account with the Bank or subsequently, the Bank may at any time and from time to time vary or entirely withdraw the Account Proposition, either at the request of the Accountholder or at the Bank's sole discretion. The allocation or withdrawal of an Account Proposition to or from an Accountholder or the variation of an Account Proposition so allocated, will be made by reference to pre-designated criteria, subject always to the final decision of the Bank.
 - 2.1 The features which may be made available, and the fees and charges which may be imposed, by the Bank in relation to the account may vary by reference to the Account Proposition and, within the same Account Proposition, may vary by reference to whether the Accountholder continues to satisfy the prevailing criteria for that Account Proposition. The Bank is also entitled to vary the features within each Account Proposition at any time and from time to time.
 - 2.2 Each Account Proposition may have a set of criteria and/or conditions that the Accountholder has to fulfil so as to maintain in that Account Proposition and/or to enjoy the features in that Account Proposition.

Each feature may also have certain terms and conditions governing the Accountholder's use and enjoyment of that feature. Without prejudice to sub clauses 1 and 2 herein, following an allocation or variation of an Account Proposition, it shall be the Accountholder's sole responsibility to ensure that all the prevailing criteria for maintaining that Account Proposition and/or the terms and conditions for enjoying the features in that Account Proposition are fully satisfied and/or observed. The fulfilment of all prevailing criteria in respect of an Account Proposition, or the failure to do so, by an Accountholder, however, will not in any way affect or prejudice the Bank.

- 2.3 Whether the Bank exercises its discretion to allocate, vary or withdraw an Account Proposition, it will notify the Accountholder of the same using such means as it shall deem reasonable. All the features that the Accountholder enjoys will automatically be granted, terminated or otherwise adjusted upon the Accountholder being so notified and the Bank is not obliged to provide any further notice in connection herewith.
- 2.4 The Accountholder agrees that, it will abide by the Bank's decision on any allocation or withdrawal of an Account Proposition to or from an Accountholder or any variation of the Account Proposition so allocated and it will not hold the Bank liable or responsible for any loss incurred by or inconvenience to an Accountholder as a result of any allocation or withdrawal of an Account Proposition to or from an Accountholder or any variation of the Account Proposition so allocated and this shall include, without limitation, any loss incurred by or inconvenience to an Accountholder as a result of any granting, termination or adjustment of any features in connection therewith.

- 2.5 The Bank may in its sole discretion choose to notify the Accountholder by any one or more of the following modes or manner:
- E-mail at the registered email ID of the Accountholder
 - Ordinary post
 - Registered post
 - Any recognized courier service
 - Publishing at the official public website of the Bank
- 2.6 The withdrawal of an Account Proposition shall not in itself affect the use or operation of the Account(s) unless the Bank shall specify otherwise.
- 2.7 As per the Regulatory requirement, it is mandatory to provide the PAN/Form 60 by all the applicants during opening of a bank account. In case the Form 60 mentions reason as 'applied for PAN', then the applicant to provide a copy of PAN Card within (30) days of making such an application to the Income Tax Authorities.

Withdrawals

Cash withdrawals should only be made on the printed cheque forms supplied by the Bank or through Automated Teller Machines (ATMs). The Bank reserves the right to apply a Service Charge based on the number of transactions made during the month as per the Tariff guide (which may be revised from time to time). The account should not be overdrawn nor should cheques be drawn against funds in course of realisation unless special arrangements have been made with the Bank.

Interest

Deposits in the current account do not attract any interest. Overdraft is permitted, which is at the sole discretion of the Bank. The Accountholder will repay to the Bank on demand and unconditionally the amounts of overdrafts which the Bank may grant from time to time in the account, together with interest accrued thereon.

For overdrawn accounts, interest is charged at prevailing interest rates on daily outstanding. In the absence of any special arrangement, the Bank is not required to honour any cheques drawn by the Accountholder if in doing so the account would become overdrawn and in this circumstance the Bank reserves the right to debit the account with the charge for each returned cheque.

Deposits

The initial minimum deposit to open an account is as per our Tariff guide (which may be revised from time to time).

Average minimum balance as per our current Tariff guide should always be maintained, failing which a Service Charge will be levied.

Cheques, dividend warrants and other instruments in the name of the Accountholder will be collected but those in favour of payees other than the Accountholder will not be accepted for collection.

Closure/block/termination of Accounts

1. The Bank reserves the right to terminate/close any Account without assigning any reason for the same.
2. The Bank reserves the right to suspend / terminate / close any Account or all or part of the services provided in relation to any Account by giving a notice of 30 (thirty) days to the Accountholder on account of any of the following (except that no notice need be given in the cases described in paragraphs (g) and (h) below):
 - a) where, in the opinion of the Bank, there has been unsatisfactory conduct in the Account in terms of volume, type of transactions, etc., including, but not limited to, no transactions (either debit or credit) being made in the Account by the Accountholder or a third party for at least 6 months and no balance is maintained in the Account;
 - b) breach by the Accountholder of any provision of the Terms and Conditions;

- c) any information furnished by the Accountholder at the time of Account opening is found to be false/incorrect;
 - d) a petition in bankruptcy, winding up or commencement of any other proceedings against the Accountholder;
 - e) failure by the Accountholders to submit requisite documents to the Bank, as may be required for fulfilment of KYC or other due diligence formalities
 - f) the Account deliverables/welcome letter/welcome pack etc., of a newly opened Account or other Bank correspondences not limited to account statements, etc., are returned undelivered and the Bank is unable to contact the Accountholder at the address/contact number provided by them at the time of account opening/updated in the Bank records;
 - g) the Form 60 submitted by Accountholder at the time of Account opening mentions 'applied for PAN', and a copy of PAN card is not furnished by the Accountholder within thirty (30) days of making such an application to the Income Tax Authorities;
 - h) any other event / occurrence (including any applicable laws/regulations) which, in the opinion of the Bank, renders suspension or termination of any services or any Account, necessary or advisable,
3. An Accountholder may request for closure of the Account:
- by submission of a Board Resolution authorizing the same, in case of Companies;
 - by submission of a mandate/request signed by all the partners, in case of Partnership Firms/LLPs
 - by submission of a request signed by the Sole Proprietor, in case of Sole Proprietorship concerns

4. Where an Account has been closed either by a request from the Accountholder or at the discretion of the Bank, the Accountholder shall return to the Bank all ATM/Debit Cards, unused cheque leaves, etc., to the Bank. The Banks shall have the right to:
 - cancel any future transaction instruction that the Bank had received from the Accountholder, but have not executed at the time of suspension or termination/closure;
 - not honor any cheque issued by Accountholder from the Account prior to the date of closure of the Account either by the Bank or the Accountholder;
 - complete any transaction that the Bank have initiated / effected on behalf of the Accountholder before suspension or termination/closure;
 - exercise any of the Bank's rights under set – off, if need be. and the Bank shall not be liable on account of the above.
5. A charge as per our current Tariff guide (which may be revised from time to time) will be recovered from the Accountholder who closes an account before the expiry of the specified number of months from the date of opening the account.

Term/Fixed Deposits (Fixed Rate Deposit Accounts and Overnight Mumbai Inter Bank Offer Rate (MIBOR) linked deposits)

The Bank accepts both fixed rate deposits and MIBOR linked floating rate deposits for fixed periods. Details about various periods, current rates of interest and minimum deposit amounts are available at our website <http://www.hsbc.co.in>

1. MIBOR linked deposits are booked with the benchmark linked to a floating rate (i.e.) overnight MIBOR. The interest rate would be reset daily given the benchmark is overnight MIBOR.
2. The rate of interest payable is also subject to the directive that may be issued by the Reserve Bank of India from time to time.
3. In case of cumulative Fixed Deposits, the interest is compounded quarterly at the prescribed rate and is paid to the Accountholder along with the principal at the end of the term.

Withdrawal and renewal of Term Deposits:

- A. At the request of the Accountholder, the Bank may, at its discretion, allow a premature withdrawal of the Term Deposit before the due date subject to the following:
 - 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.
 - No interest will be payable in case of withdrawal of the Term Deposit prior to the minimum deposit tenure offered by the Bank.
- B. All placement, renewals and withdrawals of Term Deposits are accepted subject to the business days and hours set by the Bank from time to time.
- C. Any instructions regarding disposal of funds at maturity and any amendments thereto must be given at least one business day prior to the date of maturity by such means as may be acceptable to the Bank.

- D. Where automatic renewal instructions are given for Term Deposits, the rate applied will be the rate prevailing at such time on the due date as the Bank at its sole discretion decides.
 - E. If no maturity disposal instructions are received by the due date, the Term Deposits will be renewed automatically on maturity for the same duration as the maturing Term Deposit. In case of cumulative Term Deposits, the accumulated interest will be added to the principal and renewed along with the principal, subject to extant regulations in this regard.
4. Rupee Term deposits held in Domestic Accounts - In case of cumulative deposits, interest is compounded quarterly and the basis of interest calculation is 28-31/365. For term deposit(s) with tenor less than three months or where the terminal quarter (last quarter from deposit start date) is incomplete, interest is calculated proportionately for the actual number of days reckoning the year at 365 days (365 days for leap years). In case of non-cumulative deposits, interest is paid out quarterly.
 5. The sole/first deposit holder will be usually regarded as the beneficiary owner of the Fixed Deposit and considered as the payee for the purposes of income tax deduction at source (TDS) from the interest on such deposit.
 6. TDS, when due and applicable will be deducted in accordance with the provisions of the Income Tax Act, 1961 and the rules thereunder as in force. In the case of 'resident' payee, TDS at appropriate rates will be deducted where the aggregate of the interest on such deposit(s) credited, during a financial year exceeds the maximum amount prescribed by the Income Tax Act, 1961. Such TDS shall be recovered from saving/current/demand deposit account(s).

In cases where the deposit holder holds only Fixed Deposits and no Demand Deposit account with HSBC or has not designated an account from where the TDS amount is to be deducted, the Bank would recover TDS amounts from the maturity proceeds or from the encashment proceeds (in case of premature encashment) of the deposit. The Bank reserves the right to recover TDS from interest accrued on Term Deposits and not wait till maturity for recovery of TDS, if the Accountholder does not nominate a current/ savings account.

7. Interest on overdue domestic deposits

If a Term Deposit matures and proceeds are unpaid owing to the account being overdue/unclaimed, the amount left unclaimed with the Bank shall attract rate of interest as applicable to prevalent savings deposits.

8. As per the section 206AA of the Income Tax Act 1961, it is mandatory for payers to withhold tax at higher rates if Permanent Account Number (PAN) is not updated or incorrect. This provision is applicable even if the Accountholder submits Form 15G/15H. The Accountholder needs to furnish the PAN to avail the benefit available under Form 15G/15H. Please refer to the FAQ section on our website www.hsbc.co.in for further details.

9. Unless explicitly mentioned by the customer, bank will assume that either the customer has not availed ECB/ the subject deposit placement is not from the proceeds of an ECB availed by the customer.



Cheque Books

1. An application for a cheque book on a current account must be made on the Bank's requisition slip, duly signed by the Accountholder. All cheque books issued by the Bank should be kept in a secure place at all times. For the application to be processed, the signature of the Account Holder/Authorized Signatory needs to match with the Bank records.
2. The Bank reserves the right to refuse issue of further cheque books on accounts which are not maintained satisfactorily and also when an excessive number of cheques issued by the Accountholder are returned unpaid due to insufficient funds. If the Accountholder has sufficient number of unused cheque leaves from the previous cheque book, in such case also the Bank reserves the right to refuse issuance of further cheque books.
3. The Accountholders are required to refer to the conditions, subject to which cheque books are currently issued as printed on the inside of the back cover of the cheque book.
4. No alterations are allowed on a cheque under the image based Cheque Truncation System (CTS).
5. The cheque will be returned unpaid if the drawer's signature differs from that on record at the Bank. The same style and mode of signature as per specimen given to the Bank must be adhered to.
6. Cheque books will either be available to the Accountholders at our counters or delivered directly to the Accountholder at his registered address.
7. A charge as per our current Tariff may be recovered for issuance of cheque books/leaves.
8. Accountholders cannot print cheque books or other payment instruments without written approval from the Bank.



Cheque Deposit Boxes (CDBs)

In this section, 'item' or 'items' include cheques, warrants, payment warrants, and all other payment instruments as defined under Negotiable Instruments Act.

1. The items deposited in any CDB will be sent by the Bank for clearing within the period as indicated on the box but not later than 2 business days.
2. The Bank has appointed a service provider for collecting the items from the CDBs. The service provider shall collect the items from the CDBs and handover the same to the Bank. The Bank will be responsible for the items upon receipt of the same from the service provider.
3. The Bank will not be held responsible for any loss and/or damage to items dropped in the CDBs if these boxes are damaged, opened or tampered with by unauthorised persons, or if any items or the boxes are damaged as a result of force majeure, including without limitation, any act of God, strikes, lockouts, closures, riots, civil commotion, law, rule, regulation, embargo, moratorium, exchange restriction, unforeseen declaration of a public holiday, or any other cause of the nature beyond the reasonable control of the Bank.
4. The CDBs shall not be used for dropping cash and/or post-dated cheques. The Bank will not be responsible for deposit of such post-dated cheques and/or cash deposits.



Banking Hours

Banking hours are subject to change by the Bank from time to time. All transactions, including transactions such as deposits, withdrawals, transfers, instrument purchases sought on any working day after the cut-off time that may be specified by the Bank from time to time, up to which such transactions can be effected by the Bank, shall be processed on the following business day irrespective of the banking hours of the branch.

All such cut-off times may, at the sole discretion of the Bank, be altered or specified in any statement of account or in any other communication or posted on the Bank's website. The Bank shall not be responsible for any losses including loss of interest, or for any liability incurred/suffered by the Accountholder due to stipulation of such cut-off times.

General

1. The Hongkong and Shanghai Banking Corporation Limited's principal place of business is the Hong Kong SAR and its India corporate office is situated at 52/60, M.G Road, Mumbai.
2. For any large withdrawals, advance notice should be given at the relevant branch of the Bank.
3. Stop cheque instructions should be given at the branch of account rather than at other branches.
4. The Bank reserves the right not to disclose account information to the Accountholder over the telephone.
5. Current accounts which have not been operated for a period of two years and over will be classified as 'unclaimed'. The account can be reactivated upon a request received in this regard from an authorised person of the customer and successful completion of the necessary documentation required as per the Bank policies to reactivate the account. Further, necessary maintenance transactions would be carried out by the Bank in terms of its systems requirements to reactivate the account.
6. As per RBI guidelines, if a current account is not operated for a period of 10 years and more, banks shall transfer funds for such accounts to the Depositor Education and Awareness Fund (DEAF).
7. As per RBI guidelines, banks shall crystallise, i.e convert the credit balances in any inoperative foreign currency account into INR at the prevailing exchange rate. This is applicable for accounts (Exchange Earner Foreign Currency [EEFC] and Special FCY) that have remained inoperative for a period of greater than 3 years. The depositor shall be entitled to claim either the INR proceeds or the foreign currency equivalent (calculated at the rate prevalent as on the date of payment) of the INR proceeds of the credit balances converted.

The actual foreign currency equivalent of the credit balances proceeds as claimed on such crystallised credit balances as on date of payment can be either more or less than what would have been payable had the credit balances continued to be held in foreign currency. This is mainly due to the fluctuations in exchange rates as applicable on the relevant dates.

8. Succession to the amount lying to the credit of the account and/or operation thereof on the death of the person authorised to operate upon the account shall be in accordance with the rules for the purpose prescribed by the Bank from time to time and effective at the date of the claim.
9. Nomination facility is available for all Sole Proprietor concern as per the nomination rules framed under the relevant rules and regulations. The Accountholder is advised to make use of this facility in his/her own interest.
10. 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 realised 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. The Accountholder acknowledges and agrees that the Bank has no liability in respect of any of the Accountholder's tax obligations (or those of any Connected Persons) and/or any legal and/or tax advice provided to the Accountholder by third parties.

11. The Accountholder hereby authorizes the Bank to share the deposit advise (s) and account statements over electronic email on the designated email id's shared (updated from time to time) with the bank in this regard. Accountholders will have to raise a specific request if they wish to opt for paper statements and / or advices.
12. Upon receipt of each statement of account and in any event no more than 30 (thirty) days from the period mentioned above, the Accountholder agrees to immediately notify the Bank in writing of any errors, omissions, irregularities, including any fraudulent or unauthorised transactions or any other objections the Accountholder has to that statement of account. If the Accountholder fails to notify the Bank within 30 (thirty) days, the statement of account and all entries therein, will be conclusive evidence of the correctness of the contents and binding upon the Accountholder and/or any person claiming under or through such Accountholder without the requirement for any further proof and the Bank will be released from all liability for any transaction (including all charges, damages and losses of any kind whatsoever, taxes, levies, fines, fees or penalties suffered and/or incurred) occurring up to the date of the most recent statement of account except for transactions the Accountholder gave notice of in accordance with this section.
13. Duplicate statements of past transactions are issued against payment of charges as per the Bank's current Tariff as applicable at the time of request.
14. Accounts which are under attachment order or other legal notice prohibiting operation of the accounts from an authority having powers to attach/stop operations in the account has been received will be ruled off and no further operation will be allowed till such time as the prohibition order is removed.

15. Accountholder transactions will be entertained during normal banking hours as may be in force from time to time.
16. The Accountholder should notify the Bank of any change in address due to relocation or any other reason within two weeks of such a change.
17. The Bank may without notice combine or consolidate account(s) with and liabilities/dues as payable by the Accountholder to the Bank and set-off or transfer any sum(s) standing to the credit of such account(s) or any other sum(s) owing to the Accountholder from the Bank in or towards satisfaction of the Accountholder's liabilities to the Bank on any other respect whether such liabilities be actual or contingent, primary or collateral and several or joint.
18. The Bank will also have the right to set-off the Service Charges, charges for non-maintenance of Average Quarterly Balance or any wrong credit(s) or any other charges and/or interest payable for any Services availed of by the Accountholder pursuant to these terms by debiting the account, without requirement of providing further notice or seeking additional consent/authorisation. In case the balance in the account becomes overdrawn as a result of such set-off, the Bank will be entitled to charge interest at such rates as the Bank may deem fit, for the period for which the account remains overdrawn at any time during the maintenance of the account. In case of any shortfall in the account or in the event of closure of the account, the Accountholder shall be liable to pay the amount outstanding on account of charges/interest or otherwise to the Bank, forthwith, without demur or protest.

The Accountholder agrees and confirms that in the event any of the services in connection with the account are or become liable to tax under the applicable laws and regulations, the Accountholder shall bear all the taxes or duties (by whatever name called) in connection with such services and the Bank is hereby authorised to deduct any such amount from the account, without requirement of providing further notice or seeking additional consent/authorisation.

In the event of occurrence of any of the above events, the Accountholder shall receive balance amounts, net off all deductions made as per the terms and conditions hereof.

19. The Bank shall debit the Accountholder's account with charges for various banking services availed by them as per the applicable Tariff. In case the Accountholder's account does not have sufficient funds to collect the charges, the Bank reserves the right to debit the Accountholder's account at a later date as and when funds are available without prior intimation to the Accountholder.
20. The Bank will recover Goods and Service Tax (GST) and other Government levies (as applicable) over and above the service charges as mentioned in Tariff. The Bank reserves the right to debit the Accountholder's savings/current account for the value of any Foreign Currency Cheque(s) (Along with applicable GST if any) sent through us for collection and collected by us as a direct collection item to the drawee bank, because of the cheque(s) being returned unpaid (for any reasons whatsoever) by the drawee bank at a due later than the Bank passing the credit to the Accountholder's account.
21. USD denominated cheques payable at foreign centres where the Bank has correspondent banking arrangements (either with HSBC Group entities operating in such countries or other banks) will be collected through such arrangements.

USD denominated cheques drawn on foreign banks at centres where the Bank or its correspondent do not have a direct presence will be sent direct to drawee bank with instructions to credit the proceeds to the respective Nostro account of the Bank maintained with one of the correspondent bank. The credit for all USD denominated cheques will be on realisation/clear funds basis. The Bank reserves the right to debit the Accountholder's account for the value of any USD denominated cheque(s) sent through the Bank for collection, in the event of the cheque(s) being returned unpaid (for any reasons whatsoever) by the drawee bank at a later date (up to 6 years) after crediting the Accountholder's account. On the date of return, the debit should happen as per rates applicable on the date of debit. Exchange loss if any will have to be borne by the client. FEX gain, if any on account of differential rates, needs to be reversed from the Accountholder's account.

22. Payment instructions authentication: All payment instructions above a threshold amount (to be communicated by the Bank from time to time) received through unsecured modes like original hard copy request letter or facsimile shall be validated by the Bank with one of the designated personnel through telephone. In case either of the designated personnel is not reachable (in spite of two attempts) or the transaction details as given in the payment instructions could not be authenticated, the requests shall be rejected by the Bank.
 - a. Payment instructions for same day processing requiring callback authentication should be sent within the cut-off time as intimated by the Bank from time to time.
 - b. Any change in the list of designated personnel should be informed to the Bank immediately as per the laid down process.

23. For certain services such as Investment Services, Sale of Insurance Products, Loans, etc., the Bank may have other terms and conditions which will be as specified upon the Accountholder opting for such services and such terms and conditions shall be in addition to and not in derogation to these terms and conditions. In the event of any conflict between these terms and conditions and those provided with the specified services, the terms and conditions of the specified services shall prevail. In addition to the applicable terms and conditions, all services are governed by the guidelines of the RBI or any other Authority governing such services or industry standards as well as banking practices prevalent in India.
24. The Bank reserves the right to amend the current Tariff guide after giving the Accountholders a notice of at least 30 days by any one or more mode as specified herein above and as deemed fit by the Bank in its sole discretion.
25. 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 Accountholder 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.

26. The Bank remains entitled to assign any activities to any third party agency at its sole discretion.
27. All deposits placed with the Bank in India are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain terms and conditions.

The insurance covers all deposits such as savings, fixed, current, recurring etc. except the following type of deposits:

- i. Deposits of foreign Governments
- ii. Deposits of Central/State Governments
- iii. Inter-bank deposits
- iv. Deposits of the State Land Development Banks with the State Co-operative Bank
- v. Any amount due on account of and deposit received outside India
- vi. Any amount, which has been specifically exempted by the corporation with the previous approval of Reserve Bank of India

Each depositor is insured up to a maximum of ₹500,000 (Rupees five lakh only) for both principal and interest amount held by the depositor in the same right and same capacity as on the date of liquidation/cancellation of bank's licence or the date on which the scheme of amalgamation/merger/reconstruction comes into force.

28. The Bank has the authority to place hold and debit any accounts to recover any amount credited by the Bank erroneously in the account(s) of the Accountholder.
29. The Accountholder shall not create or permit to subsist, any encumbrance or third party interest over or against any account(s) with the Bank or any monies lying therein without the Bank's prior written consent.
30. The Accountholder(s) shall not associate their name(s) with the Bank without the prior written approval of the Bank.
31. The Bank shall have the paramount right to lien, irrespective of any other lien or charge, present as well as future on the deposits of any kind and nature (including fixed deposits) held/balances lying in any accounts of the Accountholder, and on any monies held by/under the control of the Bank to the extent of all outstanding dues.
32. The Accountholder hereby agrees that he/it shall at his/its own expense, indemnify, defend and hold harmless the Bank from and against any and all liability, any other loss that may occur arising from or relating to the operation or use of the account or the features or breach, non-performance or inadequate performance by the Accountholder of any of these terms or the acts, errors, representations, misrepresentations, misconduct or negligence of the Accountholder in performance of its obligations.
33. As per the Bank's 'customer call back policy', for all transactions above the specified thresholds mentioned, whether domestic or cross-border transaction, the Bank staff shall call the Accountholder's designated personnel (as per contact details provided by the Accountholder's authorised signatories) through telephone to validate the transaction details. In case either the designated personnel are not reachable in spite of two attempts or the transaction details could not be authenticated, the request(s) may either be rejected by the Bank or processed on a best effort basis solely at the Bank's discretion without any liability to the Bank, to ensure fraud prevention and better security of your account.

The Bank may revise the mentioned threshold limit from time to time and notify the same to the Accountholder. Upon such notification, the Accountholder shall be deemed to have agreed to such revised threshold limits for the callback process. This is applicable for all current accounts opened for business purpose.

34. If the Accountholder or a shareholder (whether direct, or indirect, legal or beneficial) of the Accountholder is a company incorporated in a country that permits issuance of bearer shares or bearer share warrants, the Accountholder confirms and warrants that neither it nor such shareholder has issued any bearer shares or bearer share warrants, and further undertakes that the Accountholder or such shareholder will notify the Bank if it issues or converts any of its shares to bearer form.
35. 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.
36. Information about HSBC's Terms of Dealing for Global Markets across FX, Metals, Fixed Income and Equities including electronic copies and future updates can be found here:
<https://www.gbm.hsbc.com/solutions/markets/terms-of-dealing>



Cheques Payable at Par

1. The cheques will be issued by the Bank at all HSBC branches located in India.
2. This facility will be available four business days after receipt of specimen signature(s) of the Accountholder's authorised signatory(ies) by the Bank.
3. Adequate sets of specimen signature(s) as required by the Bank will be provided by the Accountholder.
4. Any changes in the authorised signatory(ies) of the Accountholder will be intimated to the Bank without any loss of time. Any changes including revoking of authority would be effective only after three business days from the date of receipt of the change request to the Bank. The change will only be implemented if the request letter is provided as per the mandate agreed with the Bank. The Bank will not be liable, if a cheque signed by an authorised official of the Accountholder whose authority has been revoked is paid by the Bank and/or if a cheque signed by a new authorised signatory is not honoured by the Bank during this period.
5. Any countermanding instructions such as stop payment instruction will be effective from the next working day after receipt of the same by the Bank. The Bank will not be liable if any cheques are paid before these instructions have been made effective.
6. A charge may be levied as per the Bank's current Tariff.

Terms & Conditions for Digital Signature

The Account Opening Form can also be executed by person so authorised to sign, seal and execute the Account Opening as per the Board Resolution / mandate ('Authorised Personnel') by affixing his/ her valid digital signature in lieu of wet ink signatures. In case the Account Opening Form is digitally signed, the following conditions shall also be applicable:

1. The term 'digital signature' should be as per the definition of Information Technology Act, 2000 ('Act') and the the Accountholder confirms to comply with any requirements for usage of digital signature specified under the Act.
2. The digital signature provided by the Authorised Personnel shall be from a valid certifying authority ('CA') duly authorised by the Ministry of Corporate Affairs, Government of India, to issue such digital signatures and shall be valid as on the date of execution of the Account Opening Form or any other form as prescribed by the Bank.
3. The Authorised Personnel should ensure that the Accountholder's has done appropriate due diligence in the form and manner they deem appropriate (including but not limited to checking the form and image quality of the specimen signature) while affixing the scanned images of the signatures (of the authorised signatories selected to be held in the Bank's record) on the signature card.
4. The Bank has the right to use the scanned images of the specimen signatures (on the signature card) as material and correct information for validating any instruments or instructions (duly supported by a Board Resolution) on behalf of the Accountholder.
5. The Accountholder will not hold HSBC liable in any manner whatsoever for any claims, dues, charges, damages, costs or losses caused or that arises as a result of affixation of scanned images of the specimen signatures on the signature card.
6. The Authorised Personnel should ensure that there are no discrepancies on the details contained in the Account Opening Form before digitally signing the Account Opening Form.

7. The digital signature provided by the Authorised Personnel is treated as his/her consent on behalf of the Account holder for all the terms and conditions and other details as contained in the Account Opening Form.

HSBC Mobile Alerts

Please refer to the terms and conditions available on our website:

<https://www.business.hsbc.co.in/en-gb/ways-to-bank/mobile-alerts>

Cluster deposit

The Fixed Deposit(s), to be created under this scheme, will be prepaid to honour any cheques drawn or instructions given, in writing or electronically, on Current or Savings Account after utilising the credit balance or approved overdraft limit, as per balance threshold parameter set by the Accountholder. Also if the aggregate within any single Fixed Deposit Advice falls below certain threshold as prescribed by the Bank from time to time, then the related Fixed Deposit(s) will automatically be prepaid or the facility discontinued or both, without any specific instructions or intimation to the depositor.

As an Accountholder with HSBC, it benefits from a wide number of services, each designed to make it easier to operate it's accounts. With a range of transactions and many special features to enjoy, the Accountholder will find banking with HSBC a pleasant experience. Please read on to learn more about how you can maximise the advantages of holding an account with HSBC. Various account products and propositions/features offered by HSBC are referred here having specific terms and conditions (as detailed on our website www.hsbc.co.in.) These terms and conditions shall be in addition and subject to any other terms as stipulated by HSBC from time to time.

Applicability of terms:

The Account Rules as set out above, together with the account opening form, account charges and any other conditions applicable to each account products and propositions/features either implied by law or as stipulated specifically by the Bank shall govern the operation of the account and other related services offered by HSBC to the Accountholder. By applying for opening the account, the Accountholder acknowledges that he/she/it has read, understood and accepted these terms and conditions.

Issued by The Hongkong and Shanghai Banking Corporation Limited, India.
Incorporated in Hong Kong SAR with limited liability.

Corporate Office Address: The Hongkong and Shanghai Banking Corporation
of India, 52/60, Mahatma Gandhi Road, Fort, Mumbai-400 001.