



# Account Rules

The key to complete banking



**HSBC**  
Global Banking  
and Markets



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# Current Account

## Opening an Account

1. Current accounts can be opened by Sole Proprietorship concerns, HUFs, Partnership firms, Limited Liability Partnership, Private/Public Limited companies, Associations, Clubs, Societies, Trusts or other institutions or entities as permitted by the Bank, upon being introduced in a manner satisfactory to the Bank (hereinafter referred to as the 'Accountholder') and subject to the account opening formalities and policies of HSBC (which may be revised from time to time). The Accountholder can also authorise a person to operate an account on his/her/their behalf either by providing a mandate or resolution or by issuing a Power of Attorney in this respect. 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. **Customer Number:** The Bank allocates a unique customer number to each Accountholder and the Accountholder is requested to quote this customer 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 Account Proposition is defined at each customer number level and existing as well as new account(s) opened under such customer number will have similar Account Proposition. Selection of new Account Proposition at the time of opening a new Account will change the Account Proposition for existing accounts also and the features, fees charges, minimum Average Quarterly Balance (AQB) requirement and terms and conditions applicable to new Account Proposition will henceforth apply to all accounts held under the same customer number.
- 2.2 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.
- 2.3 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.

- 2.4 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.

- 2.5 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.
- 2.6 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 e-mail ID of the Accountholder
  - E-mail at the registered e-mail ID of the account holder with MCA
  - Ordinary post
  - Registered post
  - Any recognised courier service

Publishing at the official public website of the Bank

- 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 [Thirty] 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.

2.8 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.

## **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 account do not attract any interest. 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. This should not be construed as an agreement; either expressed or implied that the Bank is bound to grant any overdraft facility whatsoever. 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 of Accounts**

1. When an account is closed either by the Accountholder or by the Bank, the Accountholder is required to return the ATM/Debit card and all the unused cheque leaves to the Bank.
2. The Bank shall not be liable for any cheque Bounces for the cheques issued by the Accountholder from such account, prior to the closure of the Account which are closed either by the Bank or at the Accountholders request.
3. 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.
4. A Board Resolution is to be submitted for the closure of a Company/Trust/Society/Association account.
5. 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, non-maintenance 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.
6. All Partners to sign for closure of a Partnership account.
7. The Bank reserves the right to close any account without notice, if Accountholder does not regularise debit balance in the account within sixty 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)

1. The Bank accepts 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>
2. The rate of interest payable is 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.
5. Withdrawal and renewal of Term Deposits:

- a. Term Deposit below ₹1 Crore

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. Term Deposit of ₹1 Crore or above

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:

- 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.
  - c. 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.
  - d. 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.
  - e. 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.
  - f. 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.
6. 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.

7. 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 current 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.
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](http://www.hsbc.co.in) for further details.
9. 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.
10. 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. If the proceeds are from an ECB availed, the customer declares that the total duration for which these funds have been placed in term deposits is less than one year or a timeframe as prescribed under India regulations from time to time.



## 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 it the signature of the Accountholder/Authorised 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 issue 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. All alterations on a cheque should be authenticated by the drawer's full signature; otherwise payment of the cheque will be refused.
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 will be recovered for recording stop payments.



## Cheque Deposit Boxes (CDBs)

In this section, 'item' or 'items' include cheques, warrants, payment warrants, and all other payment instruments as defined under the Negotiable Instruments Act, 1881 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 two 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 hand over 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, upto 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 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.
4. For large withdrawals advance notice should be given.
5. Stop cheque instructions should be issued by the persons authorised to operate the account.
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'. 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 HSBC policies to reactivate the account. Further, necessary maintenance transactions would be carried out by HSBC in terms of its systems requirements to reactivate the account.
8. Accountholders opting for/having HSBC Internet Banking will by default receive monthly account statement as e-statement that can be accessed only by logging into HSBC Internet Banking. Paper statements are not sent to HSBC Internet Banking Accountholders unless specifically requested for.

9. The Accountholder is deemed to have received each statement of account for the preceding month, either on actual receipt of the statement of account or ten days after the dispatch of the statement of account by the Bank, whichever is earlier.
10. 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 upto the date of the most recent statement of account except for transactions the Accountholder gave notice of in accordance with this section.
11. Duplicate statements of past transactions are issued against payment of charges as per our current Tariff.
12. Accounts upon which an attachment order or other legal notice prohibiting operation of the accounts has been received will be ruled off and no further operation will be allowed till such time as the prohibition order is removed.
13. Accountholder transactions will be entertained during normal banking hours as may be in force from time to time.
14. Accountholder should notify the Bank of any change in address due to relocation or any other reason within two weeks of such a change.

15. 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.
16. 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 of all deductions made as per the terms and conditions hereof.



17. The Bank debits Accountholder's account with charges for various banking services availed by them as per the applicable Tariff. In case the Accountholder account does not have sufficient funds to collect the charges, the Bank reserves the right to debit the Accountholder account at a later date as and when funds are available without prior intimation to the Accountholder.
18. The Bank will recover Goods and Services Tax 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) sent through us for collection and collected by us either under the Cash Letter Service or 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.
19. 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 Accountholder's 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 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 client account.

20. 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 call back 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.
21. 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 industry standards as well as banking practices prevalent in India.
22. The Bank reserves the right to amend the current Tariff guide after giving the Accountholders a notice of at least thirty days.
23. 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.

24. The Bank remains entitled to assign any activities to any third party agency at its sole discretion.
25. 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 the 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.

- 26. The Bank has the authority to place a hold and debit any accounts to recover any amount credited by the Bank erroneously in the account/s of the Accountholder.
- 27. 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.
- 28. The Accountholder's shall not associate their name(s) with the Bank without the prior written approval of the Bank.
- 29. 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.
- 30. 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.

31. 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 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 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 call back process. This is applicable for all current accounts opened for business purpose.
32. Individual Accounts: You are responsible for fulfilling any obligation that you may have with respect to the filing of returns or other required documentation in respect of and the payment of all relevant taxes, including, without limitation, all income, capital gains, wealth and estate duties, stamp duties, Service Tax, Value Added Tax and any other applicable taxes. The creation and continued operation of your 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 to tax consequences depending on a number of factors including, but not limited to, your applicable domicile, your place of residence, your citizenship or the type of assets you hold in your account. Certain countries may have tax legislation with extraterritorial effect regardless of your place of domicile, residence or citizenship. The Bank does not provide any legal or tax advice and you 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 and/or any legal and/or tax advice provided to you by third parties.

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.

33. 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.

34. 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.
35. The Bank reserves a right to close/block the account or restrict operations in the account maintained with the Bank, where no transactions (either debit or credit) have been made by an Accountholder or by a third party in the Accountholder's account for a period of 12 months and above.





## Cheques Payable at Par

1. The cheques issued by the Bank will be payable at all HSBC branches located in India which are specified on the reverse of the cheques.
2. The facility will be available three 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 days from the date of intimation of change to 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 three day 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.



## No Bounce Cheque Protection

1. The No Bounce Cheque Protection (NBCP) facility is an overdraft facility allowed against a Fixed Deposit on a current account upto a maximum aggregate debit balance as laid down in our current Tariff, under which the Bank shall honour cheques on the Accountholder's current account upto the value of the pledged Fixed Deposit, even when there is insufficient balance in that account.
2. The account on which NBCP facility is provided must be funded with the actual amount of outstanding together with the applicable interest within seven days after availing of the facility. The Bank reserves the right to withdraw the facility or close the account by liquidating linked Fixed Deposits to fund the outstanding balance, if the account is not regularised within thirty days.
3. The Bank would be free to change the terms and conditions of this facility including the rate of interest and other charges at its discretion. The Bank is also entitled to stop the facility without assigning any reason.

## **Cluster deposit**

The Fixed Deposit(s), to be created under this scheme, shall be in units of ₹0.01 each and they will be prepaid to honour any cheques drawn or instructions given, in writing or electronically, on current or savings account by the exact deficit amount required after utilising the credit balance or approved overdraft limit, as the case may be. However, if the aggregate within any single Fixed Deposit Advice falls below 100,000 units (or 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.

## **Applicability of terms**

The terms and conditions set out below, 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.

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

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