



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 Man Company (as per the provisions of Companies Act, 2013) Associations, Clubs, Societies, Trusts or other institutions or entities as permitted by the Bank, 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 the form of Sole Proprietorship can also authorise any person to operate an account on behalf of the sole proprietary concern either by providing a mandate or a Power of Attorney (POA). In case of Partnership Firm by providing a Mandate or a Power of Attorney.

In case of Companies/Trust/Association of Persons/LLP/ One Man Company 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 due diligence requirements, the Bank is required by law to obtain Permanent Account Number (PAN) or alternatively a declaration in Form No. 60 or 61 as specified under the Income Tax Act, 1961/Rules. The Bank will intimate the 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 your 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, 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 clauses 1 and 2 above, 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 unless the Bank shall at its sole discretion decide otherwise and the Bank is not obliged to provide any further notice in connection herewith.

- 2.4 The Bank cannot be and shall not be held 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 withdrawal of an Account Proposition shall not in itself affect the use or operation of the Account(s) unless the Bank shall specify otherwise.
- 2.6 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, failing which the Bank reserves the right to reject the account opening/block/close the relationship without any further notice.

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. The Bank reserves the right to close at any time any account in which the minimum balance is not maintained without further notification to the Accountholder.

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 of Accounts

1. When an account is closed either by the Accountholder or by the Bank, the Accountholder is required to return the Business Debit Card and all the unused cheque leaves to the Bank.
2. 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.
3. A Board Resolution is to be submitted for the closure of a Company/Trust/Society/Association account.

However, if the Board Resolution submitted by the Company/Trust/Society/Association Account have already delegated the powers to the Authorised Signatory/Authorised Official to communicate to the Bank with respect to closure of account, there need not be a separate Resolution.

4. The Bank reserves the right to close/freeze the account without notice in the event of repeated cheque returns instances in the account (both deposited and issued by the Accountholder) or in case fraudulent/forged/fake cheques/bank drafts or any such instruments are attempted to be cleared/cleared through the account or on account of unsatisfactory conduct of the account in terms of volume/type of transactions, nonmaintenance of Average Quarterly Balances, etc. or non-intimation of change in communication address leading to Accountholder's whereabouts being unknown or any other breach or default by the Accountholder of these terms or any other terms and conditions relating to the account and/or any features provided to, or availed of by the Accountholder.
5. All Partners to sign for closure of a Partnership account.
6. The Bank reserves the right to close any account without notice, if Accountholder does not regularise debit balance in the account within 60 days from the date the account goes into debit balance.

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 on 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. The Fixed Deposits will be renewed automatically on maturity unless any specific instruction is received from the Accountholder.
4. 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 shall allow a premature withdrawal of the Term Deposit before the due date subject to the following:
 - i. 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.
 - ii. 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 on the due date at such time 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.
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. 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.

8. 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.
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 issue of further cheque books.
3. The attention of Accountholders is particularly drawn 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 (other than for date validation purposes, if required) 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 at our counters or delivered directly to the Accountholder.
7. A charge as per our current Tariff may be recovered for issuance of cheque books/leaves.
8. A charge as per our current Tariff will be recovered for recording stop payments.
9. 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 whatsoever.

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 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.
2. The Bank reserves to itself the right to close any account without assigning any reason.
3. 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.
4. For large withdrawals advance, notice should be given at the branch.
5. Stop cheque instructions should be given at the branch of account rather than at other branches.
6. The Bank reserves the right not to disclose account information to the Accountholder over the telephone.
7. Current accounts which have not been operated for a period of two years and over will be classified as 'unclaimed'. Accountholder will have to call in person with suitable identification to reactivate the accounts/close the account if it is not required.
8. As per RBI guidelines, if these current accounts are 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).
9. 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.

10. 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.
11. Nomination facility is available for all Sole Proprietor concern as per the nomination rules framed under the relevant act. The Accountholder is advised to make use of this facility in his/her own interest.
12. 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. 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.

13. Statements for Accountholders are available in two forms – Electronic and Paper. For Accountholders availing HSBC*net* service, while the electronic statements will be available, a specific request will need to be raised for receiving paper statements. For Non HSBC*net* customers, paper statements will continue to be delivered at a monthly frequency. In case of paper statements, the Accountholder is deemed to have received each statement of account for the preceding month, on actual receipt of the statement of account. If the paper statement of account is undelivered on two consecutive occasions then the Bank will not send any further statements to the Accountholder unless the correct address is updated.
14. 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.
15. Duplicate statements of past transactions are issued against payment of charges as per our current Tariff.
16. 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.

17. Accountholder transactions will be entertained during normal banking hours as may be in force from time to time.
18. Accountholder should notify the Bank of any change in address due to relocation or any other reason within two weeks of such a change.
19. The Bank may without notice combine or consolidate account(s) with and liabilities 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.
20. 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.

21. The Bank debits Accountholder's account with charges for various banking services availed by them as per the applicable Tariff. In case the Accountholders account does not have sufficient funds to collect the charges, the Bank reserves the right to debit the Accountholders account at a later date as and when funds are available without prior intimation to the Accountholder.
22. 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 your 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 us passing the credit to your account.
23. USD denominated cheque collection

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. HSBC reserves the right to debit the Accountholders account for the value of any USD denominated cheque(s) sent through HSBC 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 Accountholders 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 client account.

24. 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.
25. 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.
26. The Bank reserves the right to amend the current Tariff guide after giving the Accountholders a notice of at least 30 days.
27. 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.

28. The Bank remains entitled to assign any activities to any third party agency at its sole discretion.
29. Insurance Cover for Deposits

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 ₹100,000 (Rupees one 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.

30. The Bank has the authority to debit any accounts to recover any amount credited by the Bank erroneously.
31. 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.
32. The Accountholder(s) shall not associate their name(s) with the Bank without the prior written approval of the Bank.
33. 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.
34. 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, nonperformance 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.
35. As per the Bank's 'customer callback policy', for all transactions above the specified thresholds mentioned, whether domestic or cross-border transaction, the Bank staff shall call the Customer's designated personnel (as per contact details provided by the Customer'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 or 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 Client.

Upon such notification, Client 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.

36. 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.
37. 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.
38. 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 the Accountholder or no credits have been made into the account by a third party for a period of 12 months and above.
39. As per a Gazette notification issued by the Government of India dated 1 June 2017 and subsequent amendment, it is mandatory that Person(s) associated with Company accounts (i.e. Authorised Signatories and Ultimate Beneficial Owner) submit their Aadhaar number* and Permanent Account Number (PAN) before 31 March 2018.

Once we receive your Aadhaar details, we will verify your details through the Aadhaar database held with Unique Identification Authority of India (UIDAI) through any of the modes of authentication as per the rules and regulations in relation to such authentication or such other authority as may be regulated from time to time for authentication through any of the modes of authentication for the above requirement.

*As per the Aadhaar Act, 2016, only a resident individual is entitled to obtain Aadhaar. Resident as per the said Act means an individual who has resided in India for a period or periods amounting in all to one hundred and eighty-two days or more in the twelve months immediately preceding the date of application for enrolment.



Cheques Payable at Par

1. The cheques will be payable at all HSBC branches located in India.
2. The 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 Company 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 Company 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 our current Tariff.



HSBC Business Doorstep Banking

1. HSBC Business Doorstep Banking is provided through bank appointed agents who are not employees of the Bank.
2. The facilities available under the HSBC Business Doorstep Banking service are the delivery and pick-up of cash, cheques and drafts, and other negotiable instruments.
3. Only cash or cheque pick-up instructions can be relayed by telephone. Deliveries of cash, cheques and drafts will only be undertaken after receipt of a faxed instruction.
4. The HSBC Business Doorstep Banking service will be effected only at the address recorded with the Bank.
5. The Tariff for HSBC Business Doorstep Banking is subject to change from time to time at the discretion of the Bank, after giving a minimum of 30-days notice to the Accountholders.
 - a. Charges related to HSBC Doorstep Banking services will be recovered from your current account as specified in the billing advice sent to you prior to debiting the charges to your account.
 - b. In case of any discrepancy in the charges, you are requested to contact the Bank within 30 days from the date of charges being debited to your account.
 - c. If the Accountholder has signed up for regular pick-up, then Accountholder will be charged for all working days in a month irrespective of the Accountholder availing of the service only on certain days.
6. The Charges related to the for Payments and Cash Management (PCM) services availed by the customer shall be as per the respective PCM client proposals/documentation agreed with the customer from time to time.
7. The amount of cash that can be picked up or delivered will be subject to prevailing minimum and maximum limits as set by the Bank, from time to time. The agent will accept a maximum of 100 loose notes at the Accountholders premise. Additional notes may be accepted only on exceptional basis as approved by the Bank.

8. The Bank reserves the right to refuse applications for or discontinue the use of HSBC Business Doorstep Banking with respect to any one or more than one facility or to any Accountholder, at anytime without assigning any reason.
9. The list of cities in which this service is offered may be enhanced/revised from time to time and is subject to change at the discretion of the Bank.
10. The Bank will use its best efforts to process all requests received up to a 'cut-off time' on any day (excluding Saturdays, Sundays and Holidays). Requests received after the cut-off time will be processed on the following working day. The Bank reserves the right to change this schedule from time to time and between cities without prior notice.
11. In case of request for delivery service, your account will be debited if there is sufficient balance in your account to cover the transaction. Thereafter cash/pay orders/drafts will be despatched to you through an agent. Upon receiving a request, the Bank shall exercise reasonable care and due diligence but will not be responsible or liable if such requests made to the Bank are not genuine and/or not made by the Accountholder/a person authorised by the Accountholder to manage the account. However if the Bank has any doubts regarding such requests, the Bank will not be obliged to process such requests and shall not be liable for any consequences thereof.
12. If you or your representative is not available or your office is closed when the agent visits your office for a pick-up or delivery, then the agent is not obliged to wait longer than ten minutes. Please note that in such cases the reversal of any transaction debited to your account will be done any time subsequent to such visit but in any event before the end of the following working day. Accountholders are requested to provide an acknowledgement in the format as provided by the Bank even in cases where the agent/messenger visits the Accountholder premise but there is no pick-up done due to unavailability of cash/instrument for pick-up or any other issue as may arise. Such pick-up requests shall also be charged as per the Bank's Tariff guide.

13. The Bank reserves the right to confiscate any counterfeit currency note and follow the process as specified by the RBI from time to time. In case credit is already given to the Accountholder for such currency notes then the same shall be reversed. The determination whether the notes are counterfeit may be made by the agent or the Bank (as and when the same are received by the Bank) and such determination shall be final and binding.
14. Any shortfall/excess of cash will be adjusted before crediting your account. In case the excess/shortfall is identified at a later date (not later than 2 business days after transaction date), then the amount will be credited or debited to your account at that time. In case of shortage, the bundle of notes will be returned to you by an agent without breaking the seal, if any, for your scrutiny. Any shortfall/excess of cash will be adjusted before crediting your account. In case of shortage, the bundle of notes will be returned to you by the agent without breaking the seal, if any, for your scrutiny.
15. Drafts/cheques in favour of third parties will not be accepted for collection/credit. The cheques that are to be picked up should be accompanied by pay-in slips properly completed with all details. In case of any discrepancy, the Bank will not be obliged to process the same.
16. The Bank will not be liable for any misuse of your company seal or security code card booklet given to you.
17. In case of a cash service, you will have to provide the agent a secure place to process the cash.
18. The Bank reserves the right to change the operating procedures with respect to this project and any of the terms and conditions of the facility at its discretion without assigning any reason.
19. HSBC Business Doorstep Banking service is provided as a convenience by the Bank to its Accountholders only and the Bank shall not be responsible or liable for any harm, loss, consequential loss suffered and/or incurred by the Accountholder due to availing the HSBC Business Doorstep Banking service including but not limited to delay and/or non-availability of any of the facilities thereof for whatever reasons.

20. Accountholders are requested to satisfy themselves about the identity of the agent/messenger before accepting/providing cash/cheque/documents/drafts, etc. to/from the agent.



HSBC Business PhoneBanking

For details on the terms and conditions for HSBC Business PhoneBanking, please refer to the service guide and terms and conditions available on our website:

<http://www.hsbc.co.in/1/2/business/self-servicebanking/phone-banking>

HSBC Business Debit Card

For details on the terms and conditions for HSBC Business Debit Card, please refer to the user guide and terms and conditions available on our website:

<https://www.hsbc.co.in/1/2/business/business-current-accounts/business-debit-card>

HSBC Mobile Alerts

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

<https://www.hsbc.co.in/1/2/business/selfservicebanking/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, you benefit from a wide number of services, each designed to make it easier to operate your accounts. With a range of transactions and many special features to enjoy, you 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 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.

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