

# TERMS AND CONDITIONS FOR HSBC ONLINE BANKING SERVICES (PERSONAL INTERNET BANKING SERVICES)

## 1. Services

(a) The Hongkong and Shanghai Banking Corporation Limited (the '**Bank/ HSBC**' which expression shall, where the context allows or requires, include its successors and assigns) shall provide subject to these Terms and Conditions online services and facilities from time to time (the '**Services**') through any Online Channel established, operated and/or maintained by or on behalf of the Bank ('**Online Channel**') to enable customers (each a '**Customer**' which expression shall, where the context requires, include any personal representative or lawful successor of the Customer) to give instructions to and communicate with the Bank for the purposes of conducting banking, investment, financial and other transactions including but not limited to **Common Electronic Fund Transfer Switch (CEFTS) / Real Time Gross Settlement System (RTGS) / Sri Lanka Interbank Payment Systems (SLIPS/ Telegraphic Transfers (TTs)** and any other payment methods (hereinafter referred as "**Payment and Transfers**") and dealings of various nature and obtaining services, products, information, goods, benefits and privileges from the Bank and/or members of the HSBC Group ("**HSBC Group**" means HSBC Holdings plc, and/or any of, its affiliates, subsidiaries, associated entities and any of their branches and offices, and "**any member of the HSBC Group**" has the same meaning.)

(b) As part of the Services, the Bank may make available via any Online Channel financial, market or other information and data ('**Information**') supplied by any person (each an '**Information Provider**' which expression shall include any person who supplies any information to an Information Provider) and may provide reports compiled from Information in any form, medium or means ('**Reports**').

(c) The Bank has the right to determine and vary from time to time the scope and type of the Services to be made available including, without limitation: -

- I. expanding, modifying or reducing the Services at any time;
- II. imposing and varying any restrictions on the use of the Services such as minimum and maximum daily limits with respect to the value of any transaction or dealing or any type of transactions or dealings which the Customer may conduct by using the Services; and
- III. prescribing and changing the normal service hours during which the Services are available and any daily cut-off time for any type of Services or transactions. Any instruction of the Customer received by the Bank after any applicable daily cut-off time shall be deemed to be received on the next Business Day (Business Day means unless otherwise specified by us, a banking / working day and the normal banking/working hours in Sri Lanka. The Bank may specify the Business Day and daily cut-off time by reference to the time of various markets operating in different time-zones.

(d) The Bank may require the Customer to nominate or register specific account(s) for the purposes of the Services.

(e) The Customer may use the Services by using any mode such as web browser and/or mobile browser and/or mobile application and/or via digital/mobile devices.

## **2. Governing Terms and Conditions**

The Services provide an additional means for the Customer to operate accounts, conduct transactions and dealings and obtain services, products, information, goods, benefits and privileges from the Bank and/or other members of the HSBC Group as shall be made available from time to time. Transactions and dealings effected by using the Services are subject to these Terms and Conditions and the Bank's general Disclaimer and Internet Privacy Statement displayed on the website of the Bank at [www.hsbc.lk](http://www.hsbc.lk). All other terms and conditions governing the relevant accounts, transactions, dealings, services, products, information, goods, benefits or privileges shall continue to apply but where there is any discrepancy, these Terms and Conditions shall prevail for the purposes of the Services.

## **3. Use of the Services**

(a) To access the Services for the first time, the Customer is required to register online or in such other manner as the Bank may from time to time specify and indicate his acceptance of all the terms and conditions governing the use of the Services and provide such information as the Bank may reasonably specify for identifying him.

(b) By registering to use the Services, the Customer warrants that all information provided by the Customer to the Bank in relation to the Services is true, complete and up-to-date.

(c) The Services are for the sole and exclusive use by the Customer.

(d) The Customer shall not use or knowingly allow any other person to use the Services, the Information and/or the Reports for or in connection with any illegal purpose or activity. The Customer shall notify the Bank as soon as practicable if he/she becomes aware of such use.

(e) Any exchange rate, interest rate, dealing rate and other prices and information quoted by the Bank on the Online Channel(s) or otherwise in response to an online inquiry is for reference only and is not binding. Any rate, price and information offered by the Bank for the purpose of the relevant transaction shall be binding on the Customer upon the Customer confirming his acceptance irrespective of any different rate, price or information quoted by the Bank.

(f) The Customer acknowledges and agrees that there may be a time lag in transmission of instructions, full or partial omission or mutilation of information or communication via the Internet and that the Bank shall not be held responsible for such delay in any manner whatsoever.

#### **4. User ID and Password**

(a) The Customer shall follow the guidance provided by the Bank online in designating the user identification code (the '**User ID**') and the password (the '**Password**') for identifying the Customer for the purposes of the Services.

(b) The Customer may change the Password at any time but any change shall be effective only if is compatible and accepted by the Bank's Online Channel. The User ID cannot be changed by the Customer.

(c) The Bank may, in its sole discretion require a Customer to use a Security Code (a one-time password generated by the Security Device (Security Device means an electronic device used to generate the Security Code) or the Digital Secure Key activated on the HSBC Mobile Banking app on a compatible mobile device) to access the Services in the event of which it is the sole responsibility of the Customer to request the Bank for a Security Device or request a replacement if a Security Device has previously been issued but is subsequently lost or has failed to function as intended or activate a Digital Secure Key.

(d) The Customer shall act in good faith, exercise reasonable care and diligence in keeping the User ID, the Password, the Security Device or the mobile device which the Digital Secure Key is activated and the Security Code in secrecy. At no time and under no circumstances shall the Customer disclose the User ID, the Password and/or the Security Code to any other person or permit the Security Device or the mobile device which the Digital Secure Key is activated to come into the possession or control of any other person.

(e) The Customer shall be fully responsible for any accidental or unauthorised disclosure of the User ID, the Password and/or the Security Code to any other person and shall bear the risks of the User ID, the Password, the Security Device/the mobile device which the Digital Secure Key is activated or the Security Code being used by unauthorized persons or for unauthorized purposes.

(f) Upon notice or suspicion of the User ID and/or the Password being disclosed to any unauthorized person or any unauthorized use of the Services being made, the Customer shall notify the Bank in person as soon as practicable or by telephone at such telephone number(s) as the Bank may from time to time prescribe (and the Bank may ask the Customer to confirm in writing any details given) and, until the Bank's due receipt of such notification, the Customer shall remain responsible for any and all use of the Services by unauthorized persons or for unauthorized purposes.

## 5. Customer's Instructions

### 5.1 General

(a) The Customer is required to quote the User ID, the Password, the Security Code and any other identifiers as shall be prescribed by the Bank from time to time in order to log-on to the Services and give instructions to the Bank online. Instructions in connection with the Services shall not be considered to be received by the Bank unless they are given in such manner as the Bank may prescribe from time to time and until the Bank has duly received them.

(b) Any instruction given in connection with the Services by quoting the User ID, The Password, the Security Code and such other identifiers of the Customer as prescribed by the Bank, once given, may not be rescinded or withdrawn without the consent of the Bank or the relevant member of the HSBC Group. All such instructions given, as understood and acted on by the Bank or the relevant member of the HSBC Group in good faith, shall be irrevocable and binding on the Customer whether given by the Customer or by any other person purporting to be the Customer. The Bank and the relevant member of the HSBC Group shall be under no duty to verify the identity or authority of the person giving any such instruction or the authenticity of such instruction apart from verifying the User ID, the Password, the Security Code and such other identifiers (if any) of the Customer.

(c) The Bank shall only act on an instruction insofar as it is in the Bank's opinion practicable and reasonable to do so and in accordance with its regular business practices and procedures.

(d) Advice or confirmation that an instruction has been received and/or a transaction has been effected through the Services will be provided by the Bank online. Such advice or confirmation shall be deemed to have been received by the Customer immediately after transmission and it is the duty of the Customer to check such advice or confirmation. It is also the duty of the Customer to enquire with the Bank if the Customer does not receive an advice or confirmation within the time usually required for a similar advice or confirmation to be received.

(e) Information relating to any account or transaction made available on the Online Channel(s) are for reference only. The Bank's records of such account and transaction shall be conclusive unless and until the contrary is established.

### 5.2 Special Conditions related to Payments and Transfers

The Customer hereby agree and acknowledge;

5.1 (a) that all information provided including but not limited to CEFTS transactions shall be clear, complete and accurate as any incomplete or insufficient information given may result in the payment instruction being delayed, rejected or returned by the correspondent/ beneficiary bank and may be subject to charges of the correspondent/ beneficiary bank and/or HSBC , as the case may be . . HSBC shall not accept any responsibility for any loss or

damage suffered by the Customer and/or any person arising out of such rejection, return and /or delay. Any charges that may be imposed by the correspondent and/or beneficiary bank shall be deducted from the payment amount or any of the Customers accounts held with the Bank.

**5.2 (b)** that the beneficiary account details provided by the Customer will not be used or verified by the Bank when processing Payments and Transfers. The Customer irrevocably authorizes the Bank to effect Payments and Transfers and acknowledges that the Bank shall not accept any responsibility for any loss or damage arising out of effecting Payments and Transfers. .

**5.3 (c)** That the verification procedures adopted by the beneficiary banks to act on transmitted Payment and Transfers instruction/s may vary depending on the internal procedures of the beneficiary bank . The Bank shall not be liable to the Customer or any other party for any loss arising from or in connection with the failure of the correspondent or beneficiary bank to communicate or act on such Payment and Transfers instruction

5.4 (d) The Bank at its sole discretion shall reserve the right to decide the maximum daily transaction limits for Payments and Transfers including but not limited to CEFTS applicable for Customers and would reserve the right to change/ reverse the limits available. Such changes will be notified to Customers via short messaging service (SMS) to their registered mobile number held with the Bank and shall constitute as due notice to the Customer.

## **6. Fees**

The Bank reserves the right to charge fees in relation to the use and/or termination of the Services including, without limitation, to impose a charge for its provision of the Security Device or the Digital Secure Key and to revise such fees. The Bank shall determine and give reasonable notice to the Customer of the rate of any fee from time to time before they become effective which shall be binding on the Customer if the Customer continues to maintain or use the Services on or after the effective date. Fees shall be collected from the Customer in such manner and at such intervals as the Bank may specify.

## **7. Customer's Undertakings and Responsibilities**

(a) The Customer shall provide such information as the Bank may from time to time reasonably request for the purposes of providing the Services. The Customer shall also ensure that all information provided to the Bank is at all times accurate, complete and up-to-date including, without limitation, the Customer's address and other contact details

(b) The Customer authorizes the Bank to disclose and transfer information relating to the Customer, the Customer's account(s) and/or the transaction(s) executed by the Bank on the Customer's behalf to such person(s) as the Bank may be requested (whether or not compelled by law) to do so by any law, rules or regulations of any competent jurisdiction in which the Bank executes transaction(s) on the Customer's behalf or any exchange, government or regulatory authority in such jurisdiction.

(c) The Customer shall not, and shall not attempt to decompile, reverse-engineer, translate, convert, adapt, alter, modify, enhance, add to, delete or in any way tamper with, or gain access to, any part of the Services or any Online Channel or any software comprised in them.

(d) The Customer acknowledges that it is the responsibility of the Customer to determine independently market prices and rates for trading purposes through his/her usual trading channels, to verify any Information and/or Report before relying or acting on it and to seek independent professional advice on legal, tax and other issues in connection with the use of the Services, the Information and the Reports, these Terms and Conditions and any transactions and dealings which may affect the Customer under all applicable laws.

## **8. Information and Information Providers**

(a) The Customer acknowledges and agrees that the Information, the Reports and their form, format, mode or method of compilation, selection, configuration, presentation and expression (collectively '**Confidential Information**') are trade secrets and confidential and proprietary property of the Bank and the respective Information Providers.

(b) Unless expressly permitted by these Terms and Conditions, the Customer shall not, and shall not attempt to:-

- I. sell, transfer, disclose, assign, convey, lease, sub-license, share, loan, distribute, transmit, broadcast, cablecast, put in circulation, download, reproduce, duplicate or otherwise provide or disseminate any Confidential Information in any form or by any means to any other person or commercially exploit any Confidential Information;
- II. remove, obliterate, erase, relocate or modify in any way any proprietary marking on or appearing with the Confidential Information including, without limitation, any trademark or copyright notice; or
- III. incorporate or combine the Confidential Information with any other programmes.

(c) The restrictions on disclosure shall not apply to any Confidential Information:

- I. where its disclosure is compelled by law but only to the extent required by law and only after written notice of the requirement to disclose has been given by the Customer to the Bank; or
- II. where the Bank has expressly agreed in writing to its disclosure.

(d) The Customer agrees that all right, title and interest in and relating to the Confidential Information and any and all related copyright, patent, trademark, service mark, proprietary property, trade secrets and exclusive works are and shall remain the exclusive property of the Bank and the respective Information Providers. No right, title or interest other than the right to access the Information and the Reports subject to these Terms and Condition is conveyed or transferred to the Customer. The Customer shall not make any representation or do any act which may be taken to indicate that the Customer has any such right, title or interest.

(e) An Information Provider may impose from time to time terms and conditions in relation to the availability of any Information supplied by it. Access to such Information by the Customer on or after the effective date, subject to prior notification, of such terms and conditions shall constitute the Customer's acceptance thereof.

(f) The Information and the Reports are made available for reference only and are not intended for trading or other purposes. Neither the Bank nor any Information Provider shall be considered an investment adviser to the Customer.

(g) Neither the Bank nor any Information Provider warrants, represents or guarantees the sequence, accuracy, truth, reliability, adequacy, timeliness or completeness of any of the Information or the Reports or whether it is fit for any purpose. Nor does either of them assume any liability (whether in tort or contract or otherwise) for any reliance on the Information or the Reports by the Customer or any other person.

(h) The Information will be made available as it is supplied and identifying the Information Provider directly supplying it to the Bank. The Bank does not endorse or express any comment on any Information supplied by any Information Provider nor assume any duty to check or verify any Information.

(i) No warranty, representation or guarantee of any kind relating to the Information and/or the Reports is given or may be implied and no employee or agent of the Bank or any Information Provider is authorised to give any such warranty, representation or guarantee.

## **9. Liabilities of the Bank**

(a) The Bank will take reasonably practicable steps to ensure that its systems in connection with the Services are installed with adequate security designs and to control and manage the risks in operating the systems, taking into account any law, rules, regulations, guidelines, circulars, codes of conduct and prevailing market practices which may be applicable to the Bank from time to time.

(b) None of the Bank, any member of the HSBC Group or any Information Provider warrants or represents that the Services, the Information and the Reports are free from virus or other destructive features which may adversely affect the Customer's hardware, software or equipment.

(c) The Bank will make all reasonable efforts to ensure that the Security Device provided to or the Digital Secure Key is activated by the Customer will perform as necessary to permit access to the Services as and when required. The Customer must notify the Bank immediately if any Security Device or the Digital Secure Key fails to function correctly and the only obligations that the Bank has in respect of such Security Device is to replace the same with a new Security Device or assist to reactivate the Digital Secure Key at no cost to the Customer but only,

- I. upon the defective Security Device being returned to the Bank within 90 days of its date of issue (applicable only for the Security Device) and
- II. if the Bank is satisfied that there is no default or negligence on the part of the Customer which results in or contributes to the Security Device's or the Digital Secure Key's failure to function correctly.

(d) Other than as specified in this Clause 9(c), the Bank shall have no other liability in relation to this Security Device or the Digital Secure Key including, without limitation, liability for breach of any implied term as to satisfactory quality, merchantability or fitness for purpose of any Security Device or Digital Secure Key. In addition, the Bank cannot be held liable for any loss or damages incurred or suffered by the Customer arising from the Customer's failure to safe-keep and/or use the Security Device and the Digital Secure Key in accordance with the Bank's instructions and recommendations.

(e) Unless Clause 10(b) applies or due to the gross negligence or willful default of the Bank, any member of the HSBC Group or their respective officers or employees and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom or the amount of the relevant transaction (whichever is less), neither the Bank nor any member of the HSBC Group assumes any liability or responsibility to the Customer or any other person for the consequences arising from or in connection with :-

- I. use of the Services (including, without limitation, the use of the Security Device or the Digital Secure Key) and/or access to any information as a result of such use by the Customer or any other person whether or not authorised;
- II. any interruption, interception, suspension, delay, loss, unavailability, mutilation or other failure in providing the Services (including, without limitation, any interruption, interception, suspension, delay or failure to generate the Security Code using the Security Device or the Digital Secure Key), in transmitting instructions or information relating to the Services or in connecting with the Online Channel(s) caused by any acts, omissions or circumstances beyond the reasonable control of the Bank including, without limitation, failure of any communication network, act or omission of any third party service providers, mechanical failure, power failure, malfunction, breakdown, or inadequacy of equipment, installation or facilities, or any law, rules, regulations, codes, directions, regulatory guidelines or government order (whether or not having the force of law); and



III. transmission and/or storage of any information and/or data relating to the Customer, the Services and/or transactions or dealings conducted by the Customer pursuant to the Services through or in any system, equipment or instrument of any communication network provider.

(f) In no event shall the Bank, any member of the HSBC Group or any Information Provider be liable to the Customer or any other person for any incidental, indirect, special, consequential or exemplary damages including, without limitation, any loss of use, revenue, profits or savings.

## **10. Liabilities of the Customer**

(a) Unless Clause 10(b) applies, the Customer shall be fully liable and responsible for all consequences arising from or in connection with use of the Services (including, without limitation, the use of the Security Device or the Digital Secure Key) and/or access to any Information or Report or any other information as a result of such use by the Customer or any other person whether or not authorised.

(b) Subject to Clause 4(f) and if, in the reasonable opinion of the Bank, there is no negligence, fraud or fault on the part of the Customer, the Customer shall not be liable for loss or misplacement of funds caused by unauthorised transactions conducted through the use of the Services as a result of : -

- I. a computer crime which should have been prevented by the risks control and management measures had the Bank adopted such measures in accordance with Clause 9(a);
- II. a human or system error of the Bank; or
- III. a missed or mis-directed payment caused by the gross negligence or willful default of the Bank, its officers or employees.

(c) The Customer shall indemnify the Bank, any member of the HSBC Group, any Information Provider and their respective officers and employees against all liabilities, claims, demand, losses, damages, costs, charges and expenses of any kind (including, without limitation, legal fees on a full indemnity basis) which may be incurred by any of them and all actions or proceedings which may be brought by or against any of them in connection with the provision of the Services, the Information and/or the Reports or the exercise or preservation of the Bank's powers and rights under these Terms and Conditions, unless due to the gross negligence or willful default of the Bank, any member of the HSBC Group, any Information Provider or their respective officers or employees or unless Clause 10(b) applies.

## **11. Variation and Termination**

(a) The Bank may, at any time, without giving notice or reason suspend or terminate all or any of the Services or their use by the Customer.

(b) The Customer may terminate the use of the Services at any time by giving to the Bank prior written notice.

(c) All provisions of these Terms and Conditions which in order to give effect to their meaning need to survive the suspension or termination of the Services and/or the use of the Services by the Customer shall remain in full force and effect after suspension or termination including, without limitation, Clauses 3(b), 4, 7, 8, 9 and 10. Notwithstanding such suspension or termination, the Customer shall continue to be bound by these Terms and Conditions to the extent that they relate to any obligations or liabilities of the Customer which remain to be performed or discharged.

## **12. Amendments**

The Bank may revise these Terms and Conditions and/or introduce additional terms and conditions at any time and from time to time. Any revision and/or addition to these Terms and Conditions shall become effective subject to the Bank giving reasonable notice to the Customer which may be given by posting it on the Online Channel(s) or by display, advertisement or other means as the Bank thinks fit, and shall be binding on the Customer if the Customer continues to maintain or use the Services on or after the effective date of variation.

## **13. Communication**

(a) The Bank shall be entitled to prescribe, from time to time, the form of notice (whether written or any other form) and the mode of communication with respect to each type of notice to be given pursuant to these Terms and Conditions.

(b) Communications delivered personally, sent by post, facsimile transmission, telex or email shall be deemed to have been received by the Customer (where delivered personally) at the time of personal delivery or on leaving it at the address last notified in writing by the Customer to the Bank, (where sent by post) 48 hours after posting if such address is in Democratic Socialist Republic of Sri Lanka and seven days after posting if such address is outside the Democratic Socialist Republic of Sri Lanka or (where sent by facsimile transmission, telex or email) immediately after transmitting to the facsimile or telex number or email address last notified in writing by the Customer to the Bank. Communications sent by the Customer to the Bank shall be treated as delivered to the Bank on the day of actual receipt.

## **14. Severability**

Each of the provisions of these Terms and Conditions is severable and distinct from the others and, if at any time one or more of such provisions is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, the legality, validity or enforceability of the remaining provisions shall not be affected in any way.

## **15. Waiver**

No act, delay or omission by the Bank shall affect its rights, powers and remedies under these Terms and Conditions or any further or other exercise of such rights, powers or remedies. The rights and remedies under these Terms and Conditions are cumulative and not exclusive of the rights and remedies provided by law.

## **16. Miscellaneous**

(a) Where the account in question is a joint account, the reference in these Terms and Conditions to '**Customer**' shall be deemed to mean all and each of the joint account holders. All the Customers shall be bound by these Terms and Conditions and be jointly and severally liable for all the transactions and dealings effected by using the Services.

(b) Unless the context otherwise requires, '**person**' includes an individual, firm, company, corporation and an unincorporated body of persons.

## **17. Governing Law and Jurisdiction**

(a) The Services and these Terms and Conditions shall be governed by and construed in accordance with the laws of the Democratic Socialist Republic of Sri Lanka.

(b) Each of the Bank and the Customer submits to the non-exclusive jurisdiction of the Courts of the Democratic Socialist Republic of Sri Lanka but these Terms and Conditions may be enforced in the Courts of any competent jurisdiction.

## **18. Governing Version**

The English version of these Terms and Conditions shall prevail wherever there is a discrepancy between the English version and any other version. The Sinhala and Tamil translations of these terms and conditions are available on the website of the Bank at [www.hsbc.lk](http://www.hsbc.lk)

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